UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20459

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of report: **November 2, 2015**
(Date of earliest event **t**reported)

LTC PROPERTIES, INC.
(Exact name of Registrant as specified in its charter)

Maryland	**1-11314**	**71-0720518**
(State or other jurisdiction of incorporation or organization)	(Commission file number)	(I.R.S. Employer Identification No)

2829 Townsgate Road, Suite 350
Westlake Village, CA 91361
(Address of principal executive offices)

(805) 981-8655
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. — Results of Operations and Financial Condition

On November 2, 2015, LTC Properties, Inc. announced the operating results for the nine months ended September 30, 2015. The text of the press release and the supplemental information package are furnished herewith as Exhibits 99.1 and 99.2, respectively, and are specifically incorporated by reference herein.

The information in this Form 8-K and the related information in the exhibits attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section and shall not be incorporated by reference into any filing of LTC under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01. — Financial Statements and Exhibits

99.1 Press Release issued November 2, 2015.
99.2 LTC Properties, Inc. Supplemental Information Package for the period ending September 30, 2015.

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

LTC PROPERTIES, INC.

Dated: November 2, 2015

By: /s/ WENDY L. SIMPSON
Wendy L. Simpson
Chairman, CEO & President

Exhibit 99.1

FOR IMMEDIATE RELEASE

For more information contact:
Wendy L. Simpson
Pam Kessler
(805) 981-8655

LTC REPORTS 2015 THIRD QUARTER RESULTS AND ANNOUNCES NEW INVESTMENTS

—New Acquisitions and Commitments totaling $74.3 Million further Diversify Real Estate Portfolio—

WESTLAKE VILLAGE, CALIFORNIA, November 2, 2015 — LTC Properties, Inc. (NYSE: LTC), a real estate investment trust that primarily invests in seniors housing and health care properties, today announced operating results for its third quarter ended September 30, 2015 and recent investment activity.

Funds from Operations ("FFO") increased 15.8 % to $26.1 million for the 2015 third quarter, up from $22.5 million for the comparable 2014 period. FFO per diluted common share was $0.72 and $0.64 for the quarters ended September 30, 2015 and 2014, respectively, which represents a 12.5% per share increase. Normalized FFO increased 18.2% to $26.6 million for the 2015 third quarter, which excludes acquisition costs of $0.5 million related to a $142.0 million acquisition discussed below. Normalized FFO in the 2014 third quarter was $22.5 million. Normalized FFO per diluted common share increased 14.1% to $0.73 for the quarter ended September 30, 2015 up from $0.64 in the same period in the prior year. Net income available to common stockholders was $18.7 million, or $0.52 per diluted share, for the 2015 third quarter, compared with $16.2 million, or $0.46 per diluted share, for the same period in 2014. The increase in FFO, normalized FFO and net income was primarily due to higher revenues from recent acquisitions, completed developments, mortgage loan originations and income from an unconsolidated joint venture, partially offset by higher interest expense resulting from the sale of senior unsecured notes and increased utilization of LTC's unsecured line of credit, as well as additional general and administrative expenditures related to increased investment activity and vesting of restricted stock.

During the three months ended September 30, 2015, LTC completed the previously announced acquisition of a 10-property portfolio providing independent, assisted living and memory care services totaling 891 units. Nine of the properties are located in Wisconsin and one is located in Illinois. The aggregate purchase price paid at closing was $142.0 million. Simultaneously upon closing, LTC entered into a 15-year triple-net master lease agreement with an affiliate of Senior Lifestyle Corporation at an initial lease rate of 6.5%, escalating by 25 basis points upon each of the first and second anniversaries and annually thereafter by 2.75%. LTC provided the lessee a contingent earn-out payment up to $10.0 million upon the portfolio achieving a sustainable stipulated rent coverage ratio. When the contingent payments are funded, cash rent will increase by the amount funded multiplied by a rate stipulated in the agreement.

Additionally, LTC acquired a newly constructed 60-unit memory care property located in Florida for $14.3 million including a $2.0 million working capital reserve. Concurrently with the purchase, LTC entered into a 15-year triple-net lease agreement, with an affiliate of Clarity Pointe, at an initial lease rate of 8% escalating annually by 2.5%, and provided the lessee a $0.3 million contingent earn-out payment upon the property achieving a sustainable stipulated rent coverage ratio. When the working capital reserve and contingent earn-out payments are funded, cash rent will increase by the amounts funded multiplied by the lease rate in effect at the time.

Also, during the quarter ended September 30, 2015, LTC purchased a parcel of land in California for $2.0 million and entered into a development commitment to construct and equip a 66-unit memory care property for a total commitment of $12.6 million including the purchase of land. Simultaneously with the acquisition, the property was added to existing master lease agreement with an affiliate of Anthem Memory Care, and rent on the property will commence upon completion of construction at an initial lease rate of 9.00% escalating annually by 2.5%.

As previously announced, LTC sold $100.0 million aggregate principal amount of 4.5% senior unsecured notes due August 31, 2030 to affiliates, subsidiaries or managed accounts of Prudential Investment Management, Inc. during the three months ended September 30, 2015. Also, LTC entered into a shelf agreement with another insurance company which provides for the possible issuance of up to an additional $100.0 million of senior unsecured fixed interest rate term notes with a coupon of 4.26%.

"LTC's long-term strategy of opportunistic investment in a wide range of properties, geographies and operators has served the company well, as demonstrated by our third quarter results. Our investment activities continued subsequent to the end of the quarter, as we completed three transactions that we are confident will further our long-term growth," said Wendy Simpson, LTC's Chairman and Chief Executive Officer. "The acquisition of a 10-property, private-pay portfolio providing independent, assisted living and memory care services in Wisconsin and Illinois, a newly constructed memory care property in Florida, and a land parcel in California on which a memory care property will be built, speaks to LTC's ability to successfully invest in and diversify its portfolio while strengthening relationships with key operating partners. With more than $386.5 million in investments and development commitments entered into year-to-date and an active pipeline, we are well positioned to achieve additional growth into the future."

Subsequent to September 30, 2015, the company took the following actions and completed the following transactions:

- Increased its monthly cash dividend on its common stock to $0.18 per share for the fourth quarter of 2015, an approximate 5.9% increase from the previous $0.17 per share, as previously announced.

- Purchased a parcel of land in Illinois for $2.8 million and entered into a development commitment to construct a 66-unit memory care property. The commitment totals $14.8 million, including the land purchase. The property was added to an existing master lease with an affiliate of Anthem Memory Care. Rent on the property will commence upon completion of construction at an initial lease rate of 9.0% escalating annually by 2.5%.

- Purchased a behavioral health care hospital in Nevada comprised of 116 medical hospital beds and two skilled nursing beds for $9.3 million which was added to an existing master lease with an affiliate of Fundamental at an initial lease rate of 8.5% escalating annually by 2.5%. Additionally, LTC committed up to $3.0 million for approved capital improvement projects.

- Originated a $20.0 million, 30-year term mortgage loan to an affiliate of Prestige Healthcare, funding $9.5 million at closing, with a commitment to fund $5.5 million within 180 days. The $5.0 million remaining commitment will be available for approved capital improvement projects. The loan is secured by two skilled nursing properties with 273 beds in Michigan and bears interest at 9.41% for five years, escalating annually thereafter by 2.25%.

- Exercised the $200.0 million accordion feature of its $400.0 million unsecured revolving line of credit increasing the commitments under the credit facility to $600.0 million.

- Locked rate under its shelf agreement with an insurance company on $100.0 million senior unsecured notes with a coupon of 4.26% and anticipate selling the notes on or about November 20, 2015.

Conference Call Information

LTC will conduct a conference call on Tuesday, November 3, 2015, at 8:00 a.m. Pacific Time (11:00 a.m. Eastern Time), to provide commentary on its performance and operating results for the quarter ended September 30, 2015. The conference call is accessible by telephone and the internet. Telephone access will be available by dialing 877-510-2862 (domestically) or 412-902-4134 (internationally). To participate in the webcast, go to LTC's website at www.LTCreit.com 15 minutes before the call to download the necessary software.

An audio replay of the conference call will be available from November 3 through November 18, 2015 and may be accessed by dialing 877-344-7529 (domestically) or 412-317-0088 (internationally) and entering conference number 10074526. Additionally, an audio archive will be available on LTC's website on the "Presentations" page of the "Investor Information" section, which is under the "Investors" tab. LTC's earnings release and supplemental information package for the current period will be available on its website on the "Press Releases" and "Presentations" pages, respectively, of the "Investor Information" section which is under the "Investors" tab.

About LTC

LTC is a self-administered real estate investment trust that primarily invests in seniors housing and health care properties through lease transactions, mortgage loans and other investments. At September 30, 2015, LTC had 218 investments located in 29 states comprising 104 assisted living properties, 97 skilled nursing properties, 7 range of care properties, 1 school, 6 parcels of land under development and 3 parcels of land held-for-use. Assisted living properties, independent living properties, memory care properties and combinations thereof are included in the assisted living property type. Range of care properties consist of properties providing skilled nursing and any combination of assisted living, independent living and/or memory care services. For more information on LTC Properties, Inc., visit the Company's website at www.LTCreit.com.

Forward Looking Statements

This press release includes statements that are not purely historical and are "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the Company's expectations, beliefs, intentions or strategies regarding the future. All statements other than historical facts contained in this press release are forward looking statements. These forward looking statements involve a number of risks and uncertainties. Please see LTC's most recent Annual Report on Form 10-K, its subsequent Quarterly Reports on Form 10-Q, and its other publicly available filings with the Securities and Exchange Commission for a discussion of these and other risks and uncertainties. All forward looking statements included in this press release are based on information available to the Company on the date hereof, and LTC assumes no obligation to update such forward looking statements. Although the Company's management believes that the assumptions and expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. The actual results achieved by the Company may differ materially from any forward looking statements due to the risks and uncertainties of such statements.

