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: August 8, 2018
(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

Item 2.02. — Results of Operations and Financial Condition

On August 8, 2018, LTC Properties, Inc. announced the operating results for the three months ended June 30, 2018. 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 August 8, 2018.
99.2	LTC Properties, Inc. Supplemental Information Package for the period ending June 30, 2018.

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: August 8, 2018

By: /s/ WENDY L. SIMPSON

Wendy L. Simpson
Chairman, CEO & President

Exhibit 99.1

FOR IMMEDIATE RELEASE

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

LTC REPORTS 2018 SECOND QUARTER RESULTS AND DISCUSSES RECENT TRANSACTIONS

WESTLAKE VILLAGE, CALIFORNIA, August 8, 2018— 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 second quarter ended June 30, 2018.

Net income available to common stockholders was $68.7 million, or $1.73 per diluted share, for the 2018 second quarter, compared with $25.3 million, or $0.64 per diluted share, for the same period in 2017. Funds from Operations ("FFO") was $29.6 million for the 2018 second quarter, compared with $31.4 million for the comparable 2017 period. FFO per diluted common share was $0.75 and $0.79 for the quarters ended June 30, 2018 and 2017, respectively. Revenues were lower in the second quarter of 2018 due primarily to a previously disclosed defaulted master lease that was placed on a cash basis in the third quarter of 2017 and a reduction in rental income related to properties sold during the past year.

LTC completed the following transactions during the second quarter of 2018:

- Amended and restated the Company's unsecured credit agreement to replace its previous unsecured credit agreement, which was due to expire on October 14, 2018. The amended credit agreement maintains the $600.0 million aggregate commitment of the lenders under the prior agreement and provides for the opportunity to increase the commitment size of the credit agreement up to a total of $1.0 billion. The amended credit agreement extends the maturity to June 27, 2022 and provides for a one-year extension option at LTC's discretion, subject to customary conditions. Additionally, the amended credit agreement decreases the interest rate margins and converts from the payment of unused commitment fees to a facility fee.

- Sold a portfolio of six assisted living and memory care communities with a gross book value of $37.7 million for $67.5 million. As a result of the transaction, LTC recognized a net gain on sale of $48.3 million in the 2018 second quarter.

- Completed the acquisition of two memory care communities in Texas, totaling 88 units and 133 beds, for $25.2 million. Simultaneously upon closing, LTC entered into a 10-year master lease agreement with an operator new to LTC's portfolio at an initial cash yield of 7.25%.

- Entered into a partnership to own the real estate and develop a 78-unit assisted living and memory care community in Medford, OR for $18.1 million and committed to purchase an existing operational 89-unit independent living community on an adjacent land parcel. We anticipate acquiring the independent living community in the third quarter of 2018.

- Completed the development of a 66-unit memory care community in Illinois which opened in May 2018.

Conference Call Information

LTC will conduct a conference call on Thursday, August 9, 2018, 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 June 30, 2018. 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 August 10 through August 23, 2018 and may be accessed by dialing 877-344-7529 (domestically) or 412-317-0088 (internationally) and entering conference number 10122172. 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 Properties (NYSE: 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 preferred equity and mezzanine lending. At June 30, 2018, LTC had 199 investments located in 28 states comprising 102 assisted living communities, 96 skilled nursing centers and one behavioral health care hospital. 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 June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
	(unaudited)		(unaudited)	
Revenues:				
Rental income	$ 33,930	$ 35,265	$ 68,435	$ 70,300
Interest income from mortgage loans	7,007	6,625	13,823	13,373
Interest and other income	535	578	1,024	1,417
Total revenues	41,472	42,468	83,282	85,090
Expenses:				
Interest expense	7,655	7,151	15,484	14,622
Depreciation and amortization	9,268	9,308	18,712	18,667
Impairment charges	—	1,880	—	1,880
Recovery for doubtful accounts	(38)	(5)	(30)	(43)
Transaction costs	6	—	10	22
General and administrative expenses	4,716	4,386	9,513	9,126
Total expenses	21,607	22,720	43,689	44,274
Operating income	19,865	19,748	39,593	40,816
Income from unconsolidated joint ventures	726	575	1,357	1,020
Gain on sale of real estate, net	48,345	5,054	48,345	5,054
Net income	68,936	25,377	89,295	46,890
Income allocated to participating securities	(278)	(104)	(366)	(201)
Net income available to common stockholders	$ 68,658	$ 25,273	$ 88,929	$ 46,689
Earnings per common share:				
Basic	$ 1.74	$ 0.64	$ 2.25	$ 1.19
Diluted	$ 1.73	$ 0.64	$ 2.25	$ 1.18
Weighted average shares used to calculate earnings per common share:				
Basic	39,471	39,414	39,461	39,390
Diluted	39,765	39,794	39,750	39,769
Dividends declared and paid per common share	$ 0.57	$ 0.57	$ 1.14	$ 1.14

