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: **May 2, 2016**
(Date of earliest event 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 May 2, 2016, LTC Properties, Inc. announced the operating results for the three months ended March 31, 2016. 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 May 2, 2016.
99.2 LTC Properties, Inc. Supplemental Information Package for the period ending March 31, 2016.

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: May 2, 2016

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

FOR IMMEDIATE RELEASE

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

LTC REPORTS 2016 FIRST QUARTER RESULTS AND ANNOUNCES NEW INVESTMENTS

—Subsequent to Quarter End Acquires Three Memory Care Communities, Originates a Mortgage Loan and Locks Rate on Senior Unsecured Notes at 4.15%—

—Guest Speakers to Participate on May 3 Conference Call—

WESTLAKE VILLAGE, CALIFORNIA, May 2, 2016 — 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 first quarter ended March 31, 2016 and recent investment activity.

Funds from Operations ("FFO") and normalized FFO increased 21.1% to $28.3 million for the 2016 first quarter, up from $23.4 million for the comparable 2015 period. FFO per diluted common share and normalized FFO per diluted common share were $0.76 for the quarter ended March 31, 2016, compared with $0.65 for the same period in 2015, representing a 16.9% increase. Net income available to common stockholders was $19.8 million, or $0.53 per diluted share, for the 2016 first quarter compared with $16.6 million, or $0.47 per diluted share, for the same period in 2015. The improvement in FFO, normalized FFO and net income available to stockholders was primarily due to higher revenues from mortgage loan originations, acquisitions and completed development projects, partially offset by higher interest expense resulting from the sale of senior unsecured notes in April and November of 2015, and increased utilization of LTC's line of credit, as well as additional general and administrative expenditures related to increased investment activity.

As previously announced, during the three months ended March 31, 2016, LTC purchased a newly constructed 126-bed skilled nursing center in Texas for $16.0 million and added the property to an existing master lease agreement at an initial incremental cash yield of 8.5%.

Subsequent to March 31, 2016, LTC completed the following:

- Acquired two memory care communities in Kansas totaling 120 units for an aggregate purchase price of $25.0 million, and added the properties to an existing master lease agreement at an initial incremental cash yield of 8%;

- Acquired a 60-unit memory care community in Kentucky for $14.3 million, and added the property to an existing master lease agreement at an initial incremental cash yield of 8%;

- Originated a $12.3 million mortgage loan secured by a first lien mortgage encumbering two skilled nursing centers in Michigan totaling 216 beds. LTC funded $7.8 million at closing with a commitment to fund an additional $4.5 million for approved capital improvement projects. The capital improvement funding will be available for 36 months following the origination date. The loan has an initial term of four years and bears interest at 9.41%. LTC has the option to extend the loan maturity to January 2045, and, upon extension, will make additional loan proceeds available to the borrower in an amount not to exceed $8.0 million funded upon the properties achieving certain predetermined coverage thresholds; and

- Locked rate under a shelf agreement with Prudential on $37.5 million of senior unsecured notes with a coupon of 4.15%. The notes will have an average 10-year life, scheduled principal payments and will mature in 2028. LTC anticipates selling the notes on or about May 20, 2016.

Guest Speakers to Participate on May 3 Conference Call

LTC will conduct a conference call on Tuesday, May 3, 2016, 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 March 31, 2016. Joining LTC's senior management on the call will be Dr. Craig Flashner, a Principal of Prestige Healthcare, and Mr. Mark Rockwell, a Principal of Anthem Memory Care.

Prestige Healthcare is a privately held operating company providing post-acute care, assisted living and independent living services and other rehabilitative and healthcare services at 70 facilities in seven states. Prestige is the operator of 22 properties in LTC's portfolio, and represented approximately 15% of LTC's annual income as of March 31, 2016.

Anthem Memory Care is a privately held company that develops and operates stand-alone, private-pay memory care communities. To date, Anthem has developed six communities and operates eight communities in four states, including seven owned by LTC, and has three projects in various stages of development, all with LTC. Anthem represented approximately 4% of LTC's annual income as of March 31, 2016.

"There are currently certain prevailing areas of interest from analysts and investors throughout our industry. In post-acute care, questions revolve around RAC audits, bundled payments and managed care, to name just a few. In private-pay memory care, there are lingering concerns regarding overdevelopment, construction costs, rate growth and wage pressures," said Wendy Simpson, LTC's Chairman and Chief Executive Officer. "We are pleased to be able to include Dr. Flashner and Mr. Rockwell on our call, and believe there will be significant benefit from hearing from two great operating companies who are succeeding in today's environment, while preparing for tomorrow's. LTC is fortunate to have such a strong association with these gentlemen and their companies."

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. The call is expected to last approximately 90 minutes.

An audio replay of the conference call will be available from May 3 through May 17, 2016 and may be accessed by dialing 877-344-7529 (domestically) or 412-317-0088 (internationally) and entering conference number 10088908. 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 March 31, 2016, LTC had 222 investments located in 30 states comprising 104 assisted living communities, 99 skilled nursing centers, 7 range of care communities, 1 school, 1 behavioral health care hospital, 6 parcels of land under development and 4 parcels of land held-for-use. Assisted living communities, independent living communities, memory care communities and combinations thereof are included in the assisted living property type. Range of care communities 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.

(financial tables follow)

LTC PROPERTIES, INC.
INCOME STATEMENT DATA
(amounts in thousands, except per share amounts)

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
Revenues:		
Rental income	$ 31,880	$ 26,678
Interest income from mortgage loans	6,578	4,607
Interest and other income	146	195
Total revenues	38,604	31,480
Expenses:		
Interest expense	6,000	3,766
Depreciation and amortization	8,561	6,779
Impairment on real estate for sale	—	—
Provision for doubtful accounts	84	3
Acquisition costs	90	48
General and administrative expenses	4,283	3,448
Total expenses	19,018	14,044
Operating income	19,586	17,436
Income from unconsolidated joint ventures	272	116
Net income	19,858	17,552
Income allocated to participating securities	(101)	(123)
Income allocated to preferred stockholders	—	(818)
Net income available to common stockholders	$ 19,757	$ 16,611
Earnings per common share:		
Basic	$ 0.53	$ 0.47
Diluted	$ 0.53	$ 0.47
Weighted average shares used to calculate earnings per common share:		
Basic	37,446	35,277
Diluted	37,459	37,292
Dividends declared and paid per common share	$ 0.54	$ 0.51

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 attributable to common stockholders and normalized FFO attributable to common stockholders, as well as normalized AFFO and normalized FAD *(unaudited, amounts in thousands, except per share amounts)*:

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
GAAP net income available to common stockholders	$ 19,757	$ 16,611
Add: Depreciation and amortization	8,561	6,779
NAREIT FFO attributable to common stockholders	28,318	23,390
Add: Non-recurring one-time items	—	—
Normalized FFO attributable to common stockholders	28,318	23,390
Less: Non-cash rental income	(2,317)	(1,923)
Less: Effective interest income from mortgage loans	(1,262)	(551)
Less: Deferred income from unconsolidated joint ventures	—	(77)
Normalized adjusted FFO (AFFO)	24,739	20,839
Add: Non-cash compensation charges	990	982
Add: Non-cash interest related to earn-out liabilities	149	54
Less: Capitalized interest	(686)	(147)
Normalized funds available for distribution (FAD)	$ 25,192	$ 21,728
NAREIT Basic FFO attributable to common stockholders per share	$ 0.76	$ 0.66
NAREIT Diluted FFO attributable to common stockholders per share	$ 0.76	$ 0.65
NAREIT Diluted FFO attributable to common stockholders	$ 28,419	$ 24,331
Weighted average shares used to calculate NAREIT diluted FFO per share attributable to common stockholders	37,640	37,529
Basic normalized FFO attributable to common stockholders per share	$ 0.76	$ 0.66
Diluted normalized FFO attributable to common stockholders per share	$ 0.76	$ 0.65
Diluted normalized FFO attributable to common stockholders	$ 28,419	$ 24,331
Weighted average shares used to calculate diluted normalized FFO per share attributable to common stockholders	37,640	37,529
Basic normalized AFFO per share	$ 0.66	$ 0.59

Diluted normalized AFFO per share	$ 0.66	$ 0.58
Diluted normalized AFFO	$ 24,840	$ 21,780
Weighted average shares used to calculate diluted normalized AFFO per share	37,640	37,529
Basic normalized FAD per share	$ 0.67	$ 0.62
Diluted normalized FAD per share	$ 0.67	$ 0.60
Diluted normalized FAD	$ 25,293	$ 22,669
Weighted average shares used to calculate diluted normalized FAD per share	37,640	37,529

LTC PROPERTIES, INC.

CONSOLIDATED BALANCE SHEETS

(amounts in thousands, except per share)

	March 31, 2016	December 31, 2015
ASSETS		
Investments:		
Land	$ 108,867	$ 106,841
Buildings and improvements	1,120,889	1,091,845
Accumulated depreciation and amortization	(259,237)	(251,265)
Real property investments, net	970,519	947,421
Mortgage loans receivable, net of loan loss reserve: 2016—$2,246; 2015—$2,190	223,053	217,529
Real estate investments, net	1,193,572	1,164,950
Investments in unconsolidated joint ventures	24,042	24,042
Investments, net	1,217,614	1,188,992
Other assets:		
Cash and cash equivalents	24,280	12,942
Debt issue costs related to bank borrowing	2,605	2,865
Interest receivable	5,815	4,536
Straight-line rent receivable, net of allowance for doubtful accounts: 2016—$861 2015—$833	45,492	42,685
Prepaid expenses and other assets	21,020	21,443
Notes receivable	2,024	1,961
Total assets	$ 1,318,850	$ 1,275,424
LIABILITIES		
Bank borrowings	$ 161,000	$ 120,500
Senior unsecured notes, net of debt issue costs: 2016—$1,044; 2015—$1,095	447,256	451,372
Accrued interest	2,852	3,974
Accrued incentives and earn-outs	12,572	12,722
Accrued expenses and other liabilities	22,480	27,654
Total liabilities	646,160	616,222
EQUITY		
Stockholders' equity:		
Common stock: $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2016—37,915; 2015—37,548	379	375
Capital in excess of par value	772,677	758,676
Cumulative net income	948,186	928,328
Accumulated other comprehensive income	18	47
Cumulative distributions	(1,048,570)	(1,028,224)
Total equity	672,690	659,202
Total liabilities and equity	$ 1,318,850	$ 1,275,424

Exhibit 99.2

Sunrise of Bexley
Bexley, OH


Island Shores
Neenah, WI

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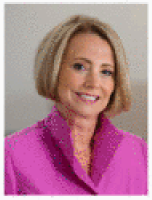
Leadership

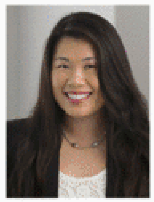


Wendy Simpson
Chairman, Chief Executive Officer and President

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

Doug Korey
Senior Vice President of Business Development

Peter Lyew
Vice President and Director of Taxes

Board of Directors

Wendy Simpson
Chairman

Boyd Hendrickson
Lead Independent Director

James Pieczynski
Nominating & Corporate Governance Committee Chairman

Devra Shapiro
Audit Committee Chairman

Timothy Triche, MD
Compensation Committee Chairman

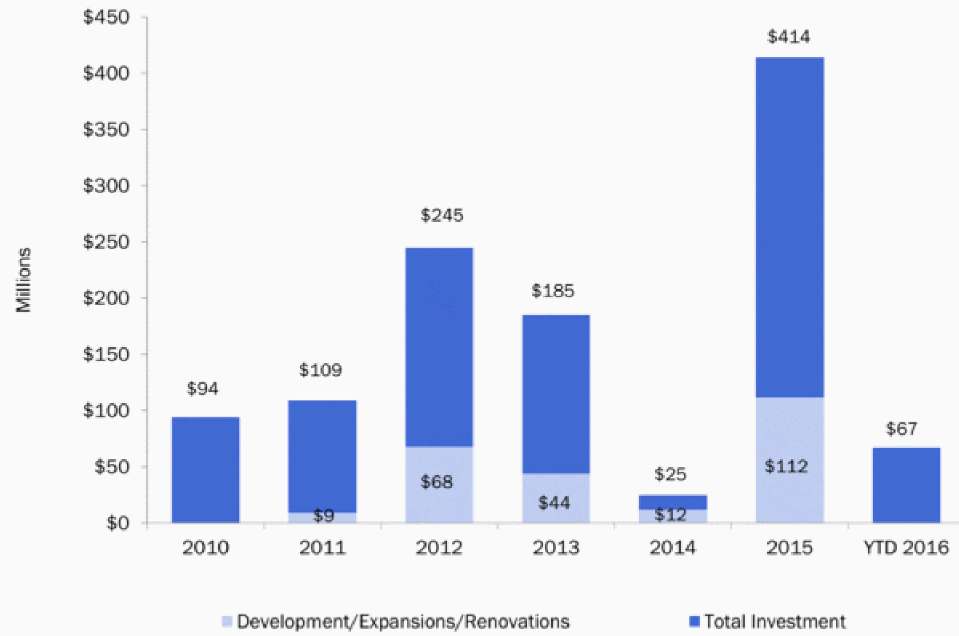
Analyst Coverage

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
Mitsubishi – MUFG .... Karin Ford
Mizuho Securities USA Inc .... Rich Anderson
RBC Capital Markets Corporation .... Mike Carroll
Stifel, Nicolaus & Company, Inc .... Chad Vanacore
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.

