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 8, 2017**
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

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Item 2.02. — Results of Operations and Financial Condition

On May 8, 2017, LTC Properties, Inc. announced the operating results for the three months ended March 31, 2017. 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 8, 2017.

99.2 LTC Properties, Inc. Supplemental Information Package for the period ending March 31, 2017.

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 8, 2017	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 2017 FIRST QUARTER RESULTS

WESTLAKE VILLAGE, CALIFORNIA, May 8, 2017— 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, 2017.

Net income available to common stockholders was $21.4 million, or $0.54 per diluted share, for the 2017 first quarter compared with $19.8 million, or $0.53 per diluted share, for the same period in 2016. Funds from Operations ("FFO") increased 8.7% to $30.8 million for the 2017 first quarter, up from $28.3 million for the comparable 2016 period. FFO per diluted common share was $0.78 and $0.76 for the quarters ended March 31, 2017 and 2016, respectively. The increase in net income available to common stockholders per share and FFO per share was primarily due to higher revenues from prior year acquisitions, mortgage loan originations and completed development projects, partially offset by higher interest expense resulting from the sale of senior unsecured notes in May and July of 2016 and February 2017, the issuance of shares and lower capitalized interest from development projects, as well as additional general and administrative expenditures related to performance-based equity awards.

As previously announced, LTC completed the following during the first quarter of 2017:

- Amended its shelf agreement with affiliates and managed accounts of Prudential Investment Management, Inc. (or Prudential) to increase its shelf commitment to $337.5 million;

- Sold 15-year senior unsecured notes in the aggregate amount of $100.0 million to a group of institutional investors, which included Prudential, in a private placement transaction. The notes bear interest at an annual fixed rate of 4.5%, have scheduled principal payments and mature on February 16, 2032. The proceeds were used to repay the outstanding balance of the unsecured line of credit; and

- Sold 312,881 shares of common stock for $14.6 million in net proceeds under its equity distribution agreement. The proceeds were used to repay the outstanding balance of the unsecured line of credit.

Conference Call Information

LTC will conduct a conference call on Tuesday, May 9, 2017, 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, 2017. 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 May 9 through May 23, 2017 and may be accessed by dialing 877-344-7529 (domestically) or 412-317-0088 (internationally) and entering conference number 10104953. 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 primarily through sale-leaseback transactions, mortgage financing and structured finance solutions including mezzanine lending. At March 31, 2017, LTC had 210 investments located in 29 states comprising 105 assisted living communities, 97 skilled nursing centers, 1 behavioral health care hospital, 3 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. 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.

CONSOLIDATED STATEMENTS OF INCOME

(amounts in thousands, except per share amounts)

	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016
	(unaudited)	
Revenues:		
Rental income	$ 35,035	$ 31,880
Interest income from mortgage loans	6,748	6,578
Interest and other income	839	146
Total revenues	42,622	38,604
Expenses:		
Interest expense	7,471	6,000
Depreciation and amortization	9,359	8,561
(Recovery) provision for doubtful accounts	(38)	84
Transaction costs	22	90
General and administrative expenses	4,740	4,283
Total expenses	21,554	19,018
Operating income	21,068	19,586
Income from unconsolidated joint ventures	445	272
Net income	21,513	19,858
Income allocated to participating securities	(97)	(101)
Net income available to common stockholders	$ 21,416	$ 19,757
Earnings per common share:		
Basic	$ 0.54	$ 0.53
Diluted	$ 0.54	$ 0.53
Weighted average shares used to calculate earnings per common share:		
Basic	39,366	37,446
Diluted	39,612	37,459
Dividends declared and paid per common share	$ 0.57	$ 0.54

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 FFO, AFFO and 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. 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.

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.

While the Company uses FFO, AFFO, and 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, as well as AFFO and FAD *(unaudited, amounts in thousands, except per share amounts)*:

	Three Months Ended March 31,	
	2017	2016
GAAP net income available to common stockholders	$ 21,416	$ 19,757
Add: Depreciation and amortization	9,359	8,561
NAREIT FFO attributable to common stockholders	30,775	28,318
Less: Non-cash rental income	(2,340)	(2,317)
Less: Effective interest income from mortgage loans	(1,307)	(1,262)
Less: Deferred income from unconsolidated joint ventures	(47)	—
Adjusted FFO (AFFO)	27,081	24,739
Add: Non-cash compensation charges	1,259	990
Add: Non-cash interest related to earn-out liabilities	226	149
Less: Capitalized interest	(170)	(686)
Funds available for distribution (FAD)	$ 28,396	$ 25,192
NAREIT Basic FFO attributable to common stockholders per share	$ 0.78	$ 0.76
NAREIT Diluted FFO attributable to common stockholders per share	$ 0.78	$ 0.76
NAREIT Diluted FFO attributable to common stockholders	$ 30,872	$ 28,419
Weighted average shares used to calculate NAREIT diluted FFO per share attributable to common stockholders	39,612	37,640
Diluted AFFO	$ 27,178	$ 24,840
Weighted average shares used to calculate diluted AFFO per share	39,612	37,640
Diluted FAD	$ 28,493	$ 25,293
Weighted average shares used to calculate diluted FAD per share	39,612	37,640

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

	March 31, 2017	December 31, 2016
ASSETS		
Investments:		
Land	$ 115,793	$ 116,096
Buildings and improvements	1,187,897	1,185,467
Accumulated depreciation and amortization	(284,134)	(275,861)
Operating real estate property, net	1,019,556	1,025,702
Properties held-for-sale, net of accumulated depreciation: 2017—$1,058; 2016—$0	1,170	—
Real property investments, net	1,020,726	1,025,702
Mortgage loans receivable, net of loan loss reserve: 2017—$2,249; 2016—$2,315	223,292	229,801
Real estate investments, net	1,244,018	1,255,503
Notes receivable, net of loan loss reserve: 2017—$166; 2016—$166	16,402	16,427
Investments in unconsolidated joint ventures	26,181	25,221
Investments, net	1,286,601	1,297,151
Other assets:		
Cash and cash equivalents	8,732	7,991
Debt issue costs related to bank borrowings	1,584	1,847
Interest receivable	10,868	9,683
Straight-line rent receivable, net of allowance for doubtful accounts: 2017—$988; 2016—$960	58,115	55,276
Prepaid expenses and other assets	25,690	22,948
Total assets	$ 1,391,590	$ 1,394,896
LIABILITIES		
Bank borrowings	$ —	$ 107,100
Senior unsecured notes, net of debt issue costs: 2017—$1,260; 2016—$1,009	597,873	502,291
Accrued interest	4,259	4,675
Accrued incentives and earn-outs	12,015	12,229
Accrued expenses and other liabilities	24,303	28,553
Total liabilities	638,450	654,848
EQUITY		
Stockholders' equity:		