LTC PROPERTIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(amounts in thousands, except per share amounts)

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Revenues:				
Rental income	$ 28,531	$ 25,098	$ 82,325	$ 75,375
Interest income from mortgage loans	6,117	4,213	15,777	12,445
Interest and other income	295	230	708	386
Total revenues	34,943	29,541	98,810	88,206
Expenses:				
Interest expense	4,296	3,170	11,916	9,445
Depreciation and amortization	7,365	6,335	21,121	18,935
Provision for doubtful accounts and notes	31	40	463	77
Acquisition costs	539	2	564	22
General and administrative expenses	3,739	2,872	11,162	8,468
Total expenses	15,970	12,419	45,226	36,947
Operating income	18,973	17,122	53,584	51,259
Income from unconsolidated joint ventures	674	—	1,543	—
Gain on sale of real estate, net	—	—	—	1,140
Net income	19,647	17,122	55,127	52,399
Income allocated to participating securities	(121)	(123)	(370)	(343)
Income allocated to preferred stockholders	(818)	(818)	(2,454)	(2,454)
Net income available to common stockholders	$ 18,708	$ 16,181	$ 52,303	$ 49,602
Earnings per common share:				
Basic	$ 0.53	$ 0.47	$ 1.48	$ 1.43
Diluted	$ 0.52	$ 0.46	$ 1.47	$ 1.42
Weighted average shares used to calculate earnings per common share:				

Basic	35,341	34,605	35,306	34,596
Diluted	37,352	36,629	37,319	36,620
Dividends declared and paid per common share	$ 0.51	$ 0.51	$ 1.53	$ 1.53

Supplemental Reporting Measures

FFO, adjusted FFO ("AFFO"), and Funds Available for Distribution ("FAD") are supplemental measures of a real estate investment trust's ("REIT") financial performance that are not defined by U.S. generally accepted accounting principles ("GAAP"). Investors, analysts and the Company use FFO, AFFO and FAD as supplemental measures of operating performance. The Company believes FFO, AFFO and FAD are helpful in evaluating the operating performance of a REIT. Real estate values historically rise and fall with market conditions, but cost accounting for real estate assets in accordance with GAAP assumes that the value of real estate assets diminishes predictably over time. We believe that by excluding the effect of historical cost depreciation, which may be of limited relevance in evaluating current performance, FFO, AFFO and FAD facilitate like comparisons of operating performance between periods. Additionally the Company believes that normalized FFO, normalized AFFO and normalized FAD provide useful information because they allow investors, analysts and our management to compare the Company's operating performance on a consistent basis without having to account for differences caused by unanticipated items.

FFO, as defined by the National Association of Real Estate Investment Trusts ("NAREIT"), means net income available to common stockholders (computed in accordance with GAAP) excluding gains or losses on the sale of real estate and impairment write-downs of depreciable real estate, plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Normalized FFO represents FFO adjusted for certain items detailed in the reconciliations. The Company's computation of FFO may not be comparable to FFO reported by other REITs that do not define the term in accordance with the current NAREIT definition or have a different interpretation of the current NAREIT definition from that of the Company; therefore, caution should be exercised when comparing our Company's FFO to that of other REITs.

We define AFFO as FFO excluding the effects of straight-line rent, amortization of lease inducement, effective interest income and deferred income from unconsolidated joint ventures. GAAP requires rental revenues related to non-contingent leases that contain specified rental increases over the life of the lease to be recognized evenly over the life of the lease. This method results in rental income in the early years of a lease that is higher than actual cash received, creating a straight-line rent receivable asset included in our consolidated balance sheet. At some point during the lease, depending on its terms, cash rent payments exceed the straight-line rent which results in the straight-line rent receivable asset decreasing to zero over the remainder of the lease term. Effective interest method, as required by GAAP, is a technique for calculating the actual interest rate for the term of a mortgage loan based on the initial origination value. Similar to the accounting methodology of straight-line rent, the actual interest rate is higher than the stated interest rate in the early years of the mortgage loan thus creating an effective interest receivable asset included in the interest receivable line item in our consolidated balance sheet and reduces down to zero when, at some point during the mortgage loan, the stated interest rate is higher than the actual interest rate. By excluding the non-cash portion of rental income, interest income from mortgage loans and income from unconsolidated joint ventures, investors, analysts and our management can compare AFFO between periods. Normalized AFFO represents AFFO adjusted for certain items detailed in the reconciliations.

We define FAD as AFFO excluding the effects of non-cash compensation charges, capitalized interest and non-cash interest charges. FAD is useful in analyzing the portion of cash flow that is available for distribution to stockholders. Investors, analysts and the Company utilize FAD as an indicator of common dividend potential. The FAD payout ratio, which represents annual distributions to common shareholders expressed as a percentage of FAD, facilitates the comparison of dividend coverage between REITs. Normalized FAD represents FAD adjusted for certain items detailed in the reconciliations.

While the Company uses FFO, Normalized FFO, AFFO, Normalized AFFO, FAD and Normalized FAD as supplemental performance measures of our cash flow generated by operations and cash available for distribution to stockholders, such measures are not representative of cash generated from operating activities in accordance with GAAP, and are not necessarily indicative of cash available to fund cash needs and should not be considered an alternative to net income available to common stockholders.

Reconciliation of FFO, AFFO and FAD

The following table reconciles GAAP net income available to common stockholders to each of NAREIT FFO available to common stockholders and normalized FFO available to common stockholders, as well as normalized AFFO and normalized FAD *(unaudited, amounts in thousands, except per share amounts)*:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
GAAP net income available to common stockholders	$ 18,708	$ 16,181	$ 52,303	$ 49,602
Add: Depreciation and amortization	7,365	6,335	21,121	18,935
Less: Gain on sale of real estate, net	—	—	—	(1,140)
NAREIT FFO available to common stockholders	26,073	22,516	73,424	67,397
Add: Non-recurring one-time items	537 (1)	—	937 (2)	—
Normalized FFO available to common stockholders	26,610	22,516	74,361	67,397
Less: Non-cash rental income	(2,179)	(452)	(5,897)	(1,369)
(Less) add: Effective interest income from mortgage loans	(1,195)	(2)	(2,680)	38
Less: Deferred income from unconsolidated joint ventures	(421)	—	(1,000)	—
Normalized adjusted FFO (AFFO)	22,815	22,062	64,784	66,066
Add: Non-cash compensation charges	1,012	877	3,093	2,326
Add: Non-cash interest related to earn-out liabilities	96	—	205	—
Less: Capitalized interest	(184)	(474)	(481)	(1,216)
Normalized funds available for distribution (FAD)	$ 23,739	$ 22,465	$ 67,601	$ 67,176

(1) Represents acquisition costs related to the 10-property senior housing portfolio acquired during the quarter.

(2) Represents a $400 provision for loan loss reserve related to additional loan proceeds funded under an existing mortgage loan and item (1) above.

NAREIT Basic FFO available to common stockholders per share	$	0.74	$	0.65	$	2.08	$	1.95
NAREIT Diluted FFO available to common stockholders per share	$	0.72	$	0.64	$	2.03	$	1.91
NAREIT Diluted FFO available to common stockholders	$	27,012	$	23,457	$	76,248	$	70,194
Weighted average shares used to calculate NAREIT diluted FFO per share available to common stockholders		37,581		36,869		37,558		36,841
Basic normalized FFO available to common stockholders per share	$	0.75	$	0.65	$	2.11	$	1.95
Diluted normalized FFO available to common stockholders per share	$	0.73	$	0.64	$	2.06	$	1.91
Diluted normalized FFO available to common stockholders	$	27,549	$	23,457	$	77,185	$	70,194
Weighted average shares used to calculate diluted normalized FFO per share available to common stockholders		37,581		36,869		37,558		36,841
Basic normalized AFFO per share	$	0.65	$	0.64	$	1.83	$	1.91
Diluted normalized AFFO per share	$	0.63	$	0.62	$	1.80	$	1.87
Diluted normalized AFFO	$	23,754	$	23,003	$	67,608	$	68,863
Weighted average shares used to calculate diluted normalized AFFO per share		37,581		36,869		37,558		36,841
Basic normalized FAD per share	$	0.67	$	0.65	$	1.91	$	1.94
Diluted normalized FAD per share	$	0.66	$	0.63	$	1.88	$	1.90
Diluted normalized FAD	$	24,678	$	23,406	$	70,425	$	69,973
Weighted average shares used to calculate diluted normalized FAD per share		37,581		36,869		37,558		36,841

LTC PROPERTIES, INC.
CONSOLIDATED BALANCE SHEETS
(amounts in thousands, except per share)