Execution of Growth Strategy

$1.1 Billion in Total Investments Underwritten

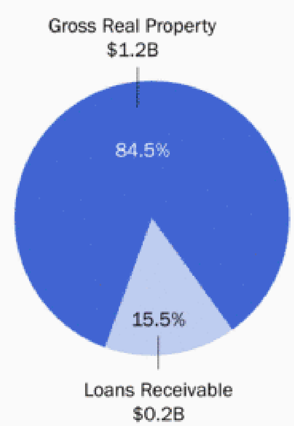


Portfolio Overview

(dollar amounts in thousands)

Type of Property	# of Properties	Gross Investments	% of Investments	Trailing Twelve Months Ended March 31, 2016 Rental Income[1]	Interest Income[1]	% of Revenues
Skilled Nursing	99	$ 750,663	51.6%	$ 58,336	$ 22,806	57.2%
Assisted Living	104	596,029	41.0%	52,454	1,194	37.8%
Range of Care	7	43,907	3.0%	5,880	-	4.1%
Under Development[2]	-	43,761	3.0%	-	-	-
Other[3]	2	20,695	1.4%	1,313	-	0.9%
Total	212	$ 1,455,055	100.0%	$ 117,983	$ 24,000	100.0%

(1) Includes contractual 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 March 31, 2016.
(2) Includes six development projects consisting of four MC communities with a total of 254 units, a 108-unit independent living community and an 89-unit combination ALF and MC community.
(3) Includes one school, four parcels of land held-for-use, and one behavioral health care hospital.



Real Estate Activities – Acquisitions & Loan Originations

(dollar amounts in thousands)

Acquisitions

Date		# of Properties	Property Type	# Beds/Units	Location	Operator	Date of Construction	Initial Cash Yield	Purchase Price	Additional Commitment [1]
2015	2/6	1	UDP[2]	56 units	Corpus Christi, TX	Thrive Senior Living	2015-2016	8.75%	$ 7,195	$ 7,918
	2/19	1	SNF	106 beds	Slinger, WI	Fundamental	2014	10.30%	13,946 [3]	1,054
	2/20	1	UDP[2]	89 units	Murrells Inlet, SC	Thrive Senior Living	2015-2016	8.75%	2,490	16,408
	5/26	1	UDP[2]	66 units	Tinley Park, IL	Anthem Memory Care	2015-2016	9.25%	702	11,185
	5/29	1	UDP[2]	108 units	Wichita, KS	Oxford Senior Living	2015-2016	7.43%	624	13,876
	8/17	10	ALF	891 units	WI and IL	Senior Lifestyle	1991-2009	6.50%	142,000	10,500
	9/23	1	UDP[2]	66 units	Murrieta, CA	Anthem Memory Care	2015-2016	9.00%	2,022	10,585
	9/30	1	MC	60 units	Jacksonville, FL	Clarity Pointe	2015	8.00%	14,250	300
	10/19	1	UDP[2]	66 units	Glenview, IL	Anthem Memory Care	2015-2017	9.00%	2,800	11,969
	10/28	1	OTH	118 beds	Las Vegas, NV	Fundamental	1990/1994	8.50%	9,250	3,000
	11/30	2	SNF	254 beds	Fort Worth & Weatherford, TX	Senior Care Centers	1998/1996	8.25%	23,000	500
		21		1,402 units/478 beds					$ 218,279	$ 87,295
2016	2/1	1	SNF	126 beds	Mansfield, TX	Fundamental	2015	8.50%	$ 16,000	$ -
	4/21	1	MC	60 units	Louisville, KY	Clarity Pointe	2016	8.00%	14,250	300
	4/29	2	MC	120 units	Wichita & Overland Park, KS	Anthem Memory Care	2011/2013	8.00%	25,000	1,300
		4		180 units/126 beds					$ 55,250	$ 1,600

(1) Commitments may include capital improvement or development allowances for approved projects, incentive payments and contingent payments.
(2) See page 8 for Development activities.
(3) We purchased and equipped the property secured by a mortgage loan of $10,600 for a total of $13,946 by exercising our right under this loan.

Loan Originations

Date		# of Properties	Property Type	# Beds/Units	Location	Operator	Origination	Development Funding	Funded to Date	2016 YTD Revenue [1]	Stated Interest Rate
2015	1/30	1	SNF	157 beds	Grand Blanc, MI	Prestige Healthcare	$ 11,000	$ 306	$ 9,806	$ 288	9.4%
	6/29	15	SNF	2,058 beds	Various cities in MI	Prestige Healthcare	40,000	N/A	40,000	1,234	9.4%
	10/30	2	SNF	273 beds	Farmington & Howell, MI	Prestige Healthcare	20,000 [2]	-	15,000	343	9.4%
		18		2,488 beds			$ 71,000	$ 306	$ 64,806	$ 1,865	
2016	4/29	2	SNF	216 beds	East Lansing, MI	Prestige Healthcare	$ 12,250 [3]	N/A	$ 7,750	$ -	9.4%

(1) Represents year-to-date mortgage GAAP interest income.
(2) Represents an origination of a $20,000 30-year mortgage loan, funding $9,500 at closing and $5,500 during 1Q16. The $5,000 remaining commitment will be available for approved capital improvement projects. This loan bears interest at 9.41% for five years, thereafter interest received will escalate annually by 2.25%.
(3) Represents the origination of a $12,250 4-year mortgage loan, funding $7,750 at closing with the remaining commitment of $4,500 available for approved capital improvement projects. This loan bears interest at 9.41%.

Real Estate Activities – De Novo Development

(dollar amounts in thousands)

Estimated Rent/Interest Inception Date	Commitment Year	Location	# of Projects	Property Type	Approximate Initial Cash Yield	# Beds/Units	Investment Commitment [1]	1Q16 Funding	Total Capitalized Interest/Other	Total Project Basis	Remaining Commitment [2]
2Q16	2015	Corpus Christi, TX	1	MC	8.75%	56 units	$ 13,524	$ 1,115	$ 412	$ 12,193	$ 1,743
3Q16	2015	Murrells Inlet, SC	1	ALF/MC	8.75%	89 units	16,535	1,614	482	8,006	9,011
3Q16	2015	Tinley Park, IL	1	MC	9.25%	66 units	11,887	2,869	114	7,615	4,386
4Q16	2015	Wichita, KS	1	ILF	7.43%	108 units	14,500	2,144	88	4,420	10,168
4Q16	2015	Murrieta, CA	1	MC	9.00%	66 units	12,606	2,985	127	7,796	4,937
			5			385 units	69,052	10,727	1,223	40,030	30,245
1Q17	2015	Glenview, IL	1	MC	9.00%	66 units	14,769	171	99	3,731	11,137
		Total	6		8.67%	451 units	$ 83,821	$ 10,898	$ 1,322	$ 43,761	$ 41,382

(1) Includes purchase of land and existing improvements, if applicable, and development commitment.
(2) Remaining Commitment is calculated as follows: "Investment Commitment" less "Total Project Basis" plus "Total Capitalized Interest/Other".