Common stock: $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2017—39,573; 2016—39,221	396	392
Capital in excess of par value	853,132	839,005
Cumulative net income	1,034,956	1,013,443
Cumulative distributions	(1,135,344)	(1,112,792)
Total equity	753,140	740,048
Total liabilities and equity	$ 1,391,590	$ 1,394,896

Exhibit 99.2

Supplemental Operating and Financial Data

March 31, 2017 *(Unaudited)*

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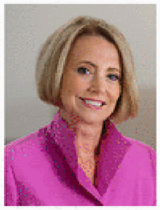
Medilodge of Milford
Milford, MI

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

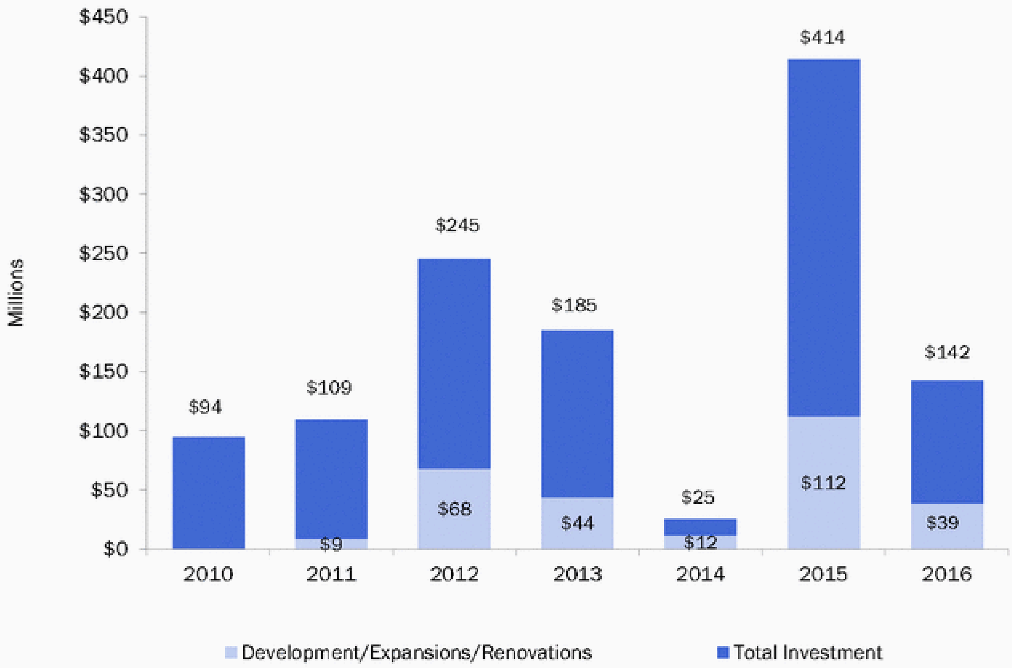
BMO Capital Markets Corp .... John Kim
Canaccord Genuity .... Paul Morgan
Cantor Fitzgerald .... Joseph France
D.A. Davidson .... Doug Christopher
J.J. B. Hilliard, W.L. Lyons, Inc .... John Roberts
JMP Securities, LLC .... Peter Martin
KeyBanc Capital Markets, Inc .... Jordan Sadler
Mitsubishi – MUFG .... 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.


Merrill Hills Manor
Waukesha, WI

Execution of Growth Strategy

$1.2 Billion in Total Investments Underwritten



Portfolio Overview

(dollar amounts in thousands)

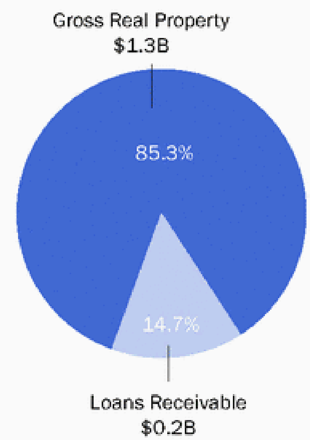
Type of Property	# of Properties	Gross Investments	% of Investments	Trailing Twelve Months Ended March 31, 2017 Rental Income[1]	Interest Income[1]	% of Revenues
Skilled Nursing[2]	97	$ 799,298	52.2%	$ 67,794	$ 25,695	57.6%
Assisted Living	105	703,668	46.0%	67,543	350	41.8%
Under Development[3]	-	17,071	1.1%	-	-	-
Other[4]	1	11,422	0.7%	792	111	0.6%
Total	203	$ 1,531,459	100.0%	$ 136,129	$ 26,156	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, 2017.

(2) Historically, we had a property classification identified as range of care communities (or ROC) which consisted of properties providing skilled nursing and any combination of assisted living, independent living and/or memory care services. Since we only have seven ROC remaining and given that these properties derive materially all of their revenue from skilled nursing services, we elected to reclassify them into the SNF property classification.

(3) Includes three development projects consisting of two memory care communities with a total of 132 units and a skilled nursing center with 143 beds.

(4) Includes one behavioral health care hospital and four parcels of land.



Real Estate Activities – Acquisitions and 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]
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	-
	4/29	2	MC	120 units	Wichita & Overland Park, KS	Anthem Memory Care	2011/2013	8.00%	25,000	750
	6/14	1	ALF/MC	70 units	Athens, GA	Thrive Senior Living	2016	8.00%	14,300	-
	9/30	1	UDP[2][3]	143 beds	Union, KY	Carespring	2016-2018	8.50%	5,300	19,025
	10/28	1	UDP[2]	66 units	Oak Lawn, IL	Anthem Memory Care	2016-2018	9.00%	1,591	12,878
		7		316 units/269 beds					$ 76,441	$ 32,653

(1) Commitments may include capital improvement or development allowances for approved projects but excludes incentive payments and contingent payments. For a comprehensive list of our commitments, see our Quarterly Report on Form 10-Q.
(2) See page 9 for development activities.
(3) Represents purchase of land and initial improvements.