		September 30, 2015 (unaudited)		December 31, 2014 (audited)
ASSETS				
Investments:				
Land	$	98,486	$	80,024
Buildings and improvements		1,056,163		869,814
Accumulated depreciation and amortization		(244,361)		(223,315)
Real property investments, net		910,288		726,523
Mortgage loans receivable, net of loan loss reserves: 2015 — $2,065; 2014 — $1,673		204,476		165,656
Real estate investments, net		1,114,764		892,179
Investment in unconsolidated joint ventures		21,143		—
Investments, net		1,135,907		892,179
Other assets:				
Cash and cash equivalents		11,729		25,237
Debt issue costs, net		3,289		3,782
Interest receivable		3,384		597
Straight-line rent receivable, net of allowance for doubtful accounts: 2015 — $802; 2014 — $731		39,641		32,651
Prepaid expenses and other assets		20,775		9,931
Notes receivable		2,190		1,442
Total assets	$	1,216,915	$	965,819
LIABILITIES				
Bank borrowings	$	165,500	$	—
Senior unsecured notes		352,467		281,633
Accrued interest		2,554		3,556
Accrued incentives and earn-outs		13,323		3,258
Accrued expenses and other liabilities		21,865		17,251
Total liabilities		555,709		305,698
EQUITY				
Stockholders' equity:				
Preferred stock $0.01 par value; 15,000 shares authorized; shares issued and outstanding: 2015 — 2,000; 2014 — 2,000		38,500		38,500
Common stock: $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2015 — 35,570; 2014 — 35,480		356		355
Capital in excess of par value		720,221		717,396
Cumulative net income		910,374		855,247
Accumulated other comprehensive income		56		82
Cumulative distributions		(1,008,301)		(951,459)
Total equity		661,206		660,121

Total liabilities and equity	$ 1,216,915	$ 965,819

Exhibit 99.2

Supplemental Operating and Financial Data

September 30, 2015

(Unaudited)

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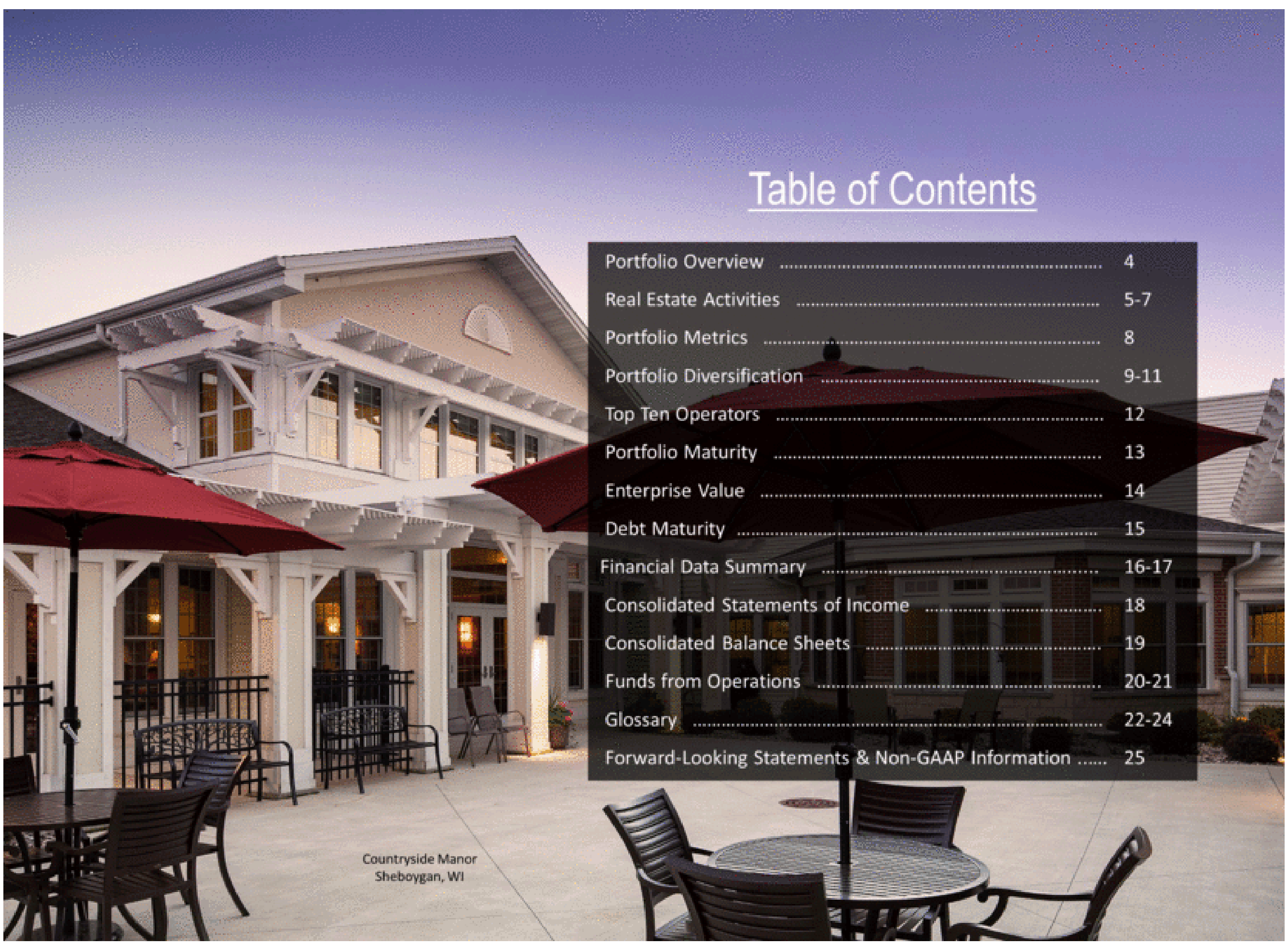
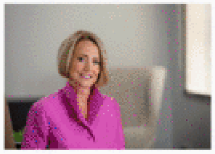


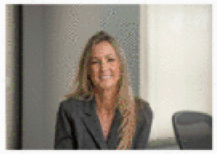
Board of Directors

Wendy Simpson	Boyd Hendrickson	James Pieczynski	Devra Shapiro	Timothy Triche, MD
Chairman	Lead Independent Director	Nominating & Corporate Governance Committee Chairman	Audit Committee Chairman	Compensation Committee Chairman

Leadership



Wendy Simpson
Chairman, Chief Executive Officer and President



Pam Kessler
Executive Vice President, CFO and Secretary

Clint Malin
Executive Vice President and Chief Investment Officer

Brent Chappell
Senior Vice President, Investment and Portfolio Management

Cece Chikhale
Senior Vice President, Controller and Treasurer

Mark Hemingway
Vice President of Marketing

Peter Lyew
Vice President and Director of Taxes

Analyst Coverage

BMO Capital Markets Corp .... John Kim
Canaccord Genuity .... Paul Morgan
Crowell, Weedon, & Co. .... Doug Christopher
J.J. B. Hilliard, W.L. Lyons, Inc. .... John Roberts
JMP Securities, LLC .... Peter Martin
KeyBanc Capital Markets, Inc. .... Jordan Sadler
Mizuho Securities USA Inc. .... Rich Anderson
RBC Capital Markets Corporation .... Mike Carroll
Stifel, Nicolaus & Company, Inc. .... Dan Bernstein
Wells Fargo Securities, LLC .... Todd Stender

Any opinions, estimates, or forecasts regarding LTC's performance made by the analysts listed above do not represent the opinions, estimates, and forecasts of LTC or its management.

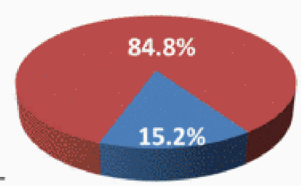
Portfolio Overview

(dollar amounts in thousands)

Type of Property	# of Properties	Gross Investments	% of Investments	Trailing Twelve Months Ended September 30, 2015: Rental Income(1)	Interest Income(1)	% of Revenues
Skilled Nursing	97	$ 692,971	50.9%	$ 56,063	$ 18,496	58.6%
Assisted Living	104	587,424	43.1%	44,239	1,204	35.7%
Range of Care	7	43,907	3.2%	6,010	-	4.7%
Under Development(2)	-	26,675	2.0%	-	-	-
Other(3)	1	10,213	0.8%	1,307	-	1.0%
Total	209	$ 1,361,190	100.0%	$ 107,619	$19,700	100.0%

(1) Includes rental income and interest income from mortgage loans and excludes rental income from properties sold and interest income from loans that paid off during the twelve months ended September 30, 2015.
(2) Includes six development projects consisting of four MC properties with a total of 254 units, a 108-unit independent living property and an 89-unit combination ALF and MC property.
(3) Includes one school property and three parcels of land held-for-use.

Gross Real Property $1.155B



Loans Receivable $206M

Coldspring Transitional Care Center
Coldspring, KY

Real Estate Activities

(dollar amounts in thousands)

Acquisitions

Acquisition Date	# of Properties	Property Type	# Beds/Units	Location	Operator	Date of Construction	Initial Cash Yield	Purchase Price	Additional Commitment [1]
10/22/2014	1	UDP[2]	66 units	Burr Ridge, IL	Anthem Memory Care	2014-2016	9.30%	$ 1,400	$ 10,848
12/5/2014	1	MC	48 units	Castle Rock, CO	Senior Lifestyle	2012	6.50%	9,800	4,000
	2		114 units					$ 11,200	$ 14,848
2/6/2015	1	UDP[2]	56 units	Corpus Christi, TX	Thrive Senior Living	2015	8.75%	$ 7,195	$ 6,576
2/19/2015	1	SNF	106 beds	Slinger, WI	Fundamental	2014	10.30%	13,946	1,054
2/20/2015	1	UDP[2]	89 units	Murrells Inlet, SC	Thrive Senior Living	2015-2016	8.75%	2,490	16,408
5/26/2015	1	UDP[2]	66 units	Tinley Park, IL	Anthem Memory Care	2015-2016	9.25%	702	11,185
5/29/2015	1	UDP[2]	108 units	Wichita, KS	Oxford Senior Living	2015-2016	7.43%	624	13,876
8/17/2015	10	ALF	891 units	WI and IL	Senior Lifestyle	1991-2009	6.50%	142,000	500
9/23/2015	1	UDP[2]	66 units	Murrieta, CA	Anthem Memory Care	2015-2016	9.00%	2,022	10,585
9/30/2015	1	MC	60 units	Jacksonville, FL	Clarity Pointe	2015	8.00%	14,250	2,300
10/19/2015	1	UDP[2]	66 units	Glenview, IL	Anthem Memory Care	2015-2017	9.00%	2,800	11,969
10/28/2015	1	OTH	118 beds	Las Vegas, NV	Fundamental	1990/1994	8.50%	9,250	3,000
	19		1,402 units/224 beds					$ 195,279	$ 77,453

(1) Commitments may include capital improvement or development allowances for approved projects, incentive payments and contingent payments.
(2) See page 7 for Development activities.