Real Estate Activities – Expansions & Renovations

(dollar amounts in thousands)

Own

Estimated Rent/Interest Inception Date	Commitment Year	Project Type	Location	# of Projects	Property Type	Approximate Initial Cash Yield	Investment Commitment	1Q16 Funding	Total Funded to Date	Remaining Commitment
- (1)	2015	Expansion	Mesa, AZ	1	SNF	9.00%	$ 5,000 (1)	$ 2,117	$ 3,357	$ 1,643
- (2)	2015	Renovation	Las Vegas, NV	1	OTH	8.50%	3,000 (2)	-	-	3,000
			Total	2			$ 8,000	$ 2,117	$ 3,357	$ 4,643

Loan

Estimated Rent/Interest Inception Date	Commitment Year	Project Type	Location	# of Projects	Property Type	Approximate Initial Cash Yield	Investment Commitment	1Q16 Funding	Total Funded to Date	Remaining Commitment
- (3)	2013	Renovation	Various cities in MI	15	SNF	9.41%	$ 12,000 (3)	$ 860	$ 9,829	$ 2,171
- (3)	2015	Expansion	Richmond, MI	1	SNF	9.41%	10,000 (3)	178	661	9,339
- (3)	2015	Expansion	Rochester Hills, MI	1	SNF	9.41%	10,000 (3)	62	206	9,794
- (4)	2015	Renovation	Farmington & Howell, MI	2	SNF	9.41%	5,000 (4)	-	-	5,000
- (4)(5)	2016	Expansion	Grand Blanc, MI	1	SNF	9.41%	5,500	-	-	5,500
- (4)(6)	2016	Renovation	East Lansing, MI	2	SNF	9.41%	4,500	-	-	4,500
			Total	22			$ 47,000	$ 1,100	$ 10,696	$ 36,304

(1) Rent increases upon each funding.
(2) Rent increases at each six month anniversary on amounts funded during that period.
(3) Commitments are part of the total loan commitment secured by 15 properties in Michigan operated by Prestige Healthcare. Interest payment increases upon each funding.
(4) Interest payment increases upon each funding.
(5) In 2Q16, we amended the loan agreement to increase the construction loan amount to $5,500.
(6) In 2Q16, in conjunction with the loan origination, we committed to fund capital improvements of up to $4,500.

Real Estate Activities – Joint Ventures and Lease-Up

(dollar amounts in thousands)

Joint Ventures

Commitment Year	Location	# of Projects	Property Type	Return	# Beds/ Units	Investment Commitment	Investment to Date	Remaining Investment Commitment
2015	Various cities in AZ	4	ALF/MC/ILF	15.00% (1)	585 units	$ 25,650	$ 20,143	$ 5,507
2015	Ocala, FL	1	UDP	15.00% (2)	99 units	2,900	2,900	-
					684 units	$ 28,550	$ 23,043	$ 5,507

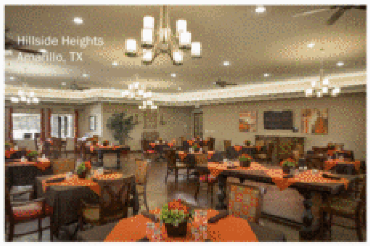
(1) In 1Q15, we made a preferred equity investment in an unconsolidated joint venture. We have a fair-market value purchase option to acquire the properties owned by the joint venture beginning in 2018. Refer to the 10-K under *Note 6. Investment in Unconsolidated Joint Ventures* for more information. Currently, 5% is paid in cash and 10% is deferred.
(2) Represents a mezzanine loan for the development of a 99-unit ALF/MC/ILF with an initial interest rate of 10% escalating up to 15%. For accounting purposes, this loan is recorded as a joint venture.

Lease-Up

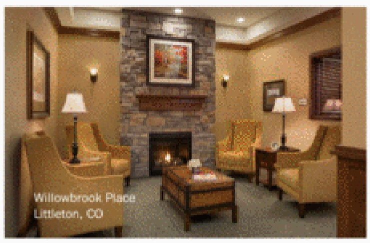
Date Opened	Occupancy at March 31, 2016	Commitment Year	Project Type	Location	# of Projects	Property Type	Approximate Initial Cash Yield	# Beds/Units	Total Funded/ Purchase Price
Nov-14	75%	2012	Development	Cold Spring, KY	1	SNF	8.50%	143 beds	$ 22,734
Feb-15	63%	2013	Development	Westminster, CO	1	MC	9.25%	60 units	10,703
Sep-15	26%	2015	Acquisition (1)	Jacksonville, FL	1	MC	8.00%	60 units	14,250
Feb-16	5%	2014	Development	Burr Ridge, IL	1	MC	9.30%	66 units	11,808
					4			186 units/143 beds	$ 59,495

(1) Property was newly constructed and purchased in September 2015 following issuance of final certificate of occupancy and licensure.

Real Estate Activities – Lease-Up History



Property	Location	Property Type	Project Type	# Beds/Units	Date Opened	Date Stabilized	# of months to Stabilized Occupancy
Hillside Heights Rehabilitation Suites	Amarillo, TX	SNF	Redevelopment	120 beds	Jul 2013	Aug 2013	1
Highline Place	Littleton, CO	MC	Development	60 units	Jul 2013	Sep 2013	2
The Oxford Grand	Wichita, KS	ALF/MC	Development	77 units	Oct 2013	Sep 2014	11
Willowbrook Place	Littleton, CO	MC	Development	60 units	Aug 2014	Dec 2015	16
Mustang Creek Estates	Frisco, TX	ALF/MC	Development	80 units	Oct 2014	Dec 2015	14
Chelsea Place	Aurora, CO	MC	Development	48 units	Dec 2014	Mar 2016	15
Pavilion at Glacier Valley	Slinger, WI	SNF	Redevelopment	106 beds	Feb 2014	Feb 2016	24



Portfolio Metrics

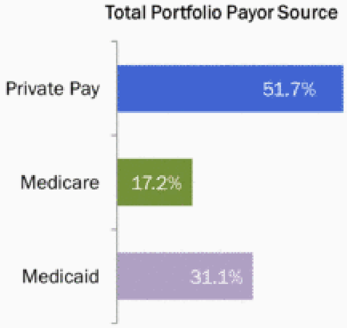
Same Property Portfolio Statistics (1)

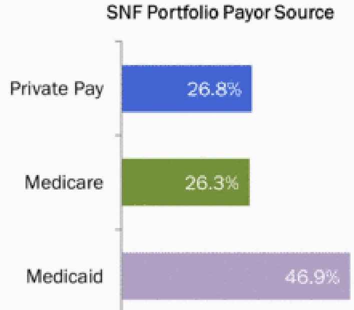
Owned Properties	Occupancy 4Q15	Occupancy 3Q15	Normalized EBITDARM Coverage 4Q15	Normalized EBITDARM Coverage 3Q15	Normalized EBITDAR Coverage 4Q15	Normalized EBITDAR Coverage 3Q15
Assisted Living	86.5%	86.0%	1.63	1.64	1.40	1.41
Skilled Nursing	79.3%	79.5%	2.19	2.26	1.59	1.64
Range of Care	85.3%	85.8%	1.71	1.75	1.26	1.28