Loan Originations

Date		# of Properties	Property Type	# Beds/ Units	Location	Loan Type	Maturity Date	Operator	Origination	Total Funded to Date	2017 YTD Revenue [1]	Stated Interest Rate
2016	4/29	2	SNF	216 beds	East Lansing, MI	Mortgage	Apr-20	Prestige Healthcare	$ 12,250 [2]	$ 8,117	$ 189	9.4%
	8/31	2	SNF	146 beds	Albany & Florence, OR	Mezzanine	Sep-21	Regency Pacific	1,400 [3]	1,200	46	15.0%
	12/22	64	SNF	7,786 beds	Various states	Mezzanine	Nov-21	Genesis	12,500 [4]	12,500	343	LIBOR +11.75%
		68		8,148 beds					$ 26,150	$ 21,817	$ 578	

(1) Represents year-to-date GAAP interest income.
(2) Represents the origination of a 4-year first mortgage loan for $12,250, funding $7,750 at closing with the remaining commitment of $4,500 available for approved capital improvement projects. Additionally, we committed $8,000 to be funded upon the properties achieving certain predetermined coverage thresholds.
(3) Represents a mezzanine loan secured by a second mortgage on two skilled nursing centers in Oregon.
(4) Represents a mezzanine loan on a portfolio of 64 skilled nursing centers located in eight states.

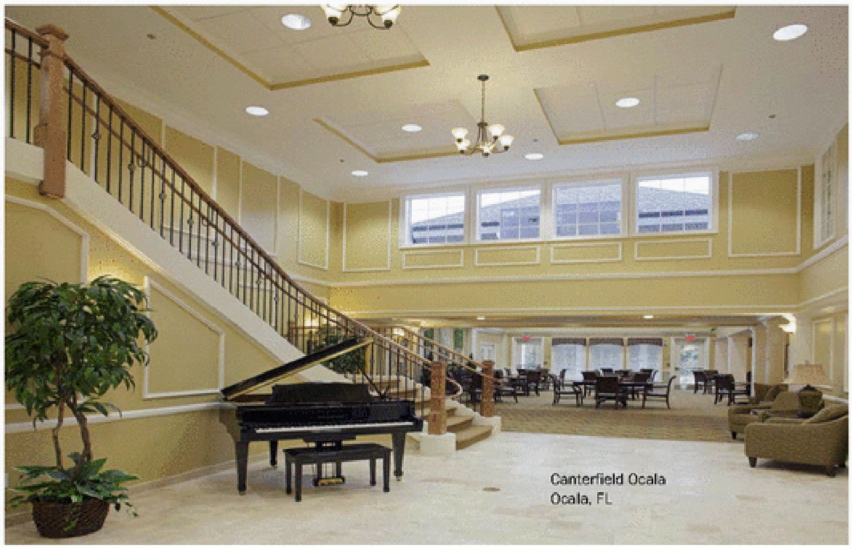
Real Estate Activities – Joint Ventures

(dollar amounts in thousands)

Joint Ventures

Commitment Year	Location	# of Projects	Property Type	Return	# Beds/ Units	Investment Commitment	1Q17 Funding	Total Funded to Date	Remaining Commitment
2015	Peoria & Yuma, AZ	4	ALF/MC/ILF	15.00% (1)	585 units	$ 25,650	$ 914	$ 22,827	$ 2,823
2015	Ocala, FL	1	UDP-ALF/IL/MC	15.00% (2)	99 units	2,900	-	2,900	-
2016	Fort Myers, FL	1	UDP-ALF/MC	15.00% (3)	127 units	3,400	-	-	3,400
					811 units	$ 31,950	$ 914	$ 25,727	$ 6,223

(1) Currently, 5% is paid in cash and 10% is deferred.
(2) Interest during construction was accrued. Currently, 10% is paid in cash and 5% is deferred.
(3) Conditions of funding have not been satisfied. Once funded, 10% will be paid in cash and 5% will be deferred.



Canterfield Ocala
Ocala, FL

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]	1Q17 Funding	Total Capitalized Interest/Other	Total Project Basis to Date	Remaining Commitment [2]
4Q17	2015	Glenview, IL	1	MC	9.00%	66 units	$ 15,814	$ 1,762	$ 314	$ 7,821	$ 8,307
1Q18	2016	Oak Lawn, IL	1	MC	9.00%	66 units	14,469	495	44	2,775	11,738
4Q18	2016	Union, KY	1	SNF	8.50%	143 beds	24,325	502	131	6,475	17,981
		Total	3		8.78%	132 units/143beds	$ 54,608	$ 2,759	$ 489	$ 17,071	$ 38,026

(1) Includes purchase of land and initial improvement funding, 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)

Owned

Estimated Rent/Interest Inception Date	Commitment Year	Project Type	Location	# of Projects	Property Type	Approximate Initial Cash Yield	Investment Commitment	1Q17 Funding	Total Funded to Date	Remaining Commitment
- [1]	2015	Renovation	Las Vegas, NV	1	OTH	8.50%	$ 3,000	$ -	$ -	$ 3,000
- [2]	2016	Renovation	Chesapeake, VA	1	SNF	9.00%	1,500	701	1,027	473
			Total	2			$ 4,500	$ 701	$ 1,027	$ 3,473

Mortgage Loans

Estimated Rent/Interest Inception Date	Commitment Year	Project Type	Location	# of Projects	Property Type	Approximate Initial Cash Yield	Investment Commitment	1Q17 Funding	Total Funded to Date	Remaining Commitment
- [3]	2015	Expansion	Richmond, MI	1	SNF	9.41%	$ 10,000	$ 2,975	$ 6,857	$ 3,143
- [3]	2015	Expansion	Rochester Hills, MI	1	SNF	9.41%	10,000	229	735	9,265
- [4]	2015	Renovation	Farmington & Howell, MI	2	SNF	9.41%	5,000	461	1,025	3,975
- [4]	2016	Expansion	Grand Blanc, MI	1	SNF	9.41%	5,500 [5]	366	738	4,762
- [4]	2016	Renovation	East Lansing, MI	2	SNF	9.41%	4,500	352	367	4,133
			Total	7			$ 35,000	$ 4,383	$ 9,722	$ 25,278

(1) Rent increases at each six month anniversary on amounts funded during that period.
(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. Interest payment increases upon each funding.
(4) Interest payment increases upon each funding.
(5) Increased investment from $1,500 to $5,500 during 2Q16.