Loan Originations

Loan Date	# of Properties	Property Type	# Beds/Units	Location	Operator	Origination	Development Funding	Funded to Date	2015 YTD Revenue	Stated Interest Rate
1/30/15	1	SNF	157 beds	Grand Blanc, MI	Prestige Healthcare	11,000	-	9,500	773 [1]	9.4%
6/29/15	15	SNF	2,058 beds	Various cities in MI	Prestige Healthcare	40,000 [2]	N/A	40,000	1,378 [3]	9.4%
10/30/15	2	SNF	273 beds	Farmington & Howell, MI	Prestige Healthcare	20,000 [4]	N/A	9,500	-	9.4%
	18		2,488 beds			$ 71,000		$ 59,000	$ 2,151	

(1) Represents year-to-date mortgage GAAP interest income. We expect mortgage GAAP interest income, assuming no loan modifications, to be $1,061 for 2015.
(2) We funded additional loan proceeds of $40,000 under a mortgage loan secured by 15 SNF properties in Michigan.
(3) Represents year-to-date mortgage GAAP interest income. We expect mortgage GAAP interest income, assuming no loan modifications, to be $2,611 for 2015.
(4) Subsequent to September 30, 2015, we originated a $20,000, 30-year mortgage loan funding $9,500 at closing, with a commitment to fund $5,500 in 180 days. The $5,000 remaining commitment will be available for approved capital improvement projects. This loans bears interest at 9.41% for five years, escalating annually thereafter by 2.25.

Real Estate Activities

(dollar amounts in thousands)

Joint Venture

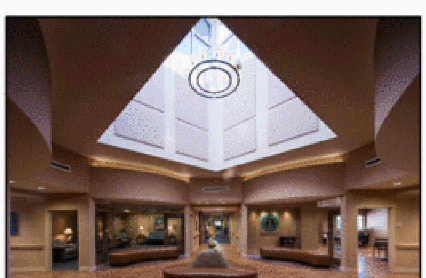
Commitment Year	Location	# of Projects	Property Type	Preferred Return	# Beds/ Units	Investment Commitment [1]	Investment to Date	Remaining Investment Commitment
2015	Various cities in AZ	4	ALF/MC/ILF	15.00% [2]	585 units	$ 25,650	$ 20,143	$ 5,507

(1) We made a preferred equity investment in an unconsolidated joint venture. We have a fair-market value purchase option to acquire the properties owned by the joint venture beginning in 2018. Refer to the 10-Q under *Note 3. Investment in Unconsolidated Joint Ventures* for more information.
(2) Currently, 5% is paid in cash and 10% is deferred. During the 3rd quarter, we stopped accruing the deferred portion of the preferred return and will recognize the deferred portion upon receipt.

Lease-Up

Date Opened	Occupancy at September 30, 2015	Commitment Year	Project Type	Location	# of Projects	Property Type	Approximate Initial Cash Lease/ Loan Yield	# Beds/Units	Total Funded
Feb-14	61%	2012	Redevelopment	Slinger, WI	1	SNF[1]	10.08%	106 beds	$ 10,600
Aug-14	83%	2013	Development	Littleton, CO	1	MC	9.25%	60 units	9,692
Nov-14	69%	2012	Development	Cold Spring, KY	1	SNF	8.50%	143 beds	22,734
Dec-14	88%	2012	Development	Frisco, TX	1	ALF/MC	9.25%	80 units	5,907
Dec-14	73%	2013	Development	Aurora, CO	1	MC	9.25%	48 units	9,216
Feb-15	51%	2013	Development	Westminster, CO	1	MC	9.25%	60 units	10,703
					6			248 units/249 beds	$ 68,852

(1) We purchased and equipped the property securing the mortgage loan for a total of $13,946 by exercising our right under this loan.



Lease-Up
Coldspring Transitional Care Center
Coldspring, KY

Real Estate Activities - Development

(dollar amounts in thousands)

Estimated Rent/Interest Inception Date	Commitment Year	Project Type	Location	# of Projects	Property Type	Approximate Initial Cash Lease/Loan Yield	# Beds/ Units	Investment Commitment [1]	3Q15 Funding	Total Funded to Date	Remaining Commitment
- [2]	2015	Expansion	Mesa, AZ	1	SNF	9.00%	-	$ 5,000	$ 7	$ 7	$ 4,993
- [3]	2013	Renovation	Various cities in MI	15	SNF	9.41%	-	12,000 [3]	580	7,035	4,965
- [3]	2015	Expansion	Richmond, MI	1	SNF	9.41%	-	10,000 [3]	-	-	10,000
- [3]	2015	Expansion	Rochester Hills, MI	1	SNF	9.41%	-	10,000 [3]	-	-	10,000
- [4]	2015	Renovation	Farmington & Howell, MI	2	SNF	9.41%	-	5,000 [4]	-	-	5,000
- [5]	2015	Renovation	Las Vegas, NV	1	OTH	8.50%	-	3,000 [5]	-	-	3,000
1Q16	2015	Development	Corpus Christi, TX	1	MC	8.75%	56 units	12,182	1,220	8,666	3,516
1Q16	2014	Development	Burr Ridge, IL	1	MC	9.30%	66 units	12,248	2,318	6,361	5,887
2Q16	2015	Development	Murrells Inlet, SC	1	ALF/MC	8.75%	89 units	16,535	1,153	4,640	11,895
3Q16	2015	Development	Tinley Park, IL	1	MC	9.25%	66 units	11,887	986	2,385	9,502
4Q16	2015	Development	Wichita, KS	1	ILF	7.43%	108 units	14,500	664	1,437	13,063
4Q16	2015	Development	Murrieta, CA	1	MC	9.00%	66 units	12,606	2,733	2,733	9,873
				27			451 units	$ 124,958	$ 9,661	$ 33,264	$ 91,694
1Q17	2015	Development	Glenview, IL	1	MC	9.00%	66 units	14,769 [6]	-	- [6]	14,769
			Total	28	WA	8.93%	517 units	$ 139,727	$ 9,661	$ 33,264	$ 106,463

(1) Includes purchase of land and existing improvements, if applicable, and development commitment.
(2) Rent increases upon each funding.
(3) Commitments are part of the total loan commitment secured by 15 properties in Michigan operated by Prestige Healthcare. During 2015, we amended the loan to provide additional loan proceeds of $20,000 for the expansion projects at two of the properties securing the loan. Interest increases upon each funding.
(4) Subsequent to September 30, 2015, we originated a $20,000, 30-year mortgage loan funding $9,500 at closing, with a commitment to fund $5,500 in 180 days. The $5,000 remaining commitment will be available for approved capital improvement projects. This loans bears interest at 9.41% for five years, escalating annually thereafter by 2.25%.
(5) Subsequent to September 30, 2015, in conjunction with the acquisition, we committed to fund capital improvements of up to $3,000. Rent increases at each six month anniversary on amounts funded during that period.
(6) Subsequent to September 30, 2015, we purchased land and committed to develop a memory care property for a total commitment of $14,769. We funded $3,417, including land, leaving a remaining commitment of $11,352.

Portfolio Metrics

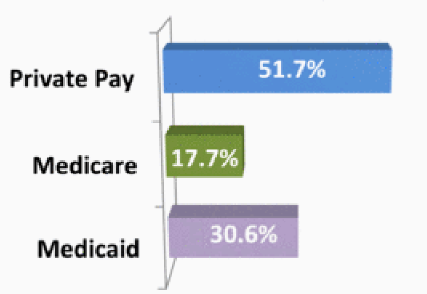
Same Property Portfolio Statistics [1]

	Occupancy		Normalized EBITDARM Coverage		Normalized EBITDAR Coverage	
Owned Properties	**2Q15**	**1Q15**	**2Q15**	**1Q15**	**2Q15**	**1Q15**
Assisted Living	86.1%	86.0%	1.65	1.65	1.41	1.41
Skilled Nursing	79.5%	79.8%	2.35	2.35	1.72	1.72
Range of Care	86.5%	87.5%	1.74	1.80	1.27	1.32

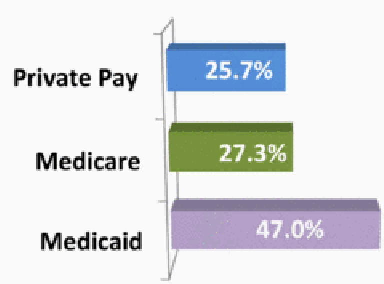
(1) Information is for the trailing twelve months through June 30, 2015 and March 31, 2015 and is from property level operator financial statements which are unaudited and have not been independently verified by us.