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

Stabilized Property Portfolio (1)

TTM Ended December 31, 2015



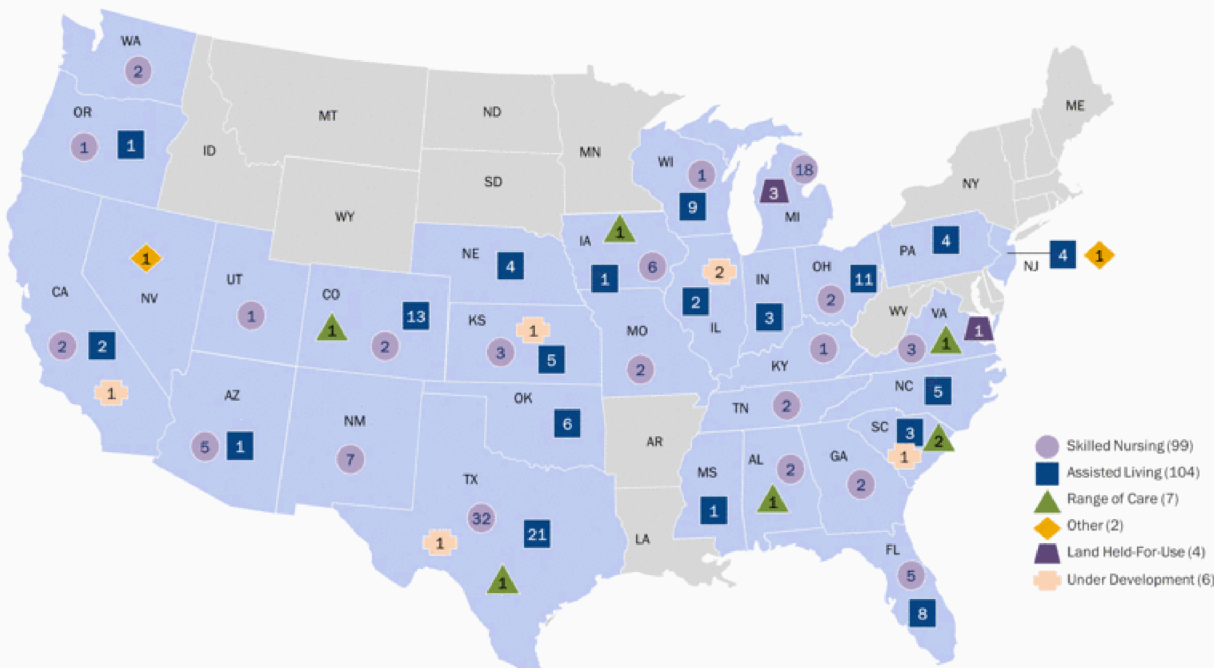


(1) Includes owned portfolio and a mortgage loan secured by 15 skilled nursing centers in Michigan.

Portfolio Diversification – Geography

(as of March 31, 2016)

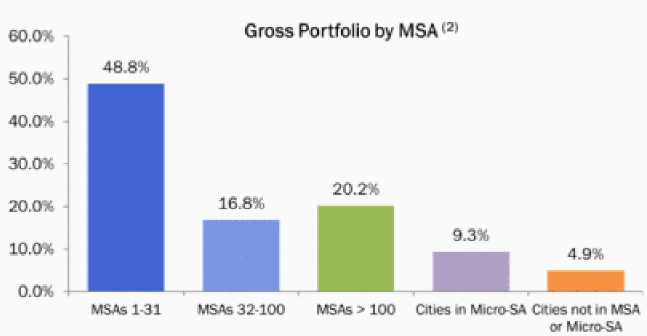
212 Properties | 6 Development Projects | 4 Land Parcels | 30 States | 35 Operators



Portfolio Diversification – Geography

(as of March 31, 2016, dollar amounts in thousands)

State [1]	# of Props	SNF	%	ALF	%	ROC	%	UDP	%	OTH	%	Gross Investment	%
Texas	54	$ 228,229	30.4%	$ 43,771	7.3%	$ 2,994	6.8%	$ 12,193	27.9%	$ -	-	$ 287,187	19.7%
Michigan	18	200,558	26.7%	-	-	-	-	-	-	943	4.6%	201,501	13.9%
Wisconsin	10	13,946	1.9%	111,734	18.8%	-	-	-	-	-	-	125,680	8.6%
Colorado	16	6,038	0.8%	106,879	17.9%	2,007	4.6%	-	-	-	-	114,924	7.9%
Ohio	13	54,000	7.2%	44,957	7.5%	-	-	-	-	-	-	98,957	6.8%
Florida	13	35,362	4.7%	45,856	7.7%	-	-	-	-	-	-	81,218	5.6%
New Jersey	5	-	-	61,664	10.4%	-	-	-	-	9,270	44.8%	70,934	4.9%
California	4	22,130	2.9%	28,071	4.7%	-	-	7,796	17.8%	-	-	57,997	4.0%
Illinois	2	-	-	42,328	7.1%	-	-	11,346	25.9%	-	-	53,674	3.7%
New Mexico	7	50,913	6.8%	-	-	-	-	-	-	-	-	50,913	3.5%
All Others	70	139,487	18.6%	110,769	18.6%	38,906	88.6%	12,426	28.4%	10,482	50.6%	312,070	21.4%
Total	212	$ 750,663	100.0%	$ 596,029	100.0%	$ 43,907	100.0%	$ 43,761	100.0%	$ 20,695	100.0%	$ 1,455,055	100.0%



Approximately 66% of our properties are in the Top 100 MSAs

MSAs 1 - 31	• Population 20.2M – 2.1M
MSAs 32 - 100	• Population 2.1M – 0.5M
MSAs >100	• Population 0.5M – 55K
Cities in a Micro-SA	• Population 218K – 14K
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, 2015, as estimated by the United States Census Bureau.