Medilodge of Rochester Hills Expansion Rendering
Rochester Hills, MI

Real Estate Activities – Lease-Up

(dollar amounts in thousands)

Lease-Up

Date Opened [1]	Occupancy at 3/31/17	Commitment Year	Project Type	Location	# of Projects	Property Type	Approximate Initial Cash Yield	# Beds/Units	Total Investment
Sep-15	43%	2015	Acquisition [2]	Jacksonville, FL	1	MC	8.00%	60 units	$ 14,250
Feb-16	31%	2014	Development	Burr Ridge, IL	1	MC	9.30%	66 units	12,248
Apr-16	77%	2016	Acquisition [2]	Louisville, KY	1	MC	8.00%	60 units	14,250
May-16	52%	2015	Development	Corpus Christi, TX	1	MC	8.75%	56 units	12,524
May-16	71%	2016	Acquisition [2]	Athens, GA	1	ALF/MC	8.00%	70 units	14,300
Jul-16	30%	2015	Development	Tinley Park, IL	1	MC	9.25%	66 units	11,887
Aug-16	35%	2015	Development	Murrieta, CA	1	MC	9.00%	66 units	12,606
Sep-16	48%	2015	Development	Murrells Inlet, SC	1	ALF/MC	8.75%	89 units	16,535
Nov-16	26%	2015	Development	Wichita, KS	1	ILF	7.43%	108 units	14,500
					9			641 units	$ 123,100

(1) Represents date of Certificate of Occupancy.
(2) Property was newly constructed and purchased following issuance of final certificate of occupancy and licensure.

Lease-Up History

Property	Location	Property Type	Project Type	# Beds/Units	Date Opened	Date Stabilized	# of months to Stabilization
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
Coldspring Transitional Care Center	Cold Spring, KY	SNF	Development	143 beds	Nov 2014	Jun 2016	19
Greenridge Place [1]	Westminster, CO	MC	Development	60 units	Feb 2015	Feb 2017	24

(1) Property meets the definition of stabilized but has not yet achieved the applicable occupancy threshold.

Portfolio Metrics

Same Property Portfolio Statistics (1)

	Occupancy		Normalized EBITDARM Coverage		Normalized EBITDAR Coverage	
Owned Properties	4Q16	3Q16	4Q16	3Q16	4Q16	3Q16
Assisted Living	85.2%	85.5%	1.46	1.50	1.24	1.27
Skilled Nursing (2)	79.0%	78.5%	2.04	2.02	1.51	1.47

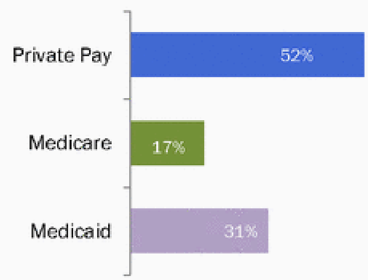
(1) Information is for the trailing twelve months through December 31, 2016 and September 30, 2016 and is from property level operator financial statements which are unaudited and have not been independently verified by LTC.

(2) Historically, we had a property classification identified as range of care communities (or ROC) which consisted of properties providing skilled nursing and any combination of assisted living, independent living and/or memory care services. Since we only have seven ROC remaining and given that these properties derive materially all of their revenue from skilled nursing services, we believe their reclassification as skilled nursing facilities (or SNF) provide a more appropriate and accurate reflection of portfolio performance.

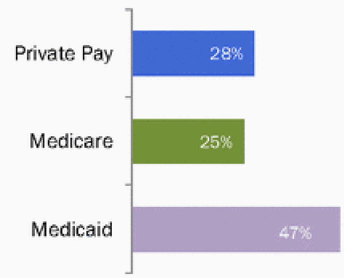
Stabilized Property Portfolio

TTM Ended December 31, 2016

Total Portfolio Payor Source



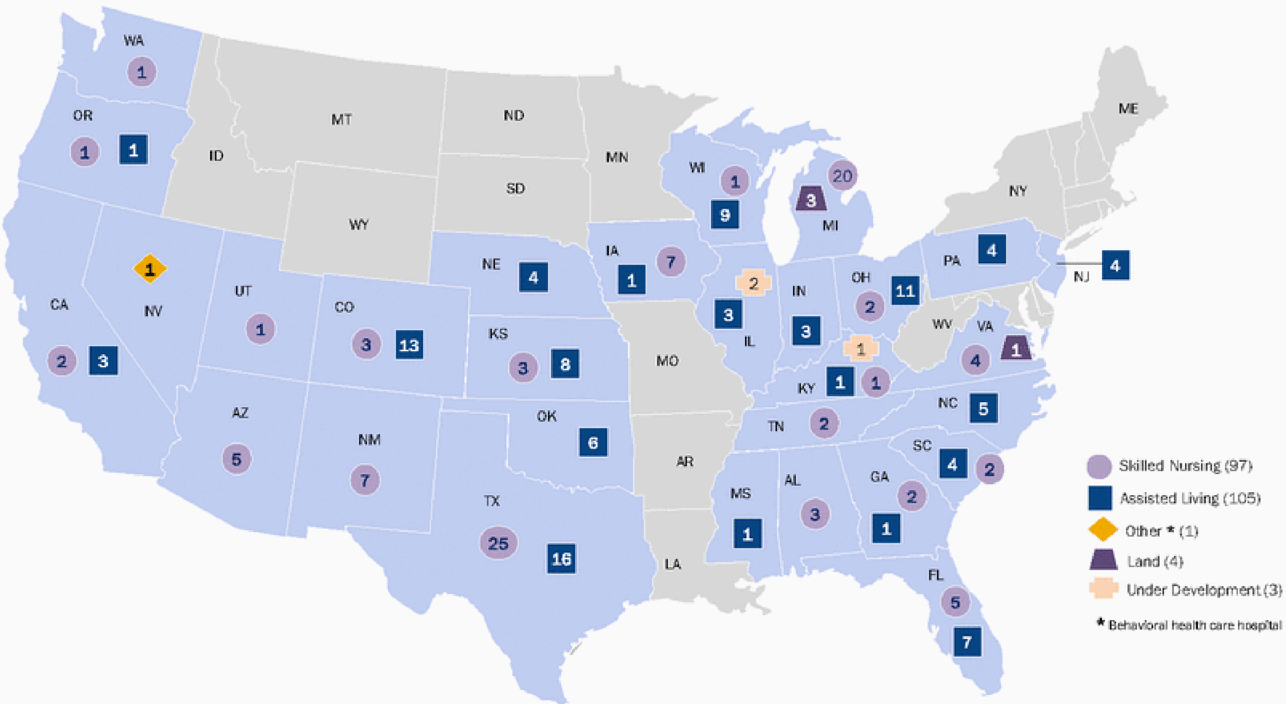
SNF Portfolio Payor Source (2)