Stabilized Owned Property Portfolio – TTM Ended June 30, 2015

Total Portfolio Payor Source



SNF Portfolio Payor Source

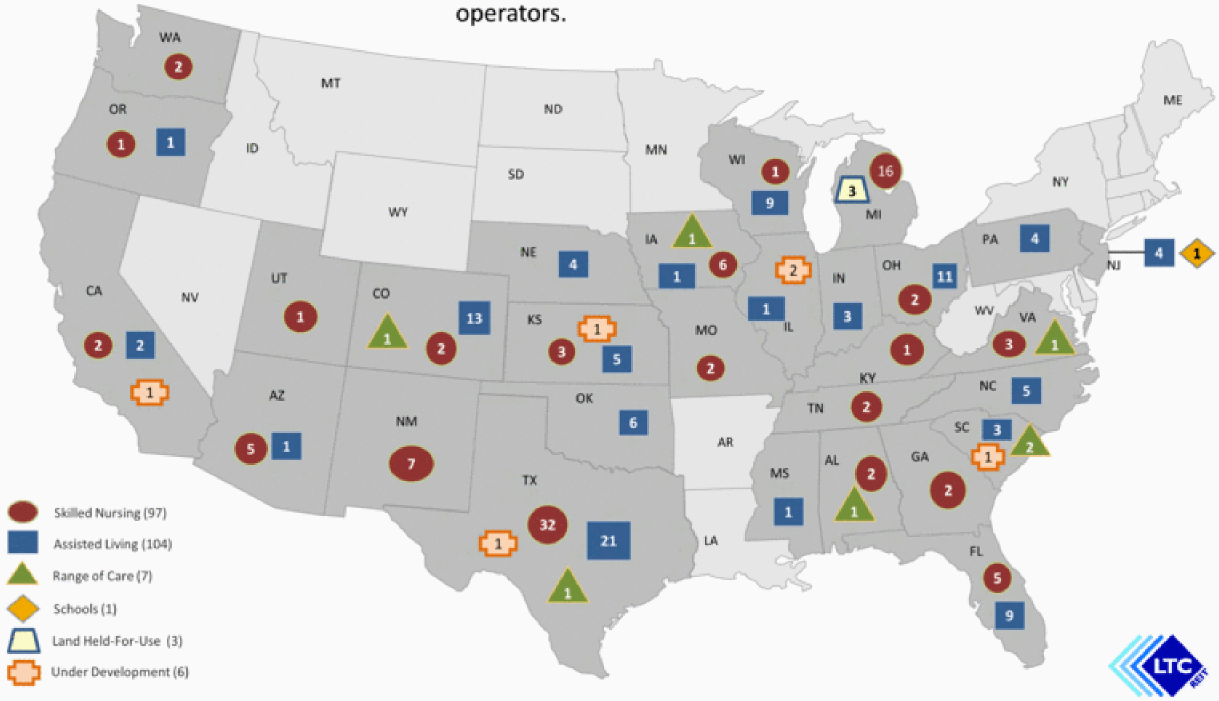


Portfolio Diversification - Geography

(as of September 30,2015)

High-Quality Portfolio Built for Long-Term Value

- LTC owns or holds mortgages on 209 properties, six parcels of land under development, and three parcels of land held-for-use.
- Investments are in 29 states leased or mortgaged to 36 different operators.

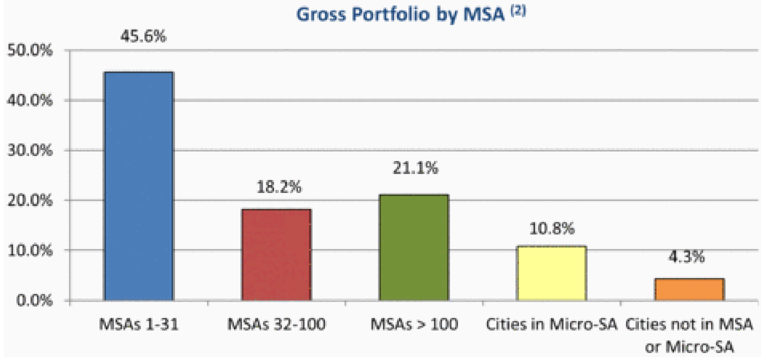


Portfolio Diversification - Geography

(as of September 30,2015, dollar amounts in thousands)

State [1]	# of Props	SNF	%	ALF	%	ROC	%	UDP	%	OTH	%	Gross Investment	%
Texas	54	$ 192,557	27.8%	$ 43,769	7.5%	$ 2,994	6.8%	$ 8,866	33.2%	$ -	-	$ 248,186	18.2%
Michigan	16	181,592	26.2%	-	-	-	-	-	-	943	9.2%	182,535	13.4%
Wisconsin	10	13,946	2.0%	111,734	19.0%	-	-	-	-	-	-	125,680	9.2%
Colorado	16	6,038	0.9%	106,879	18.2%	2,007	4.6%	-	-	-	-	114,924	8.5%
Ohio	13	54,000	7.8%	44,647	7.6%	-	-	-	-	-	-	98,647	7.3%
Florida	14	35,362	5.1%	50,363	8.6%	-	-	-	-	-	-	85,725	6.3%
New Jersey	5	-	-	61,397	10.5%	-	-	-	-	9,270	90.8%	70,667	5.2%
California	4	22,130	3.2%	28,070	4.8%	-	-	2,736	10.3%	-	-	52,936	3.9%
New Mexico	7	50,913	7.3%	-	-	-	-	-	-	-	-	50,913	3.7%
Arizona	6	36,099	5.2%	3,211	0.5%	-	-	-	-	-	-	39,310	2.9%
All Others	64	100,334	14.5%	137,354	23.3%	38,906	88.6%	15,073	56.5%	-	-	291,667	21.4%
Total	209	$ 692,971	100.0%	$ 587,424	100.0%	$ 43,907	100.0%	$ 26,675	100.0%	$ 10,213	100.0%	$ 1,361,190	100.0%

Gross Portfolio by MSA [2]



Approximately 64% of our properties are in the Top 100 MSAs

MSAs 1 - 31	• Population 20.1M – 2.1M
MSAs 32 - 100	• Population 2.0M – 0.5M
MSAs >100	• Population 0.5M – 55K
Cities in a Micro-SA	• Population 218K – 13K
Cities not in MSA	• Population less than 100K

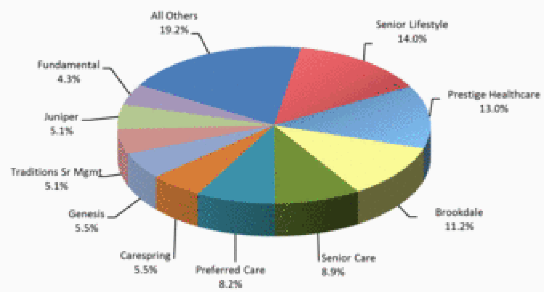
(1) Due to master leases with properties in multiple states, revenue by state is not available.
(2) The MSA rank by population as of July 1, 2014, as estimated by the United States Census Bureau.

Portfolio Diversification - Operators

(as of September 30,2015, dollar amounts in thousands)

Operators	# of Properties	Annual Income [(1)]	%	Gross Investment	%
Senior Lifestyle Corporation	27	$ 19,468	14.0%	$ 199,349	14.6%
Prestige Healthcare	18	17,988	13.0%	194,725	14.3%
Brookdale Senior Living	37	15,574	11.2%	126,991	9.3%
Senior Care Centers	9	12,336	8.9%	115,039	8.5%
Preferred Care	30	11,323	8.2%	86,450	6.4%
Carespring Health Care Management	3	7,635	5.5%	77,546	5.7%
Genesis Healthcare	8	7,614	5.5%	54,864	4.0%
Traditions Senior Management	5	7,056	5.1%	63,402	4.7%
Juniper Communities	6	7,028	5.1%	86,767	6.4%
Fundamental	5	5,924	4.3%	49,378	3.6%
All Others	61	26,733	19.2%	306,679	22.5%
	209	$ 138,679	100.0%	$ 1,361,190	100.0%

Annual Income By Operator



(1) Includes annualized GAAP rent for leased properties and interest income from mortgage loans excluding interest income from loans that paid off during the twelve months ended September 30, 2015.

Top Ten Operators

Senior Lifestyle Corporation (privately held) manages 169 communities consisting of independent living, assisted living, memory care, skilled nursing and rehabilitative, affordable senior apartments, and short term stays in 27 states. As of September 30, 2015, the LTC portfolio consisted of 27 assisted living properties in nine states, with a gross investment balance of $199.3 million.

Prestige Healthcare (privately held) provides skilled nursing, assisted living, and independent living services, and other rehabilitative and healthcare services at 68 facilities in seven states. As of September 30, 2015, the LTC portfolio consisted of 16 skilled nursing properties and three parcels of land held-for-use in Michigan and two range of care properties in South Carolina with a gross investment balance of $194.7 million.

Brookdale Senior Living (NYSE: BKD) operates approximately 1,135 independent living, assisted living, and memory care communities and continuing care retirement centers, with the ability to serve approximately 110,000 residents. As of September 30, 2015, the LTC portfolio consisted of 37 assisted living properties in nine states with a gross investment balance of $127.0 million.

Senior Care Centers (privately held) provides skilled nursing care, memory care, assisted living, and independent living services in 97 facilities exclusively in Texas. As of September 30, 2015, the LTC portfolio consisted of nine skilled nursing properties in Texas with a gross investment balance of $115.0 million.

Preferred Care (privately held) operates 108 facilities comprised of skilled nursing, assisted living, and independent living facilities, as well as five specialty care facilities, in 12 states. As of September 30, 2015, the LTC portfolio consisted of 28 skilled nursing and two range of care properties in six states with a gross investment balance of $86.5 million.