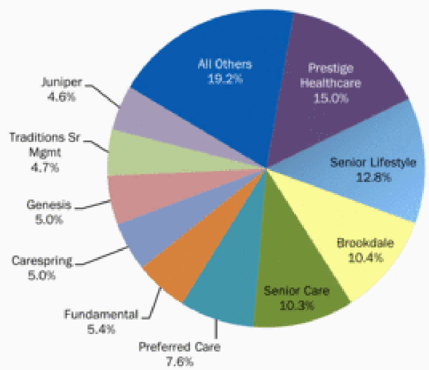
Portfolio Diversification – Operators

(as of March 31, 2016, dollar amounts in thousands)

Operators	# of Properties	Annual Income [(1)]	%	Gross Investment	%
Prestige Healthcare	20	$ 22,837	15.0%	$ 213,690	14.7%
Senior Lifestyle Corporation	27	19,509	12.8%	200,357	13.8%
Brookdale Senior Living	37	15,801	10.4%	126,991	8.7%
Senior Care Centers	11	15,756	10.3%	138,109	9.5%
Preferred Care	30	11,613	7.6%	89,519	6.2%
Fundamental	7	8,306	5.4%	74,652	5.1%
Carespring Health Care Management	3	7,635	5.0%	77,546	5.3%
Genesis Healthcare	8	7,614	5.0%	54,864	3.8%
Traditions Senior Management	5	7,093	4.7%	64,610	4.4%
Juniper Communities	6	7,018	4.6%	86,725	6.0%
All Others	58	29,276	19.2%	327,992	22.5%
	212	$ 152,458	100.0%	$1,455,055	100.0%

(1) Includes annualized GAAP rent for leased properties and interest income from mortgage loans excluding rental income from properties sold and interest income from loans that paid off during the twelve months ended March 31, 2016.

Annual Income by Operator



Portfolio Diversification - Top Ten Operator Profiles

(as of March 31, 2016)

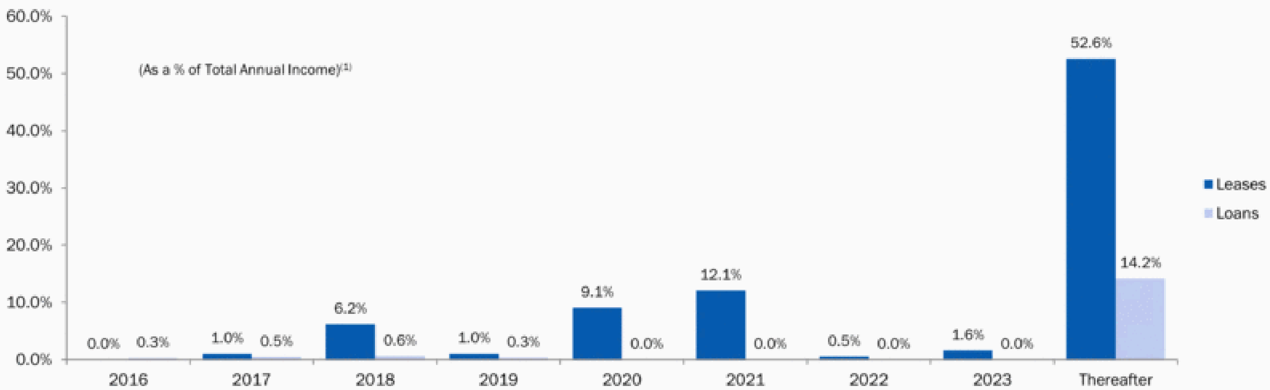
PRESTIGE HEALTHCARE	SENIOR LIFESTYLE FAMILY-OWNED COMMUNITIES	BROOKDALE SENIOR LIVING	SENIOR CARE CENTERS Our generation caring for theirs...	Preferred Care, Inc
Privately Held	Privately Held	NYSE: BKD	Privately Held	Privately Held
SNF/ALF/ILF Other Rehab	ALF/ILF/MC/SNF Short Term Stays	ALF/ILF/MC Continuing Care	SNF/ALF/ILF/MC Transitional Care & Rehab	SNF/ALF/ILF Specialty Care
68 Properties	171 Properties	Approx 1,123 Properties	108 Properties	112 Properties
7 States	27 States	47 States	2 States	12 States

FUNDAMENTAL	CARESPRING Stronger. Better. Always.	Genesis HealthCare	TRADITIONS SENIOR MANAGEMENT	JUNIPER COMMUNITIES Nurturing the spirit of life
Privately Held	Privately Held	NYSE: GEN	Privately Held	Privately Held
SNF/ALF/MC Hospitals & Other Rehab	SNF/ALF/ILF Transitional Care	SNF/ALF Senior Living	SNF/ALF/ILF	ALF/ILF/MC/SNF
74 Properties	11 Properties	More than 500 Properties	24 Properties	18 Properties
9 States	2 States	34 States	5 States	4 States

Portfolio Maturity

(as of March 31, 2016, dollar amounts in thousands)

Year	Rental Income[(1)]	% of Total	Interest Income[(1)]	% of Total	Annual Income[(1)]	% of Total
2016	-	-	423	1.8%	423	0.3%
2017	1,677	1.3%	692	2.9%	2,369	1.5%
2018	9,452	7.4%	904	3.8%	10,356	6.8%
2019	1,571	1.2%	379	1.5%	1,950	1.3%
2020	13,826	10.8%	-	-	13,826	9.1%
2021	18,438	14.3%	-	-	18,438	12.1%
2022	771	0.6%	-	-	771	0.5%
2023	2,539	2.0%	-	-	2,539	1.6%
Thereafter	80,184	62.4%	21,602	90.0%	101,786	66.8%
Total	$ 128,458	100.0%	$ 24,000	100.0%	$ 152,458	100.0%

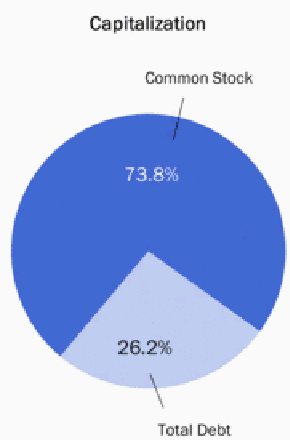


(1) Includes annualized GAAP rent for leased properties and interest income from mortgage loans excluding rental income from properties sold and interest income from loans that paid off during the twelve months ended March 31, 2016.

Enterprise Value

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

	No. of shares	3/31/16 Closing Price	At March 31, 2016	Capitalization
Debt				
Bank borrowings - weighted average rate 2.1% [(1)]			$ 161,000	
Senior unsecured notes -weighted average rate 4.6% [(2)]			447,256	
Total debt - weighted average rate 4.0%			608,256	26.2%
Equity				
Common stock	37,915,120	$ 45.24 [(3)]	1,715,280	73.8%
Total Market Value			$ 2,323,536	100%
Less: Cash and cash equivalents			(24,280)	
Enterprise Value			$ 2,299,256	
Debt to Enterprise Value			26.5%	
Debt to Annualized Normalized EBITDA [(4)]			4.4x	



(1) Total commitment under our unsecured revolving line of credit is $600,000 which matures in October 2018, with a one-year extension option. Subsequent to March 31, 2016, we borrowed an additional $37,000 under our unsecured revolving line of credit. Accordingly, we have $198,000 outstanding under our unsecured revolving line of credit with $402,000 remaining for borrowing.

(2) Represents outstanding balance of $448,300, net of debt issue costs of $1,044. Rate includes amortization of debt issue cost.