Portfolio Diversification – Geography

(as of March 31, 2017)

203 Properties | 3 Development Projects | 4 Land Parcels | 29 States | 28 Operators

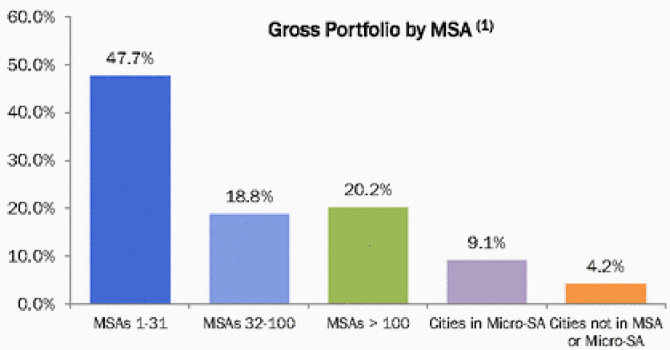


Portfolio Diversification – Geography

(as of March 31, 2017, dollar amounts in thousands)

State [1]	# of Props	SNF [2]	%	ALF	%	UDP	%	OTH [3]	%	Gross Investment	%
Texas	41	$ 218,475	27.3%	$ 50,592	7.2%	$ -	-	$ -	-	$ 269,067	17.6%
Michigan	20	218,524	27.3%	-	-	-	-	943	8.3%	219,467	14.3%
Wisconsin	10	13,946	1.7%	112,187	15.9%	-	-	-	-	126,133	8.2%
Colorado	16	8,044	1.0%	106,879	15.2%	-	-	-	-	114,923	7.5%
Ohio	13	54,000	6.8%	45,300	6.4%	-	-	-	-	99,300	6.5%
Florida	12	35,362	4.4%	39,247	5.6%	-	-	-	-	74,609	4.9%
Kansas	11	14,112	1.8%	57,071	8.1%	-	-	-	-	71,183	4.6%
Illinois	3	-	-	54,995	7.8%	10,596	62.1%	-	-	65,591	4.3%
California	5	22,130	2.8%	40,759	5.8%	-	-	-	-	62,889	4.1%
New Jersey	4	-	-	62,042	8.8%	-	-	-	-	62,042	4.1%
All Others	68	214,705	26.9%	134,596	19.2%	6,475	37.9%	10,479	91.7%	366,255	23.9%
Total	203	$ 799,298	100.0%	$ 703,668	100.0%	$ 17,071	100.0%	$ 11,422	100.0%	$ 1,531,459	100.0%

(1) Due to master leases with properties in multiple states, revenue by state is not available.
(2) Historically, we had a property classification identified as range of care communities (or ROC) which consisted of properties providing skilled nursing and any combination of assisted living, independent living and/or memory care services. Since we only have seven ROC remaining and given that these properties derive materially all of their revenue from skilled nursing services, we elected to reclassify them into the SNF property classification.
(3) Includes one behavioral health care hospital and four parcels of land.



(1) The MSA rank by population as of July 1, 2016, as estimated by the United States Census Bureau.

Approximately 67% of our properties are in the Top 100 MSAs

MSAs 1 - 31	• Population 20.2M – 2.1M
MSAs 32 - 100	• Population 2.1M – 0.6M
MSAs > 100	• Population 0.5M – 55K
Cities in a Micro-SA	• Population 216K – 13K
Cities not in MSA	• Population less than 100K

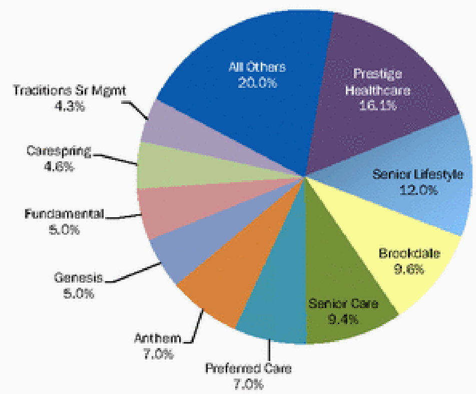
Portfolio Diversification – Operators

(as of March 31, 2017, dollar amounts in thousands)

Operators	# of Properties	Annual Income (1)	%	Gross Investment	%
Prestige Healthcare	22	$ 26,802	16.1%	$ 231,657	15.1%
Senior Lifestyle Corporation	27	19,973	12.0%	201,862	13.2%
Brookdale Senior Living	37	16,034	9.6%	126,991	8.3%
Senior Care Centers	11	15,756	9.4%	138,109	9.0%
Preferred Care	26	11,762	7.0%	86,343	5.6%
Anthem Memory Care	9	11,695	7.0%	113,978	7.4%
Genesis Healthcare	8	8,434	5.0%	54,864	3.6%
Fundamental	7	8,306	5.0%	74,652	4.9%
Carespring Health Care Management	3	7,635	4.6%	84,020	5.5%
Traditions Senior Management	5	7,167	4.3%	64,607	4.2%
All Others	48	33,358	20.0%	354,376	23.2%
	203	$ 166,922	100.0%	$ 1,531,459	100.0%

(1) Includes annualized GAAP rent for leased properties and trailing twelve months of interest income from mortgage loans excluding the interest income from loans that paid off during the twelve months ended March 31, 2017.

Annual Income by Operator



Portfolio Diversification - Top Ten Operator Profiles

(as of March 31, 2017)