Carespring Health Care Management (privately held) provides skilled nursing, assisted living, and independent living services, and other rehabilitative and healthcare services at 11 facilities in two states. As of September 30, 2015, the LTC portfolio consisted of three skilled nursing properties in two states with a gross investment balance of $77.5 million.

Genesis Healthcare (NYSE: GEN) provides skilled nursing and assisted/senior living services at more than 500 facilities in 34 states. They also supply rehabilitation and respiratory therapy to more than 1,600 locations in 46 states and the District of Columbia. As of September 30, 2015, the LTC portfolio consisted of seven skilled nursing properties and one range of care property in three states, with a gross investment balance of $54.9 million.

Traditions Senior Management (privately held) operates 26 facilities consisting of skilled nursing facilities, independent living and assisted living in six states. As of September 30, 2015, the LTC portfolio consisted of four skilled nursing properties and one range of care property in three states with a gross investment balance of $63.4 million. They also operate two skilled nursing properties under a sub-lease with Preferred Care, Inc. which is not included in the Traditions Senior Management annual income and gross investment.

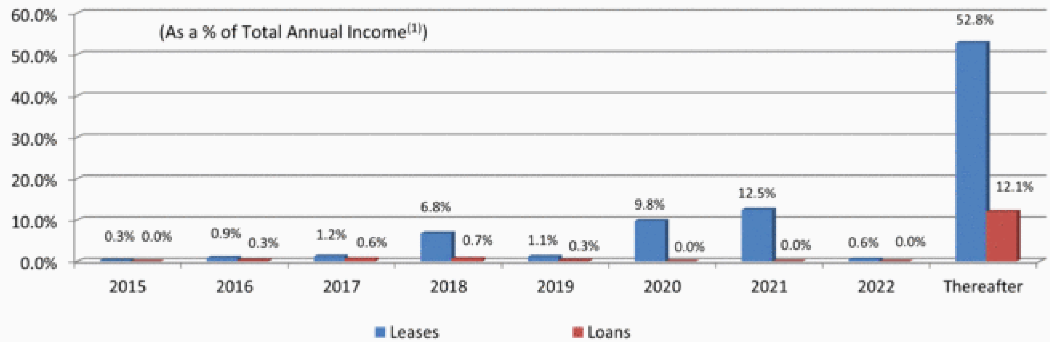
Juniper Communities (privately held) operates 18 facilities comprised of assisted living, memory care, independent living and skilled nursing facilities in four states. As of September 30, 2015, the LTC portfolio consisted of six assisted living and memory care properties in three states with a gross investment balance of $86.8 million.

Fundamental (privately held) provides skilled nursing facilities, assisted living facilities, long term acute care hospitals, hospices, outpatient clinics, behavioral health services and other healthcare services at 76 locations in nine states. As of September 30, 2015, the LTC portfolio consisted of five skilled nursing properties in three states, with a gross investment balance of $49.4 million.

Portfolio Maturity

(as of September 30, 2015, dollar amounts in thousands)

Year	Rental Income[1]	% of Total	Interest Income[1]	% of Total	Annual Income[1]	% of Total
2015	$ 388	0.3%	$ -	-	$ 388	0.3%
2016	1,190	1.0%	407	2.1%	1,597	1.2%
2017	1,670	1.4%	840	4.4%	2,510	1.8%
2018	9,452	7.9%	933	4.8%	10,385	7.5%
2019	1,571	1.3%	370	1.9%	1,941	1.4%
2020	13,598	11.4%	-	-	13,598	9.8%
2021	17,392	14.6%	-	-	17,392	12.5%
2022	771	0.7%	-	-	771	0.6%
Thereafter	73,344	61.4%	16,753	86.8%	90,097	64.9%
Total	$ 119,376	100.0%	$ 19,303	100.0%	$138,679	100.0%



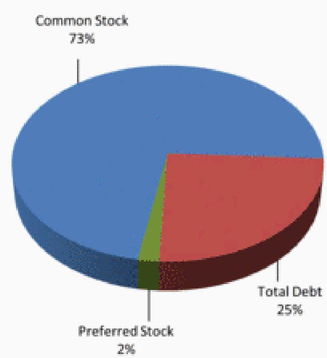
(1) Includes annualized GAAP rent for leased properties and interest income from mortgage loans excluding interest income from loans that paid off during the twelve months ended September 30, 2015.

Enterprise Value

(amounts in thousands, except per share amounts and number of shares)

	No. of shares	9/30/15 Closing Price	At September 30, 2015	Capitalization
Debt				
Bank borrowings - weighted average rate 1.5%[1]			$ 165,500	
Senior unsecured notes -weighted average rate 4.7%[2]			352,467	
Total debt - weighted average rate 3.7%			517,967	25%
Equity				
Preferred stock - Series C[3]			38,500	2%
Common stock[4]	35,570,495	$ 42.67 [4]	1,517,793	73%
Total equity			1,556,293	75%
Total Market Value			$ 2,074,260	100%
Less: Cash and cash equivalents			(11,729)	
Enterprise Value			$ 2,062,531	
Debt to Enterprise Value			25.1%	
Debt & Preferred to Enterprise Value			27.0%	
Debt to Normalized EBITDA[5]			4.4x	

Capitalization



(1) Subsequent to September 30, 2015, we exercised the $200,000 accordion feature of our $400,000 unsecured revolving line of credit increasing the commitments under the credit facility to $600,000. Additionally, we borrowed $22,000 under our unsecured revolving line of credit. Accordingly, we have $412,500 available for borrowing.

(2) Rate includes amortization of debt issue cost. Subsequent to September 30, 2015, we locked the rate under its shelf agreement with an insurance company on $100,000 senior unsecured notes with a coupon of 4.26% and anticipate selling the notes on or about November 20, 2015.

(3) Non-traded shares. Two million shares outstanding with a face rate of 8.5% and a liquidation value of $19.25 per share, convertible into common stock on a one-for-one basis. Our Series C preferred stock is not redeemable by us.

(4) Closing price of our common stock as reported by the NYSE on September 30, 2015.

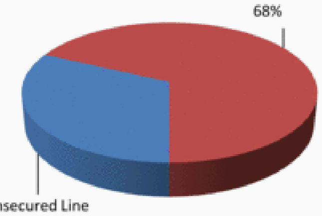
(5) See page 17 for reconciliation of normalized EBITDA for the twelve months ended September 30, 2015.

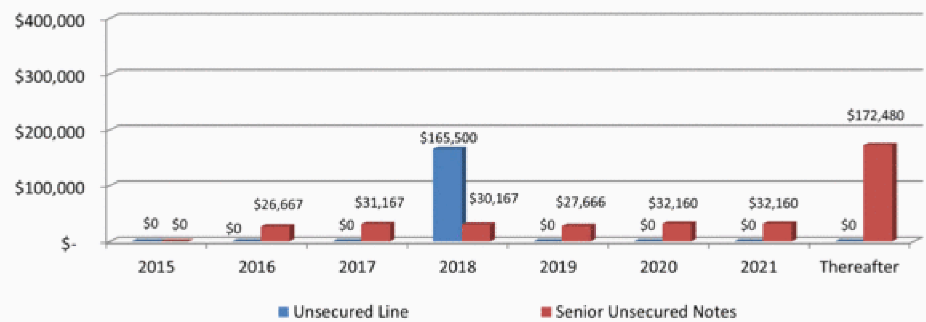
Debt Maturity

(as of September 30,2015, dollar amounts in thousands)

Year	Unsecured Line of Credit (1)	Senior Unsecured Notes (2)	Total
2015	$ -	$ -	$ -
2016	-	26,667	26,667
2017	-	31,167	31,167
2018	165,500	30,167	195,667
2019	-	27,666	27,666
2020	-	32,160	32,160
2021	-	32,160	32,160
Thereafter	-	172,480	172,480
Total	$ 165,500	$ 352,467	$ 517,967

Debt Structure





(1) Subsequent to September 30, 2015, we exercised the $200,000 accordion feature of our $400,000 unsecured revolving line of credit increasing the commitments under the credit facility to $600,000. Additionally, we borrowed $22,000 under our unsecured revolving line of credit. Accordingly, we have $412,500 available for borrowing.

(2) Reflects scheduled principal payments. Subsequent to September 30, 2015, we locked rate under our shelf agreement with an insurance company on $100,000 senior unsecured notes with a coupon of 4.26% and anticipate selling the notes on or about November 20, 2015.

Financial Data Summary

(dollar amounts in thousands)

Balance Sheet, Leverage Ratios and Coverage Ratios

	9/30/15	12/31/14	12/31/13	12/31/12
Balance Sheet				
Gross real estate assets	$1,361,190	$1,117,167	$1,104,732	$940,176
Net real estate assets	1,114,764	892,179	884,361	740,846
Gross asset value	1,463,341	1,190,807	1,151,781	988,922
Total debt	517,967	281,633	278,835	303,935
Total liabilities	555,709	305,698	298,972	326,484
Preferred stock	38,500	38,500	38,500	38,500
Total equity	661,206	660,121	632,438	463,108
Leverage Ratios				
Debt to gross asset value	35.4%	23.7%	24.2%	30.7%
Debt & preferred stock to gross asset value	38.0%	26.9%	27.6%	34.6%
Debt to total enterprise value	25.1%	15.4%	18.1%	21.6%
Debt & preferred stock to total enterprise value	27.0%	17.5%	20.6%	24.3%
Coverage Ratios (1)				
Debt to normalized EBITDA	4.4x	2.6x	2.9x	3.7x
Normalized EBITDA / interest incurred	7.1x	7.3x	7.7x	8.3x
Normalized EBITDA / fixed charges	5.9x	6.0x	6.1x	6.2x

(1) Trailing twelve months for the periods presented.