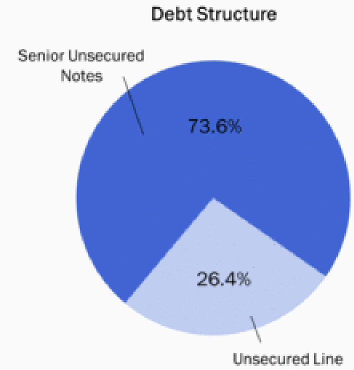
(3) Closing price of our common stock as reported by the NYSE on March 31, 2016.

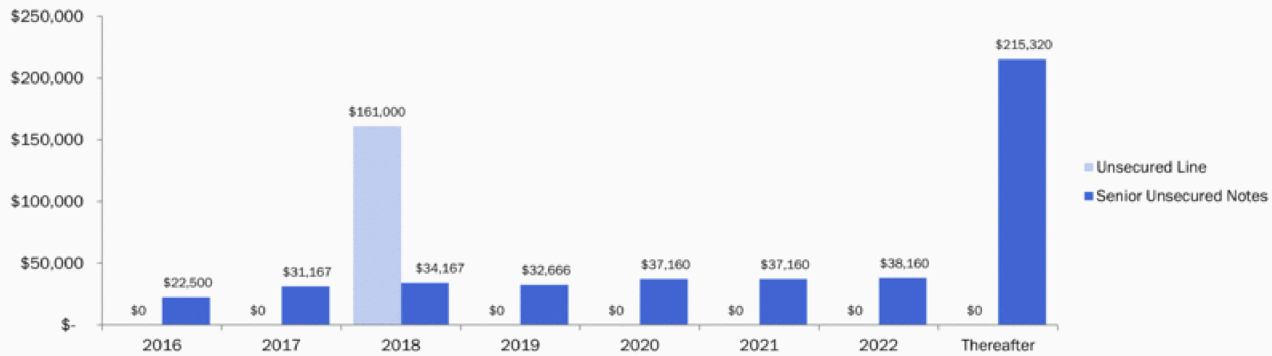
(4) See page 21 for reconciliation of annualized normalized EBITDA for the twelve months ended March 31, 2016.

Debt Maturity

(as of March 31, 2016, dollar amounts in thousands)

Year	Unsecured Line of Credit [1]	Senior Unsecured Notes [2]	Total	% of Total
2016	$ -	$ 22,500	$ 22,500	3.7%
2017	-	31,167	31,167	5.1%
2018	161,000	34,167	195,167	32.0%
2019	-	32,666	32,666	5.4%
2020	-	37,160	37,160	6.1%
2021	-	37,160	37,160	6.1%
2022	-	38,160	38,160	6.3%
Thereafter	-	215,320	215,320	35.3%
Total	$ 161,000	$ 448,300	$ 609,300 [3]	100.0%





(1) Total commitment under our unsecured revolving line of credit is $600,000 which matures in October 2018, with a one-year extension option. Subsequent to March 31, 2016, we borrowed an additional $37,000 under our unsecured revolving line of credit. Accordingly, we have $198,000 outstanding under our unsecured revolving line of credit with $402,000 remaining for borrowing.
(2) Reflects scheduled principal payments.
(3) Excludes debt issue costs which are included in the balance sheet amounts shown on page 18.

Financial Data Summary

(dollar amounts in thousands)

Balance Sheet, Leverage Ratios and Coverage Ratios

		Annualized		
	1Q16	4Q15	4Q14	4Q13
Balance Sheet				
Gross real estate assets	$1,455,055	$1,418,405	$1,117,167	$1,104,732
Net real estate assets	1,193,572	1,164,950	892,179	884,361
Gross asset value	1,580,333	1,528,879	1,189,758	1,150,676
Total debt [1]	608,256	571,872	280,584	277,730
Total liabilities	646,160	616,222	304,649	297,867
Preferred stock	-	-	38,500	38,500
Total equity	672,690	659,202	660,121	632,438
Leverage Ratios				
Debt to gross asset value	38.5%	37.4%	23.6%	24.1%
Debt & preferred stock to gross asset value	38.5%	37.4%	26.8%	27.5%
Debt to total enterprise value	26.5%	26.2%	15.4%	18.0%
Debt & preferred stock to total enterprise value	26.5%	26.2%	17.5%	20.5%
Coverage Ratios				
Debt to annualized normalized EBITDA	4.4x	4.3x	2.3x	2.9x
Annualized normalized EBITDA / interest incurred	5.1x	5.7x	7.6x	7.9x
Annualized normalized EBITDA / fixed charges	5.1x	5.7x	6.3x	6.2x

(1) Represents outstanding balance of gross bank borrowings and senior unsecured notes, net of debt issue costs.

Financial Data Summary

(dollar amounts in thousands)

Reconciliation of Annualized Normalized EBITDA and Fixed Charges

	Annualized			
	1Q16	4Q15	4Q14	4Q13
Net income	$ 79,432	$ 76,808	$ 84,000	$ 58,600
Less: Gain on sale of real estate, net	-	(586) [(1)]	(3,819) [(2)]	-
Add: Impairment on real estate for sale	-	2,250 [(1)]	-	-
Add: Interest expense	24,000	22,324	14,732	11,408
Add: Depreciation and amortization	34,244	33,240	26,376	24,948
Adjusted EBITDA	137,676	134,036	121,289	94,956
Add back/(deduct):				
Non-recurring one-time items	-	-	-	1,980 [(3)]
Normalized EBITDA	$ 137,676	$ 134,036	$ 121,289	$ 96,936
Interest expense:	$ 24,000	$ 22,324	$ 14,732	$ 11,408
Add: Capitalized interest	2,744	1,384	1,160	856
Interest incurred	26,744	23,708	15,892	12,264
Interest incurred	26,744	23,708	15,892	12,264
Preferred stock dividend	-	-	3,276	3,276
Fixed Charges	$ 26,744	$ 23,708	$ 19,168	$ 15,540

(1) In 4Q15, we agreed to sell a 48-unit assisted living community, which was sold in 1Q16, and we recorded an impairment charge of $2,250 to write the property down to the sale price. Gain on sale of real estate and impairment on real estate for sale were not annualized.

(2) Represents gain on sale of 16 properties to Enlivant. Gain on sale of real estate was not annualized.

(3) Represents 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. Non-recurring one-time items were not annualized.

Non-Cash Revenue Components

	1Q16	2Q16[(1)]	3Q16[(1)]	4Q16[(1)]	1Q17[(1)]
Straight-line rent	$ 2,835	$ 3,446	$ 2,784	$ 2,323	$ 1,559
Amort of lease inducement	(518)	(439)	(441)	(440)	(441)
Effective Interest	1,261	1,294	1,291	1,292	1,285
Net	$ 3,578	$ 4,301	$ 3,634	$ 3,175	$ 2,403

(1) For leases and loans in place at March 31, 2016, assuming no renewals, modification or replacement, and no new investments are added to our portfolio, except for announced acquisitions, as previously discussed on page 6.