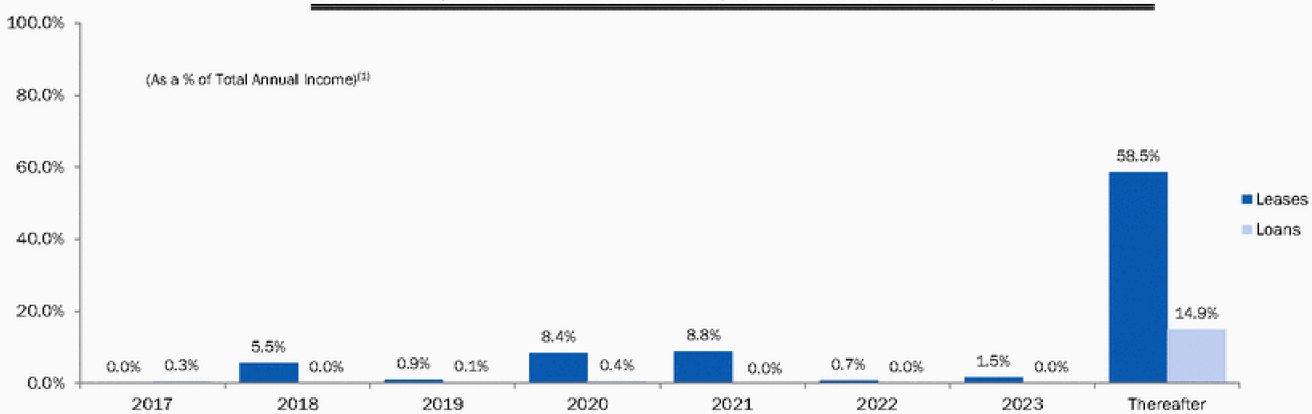
Prestige Healthcare	Senior Lifestyle	Brookdale Senior Living	Senior Care Centers	Preferred Care, Inc
Privately Held	Privately Held	NYSE: BKD	Privately Held	Privately Held
SNF/ALF/ILF Other Rehab	ALF/ILF/MC/SNF Short Term Stays	ALF/ILF/MC Continuing Care	SNF/ALF/ILF/MC Transitional Care & Rehab	SNF/ALF/ILF Specialty Care
68 Properties	178 Properties	Approx 1,055 Properties	107 Properties	110 Properties
7 States	28 States	47 States	2 States	12 States

Anthem Memory Care	Genesis HealthCare	Fundamental	Carespring	Traditions Senior Management
Privately Held	NYSE: GEN	Privately Held	Privately Held	Privately Held
Exclusively MC	SNF/ALF Senior Living	SNF/MC Hospitals & Other Rehab	SNF/ALF/ILF Transitional Care	SNF/ALF/ILF
10 Properties	Approx 500 Properties	93 Properties	11 Properties	24 Properties
4 States	34 States	10 States	2 States	5 States

Portfolio Maturity

(as of March 31, 2017, dollar amounts in thousands)

Year	Rental Income[(1)]	% of Total	Interest Income[(1)]	% of Total	Annual Income[(1)]	% of Total
2017	$ -	-	$ 461	1.8%	$ 461	0.3%
2018	9,101	6.5%	-	-	9,101	5.5%
2019	1,571	1.1%	127	0.5%	1,698	1.0%
2020	14,058	10.0%	686	2.6%	14,744	8.8%
2021	14,702	10.4%	-	-	14,702	8.8%
2022	1,175	0.8%	-	-	1,175	0.7%
2023	2,539	1.8%	-	-	2,539	1.5%
Thereafter	97,620	69.4%	24,882	95.1%	122,502	73.4%
Total	$ 140,766	100.0%	$ 26,156	100.0%	$ 166,922	100.0%



(1) Includes annualized GAAP rent for leased properties and trailing twelve months of interest income from mortgage loans excluding the interest income from loans that paid off during the twelve months ended March 31, 2017.

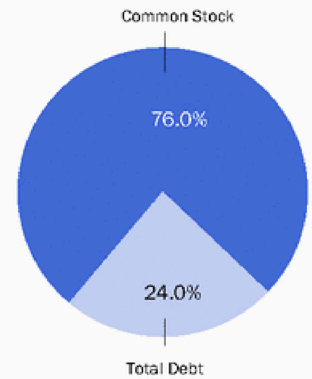
Enterprise Value

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

	No. of shares	3/31/17 Closing Price	At March 31, 2017	Capitalization
Debt				
Bank borrowings - weighted average rate			$ -	
Senior unsecured notes -weighted average rate 4.5% [1]			597,873	
Total debt - weighted average rate 4.5%			597,873	24.0%
Equity				
Common stock	39,573,448	$ 47.90 [2]	1,895,568	76.0%
Total Market Value			**$ 2,493,441**	100%
Less: Cash and cash equivalents			(8,732)	
Enterprise Value			**$ 2,484,709**	
Debt to Enterprise Value			24.1%	
Debt to Annualized Normalized EBITDA [3]			3.9x	

(1) Represents outstanding balance of $599,133, net of debt issue costs of $1,260. Rate includes amortization of debt issue cost.
(2) Closing price of our common stock as reported by the NYSE on March 31, 2017.
(3) See page 21 for reconciliation of annualized normalized EBITDA.

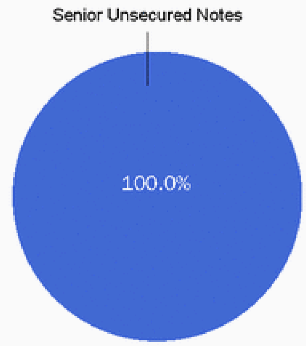
Capitalization

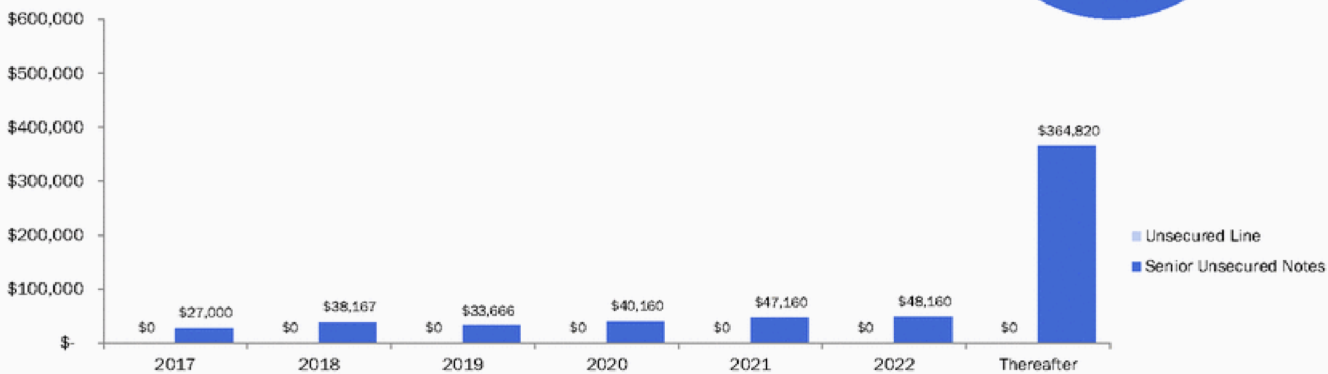


Debt Maturity
(as of March 31, 2017, dollar amounts in thousands)

Year	Unsecured Line of Credit [1]	Senior Unsecured Notes [2]	Total	% of Total
2017	$ -	$ 27,000	$ 27,000	4.5%
2018	-	38,167	38,167	6.4%
2019	-	33,666	33,666	5.6%
2020	-	40,160	40,160	6.7%
2021	-	47,160	47,160	7.9%
2022	-	48,160	48,160	8.0%
Thereafter	-	364,820	364,820	60.9%
Total	$ -	$ 599,133	$ 599,133 [3]	100.0%

Debt Structure





(1) Total commitment under our unsecured revolving line of credit is $600,000 which matures in October 2018, with a one-year extension option.
(2) Reflects scheduled principal payments.
(3) Excludes debt issue costs which are included in the senior unsecured notes balance shown on page 18.