Financial Data Summary

(dollar amounts in thousands)

Reconciliation of Normalized EBITDA and Fixed Charges

	Trailing Twelve Months Ended			
	9/30/15	12/31/14	12/31/13	12/31/12
Net income	$ 76,127	$ 73,399	$ 57,815	$ 51,327
Less: Gain on sale of real estate, net	(3,819)	(4,959)	(1,605)	(16)
Add: Interest expense	15,599	13,128	11,364	9,932
Add: Depreciation and amortization	27,715	25,529	24,706	22,153
Adjusted EBITDA	115,622	107,097	92,280	83,396
Add back/(deduct):				
Non-recurring one-time items	937 (1)	-	2,687 (2)	(347) (3)
Normalized EBITDA	$ 116,559	$ 107,097	$ 94,967	$ 83,049
Interest expense:	$ 15,599	$ 13,128	$ 11,364	$ 9,932
Add: Capitalized interest	771	1,506	932	129
Interest incurred	16,370	14,634	12,296	10,061
Interest incurred	16,370	14,634	12,296	10,061
Preferred stock dividend	3,273	3,273	3,273	3,273
Fixed Charges	$ 19,643	$ 17,907	$ 15,569	$ 13,334

(1) Represents a 1% provision for loan loss reserve related to additional loan proceeds funded under an existing mortgage loan and acquisition cost of $537 related to the recent 10-property senior housing portfolio acquisition.
(2) Represents the one-time severance and accelerated restricted stock vesting charge of $707 related to the retirement of the Company's former Senior Vice President, Marketing and Strategic Planning, a $1,244 provision for loan loss reserve on a $124,387 mortgage loan origination, and an $869 non-cash write-off of straight-line rent offset by revenue from the Sunwest bankruptcy settlement distribution of $133.
(3) Represents revenue from the Sunwest bankruptcy settlement distribution.

Non-Cash Revenue Components

	3Q15	4Q15(1)	1Q16(1)	2Q16(1)	3Q16(1)
Straight-line rent	$2,607	$3,003	$2,167	$1,712	$1,608
Amort of lease inducement	(428)	(518)	(518)	(518)	(489)
Effective Interest	1,195	1,322	1,343	1,342	1,336
Net	$3,374	$3,807	$2,992	$2,536	$2,455

(1) For leases and loans in place at September 30, 2015, assuming no renewals, modification or replacement, and no new investments are added to our portfolio, except for announced acquisitions and loan originations, as previously discussed on page 5.

Consolidated Statements of Income

(amounts in thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(unaudited)		*(unaudited)*	
Revenues				
Rental income	$ 28,531	$ 25,098	$ 82,325	$ 75,375
Interest income from mortgage loans	6,117	4,213	15,777	12,445
Interest and other income	295	230	708	386
Total revenues	34,943	29,541	98,810	88,206
Expenses				
Interest expense	4,296	3,170	11,916	9,445
Depreciation and amortization	7,365	6,335	21,121	18,935
Provision for doubtful accounts and notes	31	40	463	77
Acquisition costs	539	2	564	22
General and administrative expenses	3,739	2,872	11,162	8,468
Total expenses	15,970	12,419	45,226	36,947
Operating Income	18,973	17,122	53,584	51,259
Income from unconsolidated joint ventures	674	-	1,543	-
Gain on sale of real estate, net	-	-	-	1,140
Net Income	19,647	17,122	55,127	52,399
Income allocated to participating securities	(121)	(123)	(370)	(343)
Income allocated to preferred stockholders	(818)	(818)	(2,454)	(2,454)
Net income available to common stockholders	$ 18,708	$ 16,181	$ 52,303	$ 49,602
Earnings per common share:				
Basic	$0.53	$0.47	$1.48	$1.43
Diluted	$0.52	$0.46	$1.47	$1.42
Weighted average shares used to calculate earnings per common share:				
Basic	35,341	34,605	35,306	34,596
Diluted	37,352	36,629	37,319	36,620
Dividends declared and paid per common share	$0.51	$0.51	$1.53	$1.53

Consolidated Balance Sheets

(amounts in thousands, except per share)

	September 30, 2015 *(unaudited)*	December 31, 2014 *(audited)*
ASSETS		
Investments:		
Land	$ 98,486	$ 80,024
Buildings and improvements	1,056,163	869,814
Accumulated depreciation and amortization	(244,361)	(223,315)
Real property investments, net	910,288	726,523
Mortgage loans receivable, net of loan loss reserves: 2015 - $2,065; 2014 - $1,673	204,476	165,656
Real estate investments, net	1,114,764	892,179
Investment in unconsolidated joint venture	21,143	-
Investments, net	1,135,907	892,179
Other assets:		
Cash and cash equivalents	11,729	25,237
Debt issue costs, net	3,289	3,782
Interest receivable	3,384	597
Straight-line rent receivable, net of allowance for doubtful accounts: 2015 - $802; 2014 - $731	39,641	32,651
Prepaid expenses and other assets	20,775	9,931
Notes receivable	2,190	1,442
Total assets	**$ 1,216,915**	**$ 965,819**

	September 30, 2015 *(unaudited)*	December 31, 2014 *(audited)*
LIABILITIES		
Bank borrowings	$ 165,500	$ -
Senior unsecured notes	352,467	281,633
Accrued interest	2,554	3,556
Accrued incentives and earn-outs	13,323	3,258
Accrued expenses and other liabilities	21,865	17,251
Total liabilities	555,709	305,698
EQUITY		
Stockholders' equity:		
Preferred stock [1]	38,500	38,500
Common stock [2]	356	355
Capital in excess of par value	720,221	717,396
Cumulative net income	910,374	855,247
Accumulated other comprehensive income	56	82
Cumulative distributions	(1,008,301)	(951,459)
Total equity	661,206	660,121
Total liabilities and equity	**$ 1,216,915**	**$ 965,819**

(1) Preferred stock $0.01 par value; 15,000 shares authorized; shares issued and outstanding: 2015 - 2,000; 2014 - 2,000

(2) Common stock $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2015 - 35,570; 2014 - 35,480

Funds from Operations

(unaudited, amounts in thousands, except per share amounts)

Reconciliation of FFO, AFFO, and FAD

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
GAAP Net income available to common stockholders	$ 18,708	$ 16,181	$ 52,303	$ 49,602
Add: Depreciation and amortization	7,365	6,335	21,121	18,935
Less: Gain on sale of real estate, net	-	-	-	(1,140)
NAREIT FFO available to common stockholders	26,073	22,516	73,424	67,397
Add: Non-recurring one-time items	537 [1]	-	937 [2]	-
Normalized FFO available to common stockholders	**26,610**	**22,516**	**74,361**	**67,397**
Less: Non-cash rental income	(2,179)	(452)	(5,897)	(1,369)
(Less) add: Effective interest income from mortgage loans	(1,195)	(2)	(2,680)	38
Less: Deferred income from unconsolidated joint ventures	(421)	-	(1,000)	-
Normalized adjusted FFO (AFFO)	22,815	22,062	64,784	66,066
Add: Non-cash compensation charges	1,012	877	3,093	2,326
Add: Non-cash interest related to earn-out liabilities	96	-	205	-
Less: Capitalized interest	(184)	(474)	(481)	(1,216)
Normalized funds available for distribution (FAD)	**$ 23,739**	**$ 22,465**	**$ 67,601**	**$ 67,176**
Diluted normalized FFO available to common stockholders per share	**$0.73**	**$0.64**	**$2.06**	**$1.91**
Diluted normalized AFFO per share	$0.63	$0.62	$1.80	$1.87
Diluted normalized FAD per share	**$0.66**	**$0.63**	**$1.88**	**$1.90**

(1) Represents acquisition costs related to the recent 10-property senior housing portfolio acquisition.

(2) Represents a $400 provision for loan loss reserve related to additional loan proceeds funded under an existing mortgage loan and item (1) above.

Funds from Operations

(unaudited, amounts in thousands, except per share amounts)

Reconciliation of FFO Per Share

	FFO		AFFO		FAD	
For the nine months ended September 30,	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Normalized FFO/AFFO/FAD available to common stockholders	$ 74,361	$ 67,397	$ 64,784	$ 66,066	$ 67,601	$ 67,176
Effect of dilutive securities:						
Participating securities	370	343	370	343	370	343
Series C cumulative preferred	2,454	2,454	2,454	2,454	2,454	2,454
Diluted normalized FFO/AFFO/FAD assuming conversion	$ 77,185	$ 70,194	$ 67,608	$ 68,863	$ 70,425	$ 69,973
Shares for basic FFO/AFFO/FAD per share	35,306	34,596	35,306	34,596	35,306	34,596
Effect of dilutive securities:						
Stock options	13	24	13	24	13	24
Participating securities	239	221	239	221	239	221
Series C cumulative preferred	2,000	2,000	2,000	2,000	2,000	2,000
Shares for diluted normalized FFO/AFFO/FAD per share	37,558	36,841	37,558	36,841	37,558	36,841
Diluted normalized FFO/AFFO/FAD per share	$ 2.06	$ 1.91	$ 1.80	$ 1.87	$ 1.88	$ 1.90

Glossary

Adjusted Funds From Operations ("AFFO"): FFO excluding the effects of straight-line rent, amortization of lease inducement, effective interest income and deferred income from unconsolidated joint ventures.