Income Statement Data

(amounts in thousands, except per share amounts)

	Three Months Ended March 31,	
	2016	2015
	(unaudited)	
Revenues		
Rental income	$ 31,880	$ 26,678
Interest income from mortgage loans	6,578	4,607
Interest and other income	146	195
Total revenues	38,604	31,480
Expenses		
Interest expense	6,000	3,766
Depreciation and amortization	8,561	6,779
Provision for doubtful accounts	84	3
Acquisition costs	90	48
General and administrative expenses	4,283	3,448
Total expenses	19,018	14,044
Operating Income	19,586	17,436
Income from unconsolidated joint ventures	272	116
Net Income	19,858	17,552
Income allocated to participating securities	(101)	(123)
Income allocated to preferred stockholders	-	(818)
Net income available to common stockholders	$ 19,757	$ 16,611
Earnings per common share:		
Basic	$0.53	$0.47
Diluted	$0.53	$0.47
Weighted average shares used to calculate earnings per common share:		
Basic	37,446	35,277
Diluted	37,459	37,292
Dividends declared and paid per common share	$0.54	$0.51

Bella Vista
Oshkosh, WI

Consolidated Balance Sheets

(amounts in thousands, except per share amounts)

	March 31, 2016 (unaudited)	December 31, 2015 (audited)
ASSETS		
Investments:		
Land	$ 108,867	$ 106,841
Buildings and improvements	1,120,889	1,091,845
Accumulated depreciation and amortization	(259,237)	(251,265)
Real property investments, net	970,519	947,421
Mortgage loans receivable, net of loan loss reserves: 2016 - $2,246; 2015 - $2,190	223,053	217,529
Real estate investments, net	1,193,572	1,164,950
Investment in unconsolidated joint ventures	24,042	24,042
Investments, net	1,217,614	1,188,992
Other assets:		
Cash and cash equivalents	24,280	12,942
Debt issue costs related to bank borrowing	2,605	2,865
Interest receivable	5,815	4,536
Straight-line rent receivable, net of allowance for doubtful accounts: 2016 - $861; 2015 - $833	45,492	42,685
Prepaid expenses and other assets	21,020	21,443
Notes receivable	2,024	1,961
Total assets	$ 1,318,850	$ 1,275,424

	March 31, 2016 (unaudited)	December 31, 2015 (audited)
LIABILITIES		
Bank borrowings	$ 161,000	$ 120,500
Senior unsecured notes, net of debt issue costs: 2016 - $1,044; 2015 - $1,095	447,256	451,372
Accrued interest	2,852	3,974
Accrued incentives and earn-outs	12,572	12,722
Accrued expenses and other liabilities	22,480	27,654
Total liabilities	646,160	616,222
EQUITY		
Stockholders' equity:		
Common stock (1)	379	375
Capital in excess of par value	772,677	758,676
Cumulative net income	948,186	928,328
Accumulated other comprehensive income	18	47
Cumulative distributions	(1,048,570)	(1,028,224)
Total equity	672,690	659,202
Total liabilities and equity	$ 1,318,850	$ 1,275,424

(1) Common stock $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2016 - 37,915; 2015 - 37,548

Funds from Operations

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

Reconciliation of FFO, AFFO, and FAD

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
GAAP net income available to common stockholders	$ 19,757	$ 16,611
Add: Depreciation and amortization	8,561	6,779
NAREIT FFO attributable to common stockholders	28,318	23,390
Add: Non-recurring one-time items	-	-
Normalized FFO attributable to common stockholders	28,318	23,390
Less: Non-cash rental income	(2,317)	(1,923)
Less: Effective interest income from mortgage loans	(1,262)	(551)
Less: Deferred income from unconsolidated joint ventures	-	(77)
Normalized adjusted FFO (AFFO)	24,739	20,839
Add: Non-cash compensation charges	990	982
Add: Non-cash interest related to contingent liabilities	149	54
Less: Capitalized interest	(686)	(147)
Normalized funds available for distribution (FAD)	$ 25,192	$ 21,728
NAREIT Diluted FFO attributable to common stockholders per share	$0.76	$0.65
Diluted normalized FFO attributable to common stockholders per share	$0.76	$0.65
Diluted normalized AFFO per share	$0.66	$0.58
Diluted normalized FAD per share	$0.67	$0.60

Funds from Operations

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

Reconciliation of FFO Per Share

For the three months ended March 31,	FFO 2016	FFO 2015	AFFO 2016	AFFO 2015	FAD 2016	FAD 2015
Normalized FFO/AFFO/FAD attributable to common stockholders	$ 28,318	$ 23,390	$ 24,739	$ 20,839	$ 25,192	$ 21,728
Effect of dilutive securities:						
Participating securities	101	123	101	123	101	123
Series C cumulative preferred	-	818	-	818	-	818
Diluted normalized FFO/AFFO/FAD assuming conversion	$ 28,419	$ 24,331	$ 24,840	$ 21,780	$ 25,293	$ 22,669
Shares for basic FFO/AFFO/FAD per share	37,446	35,277	37,446	35,277	37,446	35,277
Effect of dilutive securities:						
Stock options	13	15	13	15	13	15
Participating securities	181	237	181	237	181	237
Series C cumulative preferred	-	2,000	-	2,000	-	2,000
Shares for diluted normalized FFO/AFFO/FAD per share	37,640	37,529	37,640	37,529	37,640	37,529
Diluted normalized FFO/AFFO/FAD per share	$ 0.76	$ 0.65	$ 0.66	$ 0.58	$ 0.67	$ 0.60

Pavilion at Glacier Valley
Slinger, WI

Pavilion at Glacier Valley
Slinger, WI

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 Communities ("ALF"): The ALF portfolio consists of assisted living, independent living, and/or memory care communities. (See Independent Living and Memory Care) Assisted living communities are senior housing properties serving elderly persons who require assistance with activities of daily living, but do not require the constant supervision skilled nursing centers provide. Services are usually available 24 hours a day and include personal supervision and assistance with eating, bathing, grooming and administering medication. The communities 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 Communities ("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 (cont.)

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 Communities ("MC"): Senior housing properties offering specialized options for seniors with Alzheimer's disease and other forms of dementia. These communities 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 communities. These communities 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.

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 communities 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 Centers ("SNF"): Skilled nursing centers provide 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 communities and/or skilled nursing centers.

LTC Properties, Inc.

Company

Founded in 1992, LTC Properties, Inc. ("LTC") is a self-administered real estate investment trust that primarily invests in senior housing and health 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 health care properties managed by experienced operators. Our primary senior housing and health care property types include skilled nursing centers (or SNF), assisted living communities (or ALF), independent living communities (or ILF), memory care communities (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, 2015 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 adjusted 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 21, 24, and 25 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.