(dollar amounts in thousands)

Balance Sheet, Leverage Ratios and Coverage Ratios

		For the Year Ended		
	1Q17 Annualized	12/31/16	12/31/15	12/31/14
Balance Sheet				
Gross real estate assets	$1,531,459	$1,533,679	$1,418,405	$1,117,167
Net real estate assets	1,244,018	1,255,503	1,164,950	892,179
Gross asset value	1,679,197	1,673,238	1,528,879	1,189,758
Total debt [1]	597,873	609,391	571,872	280,584
Total liabilities	638,450	654,848	616,222	304,649
Preferred stock	-	-	-	38,500
Total equity	753,140	740,048	659,202	660,121
Leverage Ratios				
Debt to gross asset value	35.6%	36.4%	37.4%	23.6%
Debt to total enterprise value	24.1%	24.9%	26.2%	15.4%
Coverage Ratios				
Debt to normalized EBITDA	3.9x	4.2x	4.7x	2.6x
Normalized EBITDA / interest incurred	5.0x	5.2x	6.7x	7.3x
Normalized EBITDA / fixed charges	5.0x	5.2x	5.9x	6.0x

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

(dollar amounts in thousands)

Reconciliation of Annualized Normalized EBITDA and Fixed Charges

	1Q17 Annualized	For the Year Ended 12/31/16	12/31/15	12/31/14
Net income	$ 86,052	$ 85,115	$ 73,081	$ 73,399
Less: Gain on sale of real estate, net	-	(3,582)	(586)	(4,959)
Add: Impairment on real estate for sale	-	766 (1)	2,250 (2)	-
Add: Interest expense	29,884	26,442	17,497	13,128
Add: Depreciation and amortization	37,436	35,932	29,431	25,529
Adjusted EBITDA	153,372	144,673	121,673	107,097
Add back/(deduct):				
Non-recurring one-time items	-	-	937	-
Normalized EBITDA	$ 153,372	$ 144,673	$ 122,610	$ 107,097
Interest expense:	$ 29,884	$ 26,442	$ 17,497	$ 13,128
Add: Capitalized interest	680	1,408	827	1,506
Interest incurred	$ 30,564	$ 27,850	$ 18,324	$ 14,634
Interest incurred	$ 30,564	$ 27,850	$ 18,324	$ 14,634
Preferred stock dividend	-	-	2,454	3,273
Fixed Charges	$ 30,564	$ 27,850	$ 20,778	$ 17,907

(1) Subsequent to December 31, 2016, we entered into a contingent purchase and sale agreement to sell an 85-unit ROC community in Texas for $1,200. Accordingly, we recorded an impairment charge of $766 to write the property down to its estimated sale price at December 31, 2016.

(2) In 1Q16, we sold a 48-unit assisted living community and recorded an impairment charge of $2,250 to write the property down to the sale price.

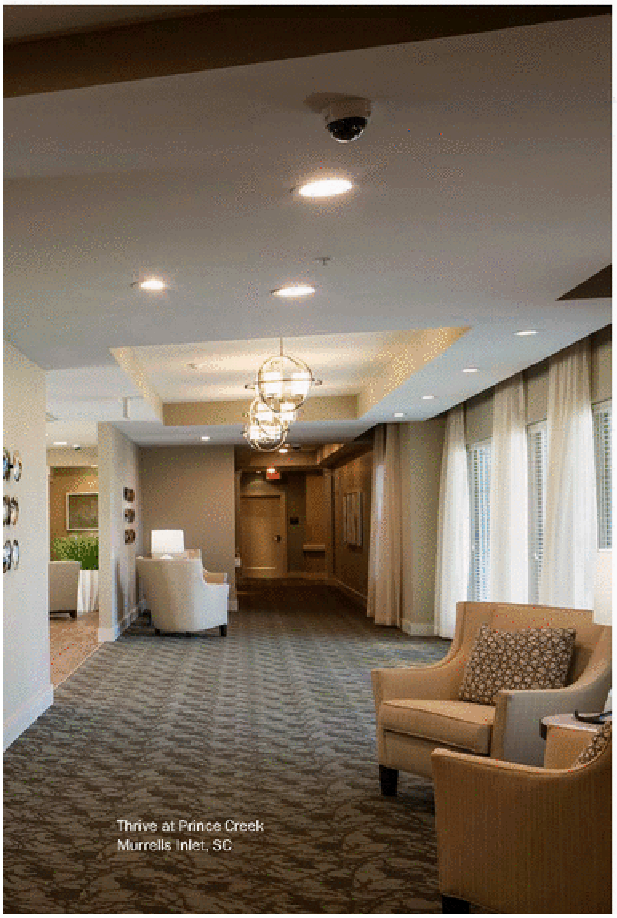
Non-Cash Revenue Components

	1Q17[(1)]	2Q17[(1)]	3Q17[(1)]	4Q17[(1)]	1Q18[(1)]
Straight-line rent	$ 2,867	$ 2,408	$ 1,900	$ 1,625	$ 1,424
Amort of lease inducement	(527)	(559)	(559)	(559)	(558)
Effective Interest	1,307	1,401	1,395	1,397	1,391
Net	$ 3,647	$ 3,250	$ 2,736	$ 2,463	$ 2,257

(1) For leases and loans in place at March 31, 2017, assuming no renewals, modification or replacement, and no new investments are added to our portfolio.