Assisted Living Properties ("ALF"): The ALF portfolio consists of assisted living, independent living, and/or memory care properties. (See Independent Living and Memory Care) Assisted living properties are senior housing properties serving elderly persons who require assistance with activities of daily living, but do not require the constant supervision skilled nursing properties provide. Services are usually available 24 hours a day and include personal supervision and assistance with eating, bathing, grooming and administering medication. The facilities provide a combination of housing, supportive services, personalized assistance and health care designed to respond to individual needs.

Contractual Lease Rent: Rental revenue as defined by the lease agreement between us and the operator for the lease year.

EBITDA: Earnings before interest, taxes, depreciation and amortization.

Funds Available for Distribution ("FAD"): AFFO excluding the effects of non-cash compensation charges, capitalized interest and non-cash interest charges.

Funds From Operations ("FFO"): As defined by the National Association of Real Estate Investment Trusts ("NAREIT"), net income available to common stockholders (computed in accordance with U.S. GAAP) excluding gains or losses on the sale of real estate and impairment write-downs of depreciable real estate plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures.

GAAP Lease Yield: GAAP rent divided by the sum of the purchase price and transaction costs.

GAAP Rent: Total rent we will receive as a fixed amount over the initial term of the lease and recognized evenly over that term. GAAP rent recorded in the early years of a lease is higher than the cash rent received and during the later years of the lease, the cash rent received is higher than GAAP rent recognized. GAAP rent is commonly referred to as straight-line rental income.

Gross Asset Value: The carrying amount of total assets after adding back accumulated depreciation and loan loss reserves, as reported in the company's consolidated financial statements.

Gross Investment: Original price paid for an asset plus capital improvements funded by LTC, without any depreciation deductions. Gross Investment is commonly referred to as undepreciated book value.

Independent Living Properties ("ILF"): Senior housing properties offering a sense of community and numerous levels of service, such as laundry, housekeeping, dining options/meal plans, exercise and wellness programs, transportation, social, cultural and recreational activities, on-site security and emergency response programs. Many offer on-site conveniences like beauty/barber shops, fitness facilities, game rooms, libraries and activity centers. ILFs are also known as retirement communities or senior apartments.

Interest Income: Represents interest income from mortgage loans.

Glossary

Licensed Beds/Units: The number of beds and/or units that an operator is authorized to operate at senior housing and long-term care properties. Licensed beds and/or units may differ from the number of beds and/or units in service at any given time.

Memory Care Properties ("MC"): Senior housing properties offering specialized options for seniors with Alzheimer's disease and other forms of dementia. These facilities offer dedicated care and specialized programming for various conditions relating to memory loss in a secured environment that is typically smaller in scale and more residential in nature than traditional assisted living facilities. These facilities have staff available 24 hours a day to respond to the unique needs of their residents.

Metropolitan Statistical Areas ("MSA"): Based on the U.S. Census Bureau, MSA is a geographic entity defined by the Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics. A metro area contains a core urban area of 50,000 or more population.

Micropolitan Statistical Areas ("Micro-SA"): Based on the U.S. Census Bureau, Micro-SA is a geographic entity defined by the Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics. A micro area contains an urban core of at least 10,000 (but less than 50,000) population.

Net Real Estate Assets: Gross real estate investment less accumulated depreciation. Net Real Estate Asset is commonly referred to as Net Book Value ("NBV").

Non-cash Rental Income: Straight-line rental income and amortization of lease inducement.

Non-cash Compensation Charges: Vesting expense relating to stock options and restricted stock.

Normalized AFFO: AFFO adjusted for non-recurring, infrequent or unusual items.

Normalized EBITDAR Coverage: The trailing twelve month's earnings from the operator financial statements adjusted for non-recurring, infrequent, or unusual items and before interest, taxes, depreciation, amortization, and rent divided by the operator's contractual lease rent. Management fees are imputed at 5% of revenues.

Normalized EBITDARM Coverage: The trailing twelve month's earnings from the operator financial statements adjusted for non-recurring, infrequent, or unusual items and before interest, taxes, depreciation, amortization, rent, and management fees divided by the operator's contractual lease rent.

Normalized FAD: FAD adjusted for non-recurring, infrequent or unusual items.

Normalized FFO: FFO adjusted for non-recurring, infrequent or unusual items.

Occupancy: The weighted average percentage of all beds and/or units that are occupied at a given time. The calculation uses the trailing twelve months and is based on licensed beds and/or units which may differ from the number of beds and/or units in service at any given time.

Operator Financial Statements: Property level operator financial statements which are unaudited and have not been independently verified by us.

Glossary

Payor Source: LTC revenue by operator underlying payor source for the period presented. LTC is not a Medicaid or a Medicare recipient. Statistics represent LTC's rental revenues times operators' underlying payor source revenue percentage. Underlying payor source revenue percentage is calculated from property level operator financial statements which are unaudited and have not been independently verified by us.

Private Pay: Private pay includes private insurance, HMO, VA, and other payors.

Purchase Price: Represents the fair value price of an asset that is exchanged in an orderly transaction between market participants at the measurement date. An orderly transaction is a transaction that assumes exposure to the market for a period prior to the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets; it is not a forced transaction (for example, a forced liquidation or distress sale).

Range of Care ("ROC"): Range of care properties consist of properties providing skilled nursing and any combination of assisted living, independent living and/or memory care services.

Rental Income: Represents GAAP rent net of amortized lease inducement cost.

Same Property Portfolio ("SPP"): Same property statistics allow for the comparative evaluation of performance across a consistent population of LTC's leased property portfolio. Our SPP is comprised of stabilized properties owned and operated throughout the duration of the quarter-over-quarter comparison periods presented (excluding assets sold and assets held-for-sale). Accordingly, a leased property must be owned and stabilized for a minimum of 15 months if it is an acquired property, or 27 months if it is a development project, to be included in our SSP.

School: An institution for educating students which includes a charter school. Charter schools provide an alternative to the traditional public school and are generally autonomous entities authorized by the state or locality to conduct operations independent from the surrounding public school district. Laws vary by state, but generally charters are granted by state boards of education either directly or in conjunction with local school districts or public universities. Operators are granted charters to establish and operate schools based on the goals and objectives set forth in the charter. Upon receipt of a charter, schools receive an annuity from the state for each student enrolled.

Skilled Nursing Properties ("SNF"): Senior housing properties providing restorative, rehabilitative and nursing care for people not requiring the more extensive and sophisticated treatment available at acute care hospitals. Many SNFs provide ancillary services that include occupational, speech, physical, respiratory and IV therapies, as well as sub-acute care services which are paid either by the patient, the patient's family, private health insurance, or through the federal Medicare or state Medicaid programs.

Stabilized: Properties are generally considered stabilized upon the earlier of achieving certain occupancy thresholds (e.g. 80% for SNFs and 90% for ALFs) and, as applicable, 12 months from the date of acquisition or, in the event of a de novo development, redevelopment, major renovations or addition, 24 months from the date the property is first placed in or returned to service.

Under Development Properties ("UDP"): Development projects to construct senior housing properties.

Founded in 1992, LTC Properties, Inc. ("LTC") is a self-administered real estate investment trust that primarily invests in senior housing and long-term care properties through facility lease transactions, mortgage loans, and other investments. Our primary objectives are to create, sustain and enhance stockholder equity value and provide current income for distribution to stockholders through real estate investments in senior housing and long-term health care properties managed by experienced operators. Our primary senior housing and long-term health care property types include skilled nursing properties (or SNF), assisted living properties (or ALF), independent living properties (or ILF), memory care properties (or MC), and combinations thereof. To meet these objectives, we attempt to invest in properties that provide opportunity for additional value and current returns to our stockholders and diversify our investment portfolio by geographic location, operator, property type and form of investment. For more information on LTC, visit the Company's website at www.LTCreit.com.

Forward-Looking Statements

This supplemental information contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, adopted pursuant to the Private Securities Litigation Reform Act of 1995. Statements that are not purely historical may be forward-looking. You can identify some of the forward-looking statements by their use of forward-looking words, such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates" or "anticipates," or the negative of those words or similar words. Forward- looking statements involve inherent risks and uncertainties regarding events, conditions and financial trends that may affect our future plans of operation, business strategy, results of operations and financial position. A number of important factors could cause actual results to differ materially from those included within or contemplated by such forward-looking statements, including, but not limited to, the status of the economy, the status of capital markets (including prevailing interest rates), and our access to capital; the income and returns available from investments in health care related real estate, the ability of our borrowers and lessees to meet their obligations to us, our reliance on a few major operators; competition faced by our borrowers and lessees within the health care industry, regulation of the health care industry by federal, state and local governments, changes in Medicare and Medicaid reimbursement amounts (including due to federal and state budget constraints), compliance with and changes to regulations and payment policies within the health care industry, debt that we may incur and changes in financing terms, our ability to continue to qualify as a real estate investment trust, the relative illiquidity of our real estate investments, potential limitations on our remedies when mortgage loans default, and risks and liabilities in connection with properties owned through limited liability companies and partnerships. For a discussion of these and other factors that could cause actual results to differ from those contemplated in the forward-looking statements, please see the discussion under "Risk Factors" and other information contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and in our publicly available filings with the Securities and Exchange Commission. We do not undertake any responsibility to update or revise any of these factors or to announce publicly any revisions to forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Information

This supplemental information contains certain non-GAAP information including EBITDA, normalized EBITDA, FFO, normalized FFO, normalized AFFO, normalized FAD, normalized interest coverage ratio, and normalized fixed charges coverage ratio. A reconciliation of this non-GAAP information is provided on pages 17, 20, and 21 of this supplemental information, and additional information is available under the "Non-GAAP Financial Measures" subsection under the "Selected Financial Data" section of our website at www.LTCreit.com.

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