Income Statement Data

(amounts in thousands, except per share amounts)


Thrive at Prince Creek
Murrells Inlet, SC

	Three Months Ended March 31, 2017	2016
	(unaudited)	
Revenues		
Rental income	$ 35,035	$ 31,880
Interest income from mortgage loans	6,748	6,578
Interest and other income	839	146
Total revenues	42,622	38,604
Expenses		
Interest expense	7,471	6,000
Depreciation and amortization	9,359	8,561
(Recovery) provision for doubtful accounts	(38)	84
Transaction costs	22	90
General and administrative expenses	4,740	4,283
Total expenses	21,554	19,018
Operating Income	21,068	19,586
Income from unconsolidated joint ventures	445	272
Net Income	21,513	19,858
Income allocated to participating securities	(97)	(101)
Net income available to common stockholders	$ 21,416	$ 19,757
Earnings per common share:		
Basic	$0.54	$0.53
Diluted	$0.54	$0.53
Weighted average shares used to calculate earnings per common share:		
Basic	39,366	37,446
Diluted	39,612	37,459
Dividends declared and paid per common share	$0.57	$0.54

Consolidated Balance Sheets

(amounts in thousands, except per share amounts)

	March 31, 2017 (unaudited)	December 31, 2016 (audited)
ASSETS		
Investments:		
Land	$ 115,793	$ 116,096
Buildings and improvements	1,187,897	1,185,467
Accumulated depreciation and amortization	(284,134)	(275,861)
Operating real estate property, net	1,019,556	1,025,702
Properties held-for-sale, net of accumulated depreciation: 2017 - $1,058; 2016 - $0	1,170	-
Real property investments, net	1,020,726	1,025,702
Mortgage loans receivable, net of loan loss reserve: 2017 - $2,249; 2016 - $2,315	223,292	229,801
Real estate investments, net	1,244,018	1,255,503
Notes receivable, net of loan loss reserve: 2017 -$166; 2016 - $166	16,402	16,427
Investments in unconsolidated joint ventures	26,181	25,221
Investments, net	1,286,601	1,297,151
Other assets:		
Cash and cash equivalents	8,732	7,991
Debt issue costs related to bank borrowings	1,584	1,847
Interest receivable	10,868	9,683
Straight-line rent receivable, net of allowance for doubtful accounts: 2017 - $988; 2016 - $960	58,115	55,276
Prepaid expenses and other assets	25,690	22,948
Total assets	**$ 1,391,590**	**$ 1,394,896**

	March 31, 2017 (unaudited)	December 31, 2016 (audited)
LIABILITIES		
Bank borrowings	$ -	$ 107,100
Senior unsecured notes, net of debt issue costs: 2017 - $1,260; 2016 - $1,009	597,873	502,291
Total Debt	597,873	609,391
Accrued interest	4,259	4,675
Accrued incentives and earn-outs	12,015	12,229
Accrued expenses and other liabilities	24,303	28,553
Total liabilities	638,450	654,848
EQUITY		
Stockholders' equity:		
Common stock [1]	396	392
Capital in excess of par value	853,132	839,005
Cumulative net income	1,034,956	1,013,443
Cumulative distributions	(1,135,344)	(1,112,792)
Total equity	753,140	740,048
Total liabilities and equity	**$ 1,391,590**	**$ 1,394,896**

(1) Common stock of $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2017 – 39,573; 2016 – 39,221

Funds from Operations

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

Reconciliation of FFO, AFFO, and FAD

	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016
GAAP net income available to common stockholders	$ 21,416	$ 19,757
Add: Depreciation and amortization	9,359	8,561
NAREIT FFO attributable to common stockholders	30,775	28,318
Less: Non-cash rental income	(2,340)	(2,317)
Less: Effective interest income from mortgage loans	(1,307)	(1,262)
Less: Deferred income from unconsolidated joint ventures	(47)	-
Adjusted FFO (AFFO)	27,081	24,739
Add: Non-cash compensation charges	1,259	990
Add: Non-cash interest related to earn-out liabilities	226	149
Less: Capitalized interest	(170)	(686)
Funds available for distribution (FAD)	**$ 28,396**	**$ 25,192**
NAREIT Diluted FFO attributable to common stockholders per share	$0.78	$0.76

Reconciliation of FFO Per Share

	FFO		AFFO		FAD	
For the three months ended March 31, 2017	2017	2016	2017	2016	2017	2016
Normalized FFO/AFFO/FAD attributable to common stockholders	**$ 30,775**	**$ 28,318**	**$ 27,081**	**$ 24,739**	**$ 28,396**	**$ 25,192**
Effect of dilutive securities:						
Participating securities	97	101	97	101	97	101
Series C cumulative preferred	-	-	-	-	-	-
Diluted normalized FFO/AFFO/FAD assuming conversion	**$ 30,872**	**$ 28,419**	**$ 27,178**	**$ 24,840**	**$ 28,493**	**$ 25,293**
Shares for basic FFO/AFFO/FAD per share	**39,366**	**37,446**	**39,366**	**37,446**	**39,366**	**37,446**
Effect of dilutive securities:						
Stock options	11	13	11	13	11	13
Performance based stock units (MSU)	75	-	75	-	75	-
Participating securities	160	181	160	181	160	181
Shares for diluted normalized FFO/AFFO/FAD per share	**39,612**	**37,640**	**39,612**	**37,640**	**39,612**	**37,640**

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 seniors 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"): Seniors 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 seniors apartments.

Interest Income: Represents interest income from mortgage loans.

Licensed Beds/Units: The number of beds and/or units that an operator is authorized to operate at seniors 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.

Glossary (cont.)

Memory Care Properties ("MC"): Seniors 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.

Mezzanine: In 2015 the Company strategically decided to allocate a portion of its capital deployment toward mezzanine loans to grow relationships with operating companies that have not typically utilized sale leaseback financing as a component of their capital structure. Mezzanine financing sits between senior debt and common equity in the capital structure, and typically is used to finance development projects or value-add opportunities on existing operational properties. We seek market-based, risk-adjusted rates of return typically between 12-18% with the loan term typically between four to eight years. Security for mezzanine loans can include all or a portion of the following credit enhancements; secured second mortgage, pledge of equity interests and personal/corporate guarantees. Mezzanine loans can be recorded for GAAP purposes as either a loan or joint venture depending upon specifics of the loan terms and related credit enhancements.

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.

Mortgage Loan: Mortgage financing is provided on properties based on our established investment underwriting criteria and secured by a first mortgage. Subject to underwriting, additional credit enhancements may be required including, but not limited to, personal/corporate guarantees and debt service reserves. When possible, LTC attempts to negotiate a purchase option to acquire the property at a future time and lease the property back to the borrower.

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 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 SPP.

Skilled Nursing Properties ("SNF"): Seniors 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 seniors housing properties.

Company

Founded in 1992, LTC Properties, Inc. ("LTC") is a self-administered real estate investment trust that primarily invests in seniors 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 seniors housing and health care properties managed by experienced operators. Our primary seniors 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, 2016 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 23, 26, and 27 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.