<u>Supplemental Reporting Measures</u>

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 June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
GAAP net income available to common stockholders	$ 68,658	$ 25,273	$ 88,929	$ 46,689
Add: Depreciation and amortization	9,268	9,308	18,712	18,667
Add: Impairment charges	—	1,880	—	1,880
Less: Gain on sale of real estate, net	(48,345)	(5,054)	(48,345)	(5,054)
NAREIT FFO attributable to common stockholders	29,581	31,407	59,296	62,182
Less: Non-cash rental income	(1,449)	(1,856)	(4,349)	(4,196)
Less: Effective interest income from mortgage loans	(1,420)	(1,401)	(2,824)	(2,708)
Less: Deferred income from unconsolidated joint ventures	(31)	(47)	(62)	(94)
Adjusted FFO (AFFO)	26,681	28,103	52,061	55,184
Add: Non-cash compensation charges	1,521	1,425	2,897	2,684
Add: Non-cash interest related to earn-out liabilities	125	125	251	351
Less: Capitalized interest	(293)	(201)	(552)	(371)
Funds available for distribution (FAD)	$ 28,034	$ 29,452	$ 54,657	$ 57,848
NAREIT Basic FFO attributable to common stockholders per share	$ 0.75	$ 0.80	$ 1.50	$ 1.58
NAREIT Diluted FFO attributable to common stockholders per share	$ 0.75	$ 0.79	$ 1.50	$ 1.57
NAREIT Diluted FFO attributable to common stockholders	$ 29,581	$ 31,511	$ 59,662	$ 62,383
Weighted average shares used to calculate NAREIT diluted FFO per share attributable to common stockholders	39,605	39,794	39,750	39,769
Diluted AFFO	$ 26,681	$ 28,207	$ 52,427	$ 55,385
Weighted average shares used to calculate diluted AFFO per share	39,605	39,794	39,750	39,769
Diluted FAD	$ 28,034	$ 29,556	$ 55,023	$ 58,049
Weighted average shares used to calculate diluted FAD per share	39,605	39,794	39,750	39,769

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

	June 30, 2018 (unaudited)	December 31, 2017 (audited)
ASSETS		
Investments:		
Land	$ 125,882	$ 124,041
Buildings and improvements	1,269,675	1,262,335
Accumulated depreciation and amortization	(301,458)	(304,117)
Operating real estate property, net	1,094,099	1,082,259
Properties held-for-sale, net of accumulated depreciation: 2018—$1,916; 2017—$1,916	3,830	3,830
Real property investments, net	1,097,929	1,086,089
Mortgage loans receivable, net of loan loss reserve: 2018—$2,355; 2017—$2,255	233,823	223,907
Real estate investments, net	1,331,752	1,309,996
Notes receivable, net of loan loss reserve: 2018—$142; 2017—$166	14,074	16,402
Investments in unconsolidated joint ventures	30,397	29,898
Investments, net	1,376,223	1,356,296

Other assets:		
Cash and cash equivalents	4,260	5,213
Restricted cash	2,446	—
Debt issue costs related to bank borrowings	3,304	810
Interest receivable	17,864	15,050
Straight-line rent receivable, net of allowance for doubtful accounts: 2018—$707; 2017—$814	70,036	64,490
Lease incentives	21,407	21,481
Prepaid expenses and other assets	4,089	2,230
Total assets	$ 1,499,629	$ 1,465,570
LIABILITIES		
Bank borrowings	$ 85,500	$ 96,500
Senior unsecured notes, net of debt issue costs: 2018—$1,027; 2017—$1,131	566,940	571,002
Accrued interest	5,105	5,276
Accrued incentives and earn-outs	9,167	8,916
Accrued expenses and other liabilities	27,221	25,228
Total liabilities	693,933	706,922
EQUITY		
Stockholders' equity:		
Common stock: $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2018—39,635; 2017—39,570	396	396
Capital in excess of par value	858,832	856,992
Cumulative net income	1,190,078	1,100,783
Cumulative distributions	(1,248,179)	(1,203,011)
Total LTC Properties, Inc. stockholders' equity	801,127	755,160
Non-controlling interests	4,569	3,488
Total equity	805,696	758,648
Total liabilities and equity	$ 1,499,629	$ 1,465,570

Exhibit 99.2

Grace Point Place
Oak Lawn, IL

Supplemental Operating & Financial Data

June 2018

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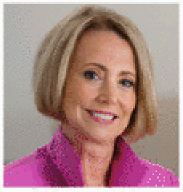
Thrive at Prince Creek
Murrells Inlet, SC

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

CECE CHIKHALE
Senior Vice President, Controller and Treasurer

DOUG KOREY
Senior Vice President, Managing Director of Business Development

PETER LYEW
Vice President, Director of Taxes

MANDI HOGAN
Vice President, Marketing

GIBSON SATTERWHITE
Vice President, Asset Management

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

Analysts

JOHN KIM
BMO Capital Markets Corp.

JOE FRANCE
Cantor Fitzgerald

DANIEL BERNSTEIN
CapitalOne

DOUG CHRISTOPHER
D.A. Davidson

PETER MARTIN
JMP Securities, LLC

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RICH ANDERSON
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MIKE CARROLL
RBC Capital Markets Corporation

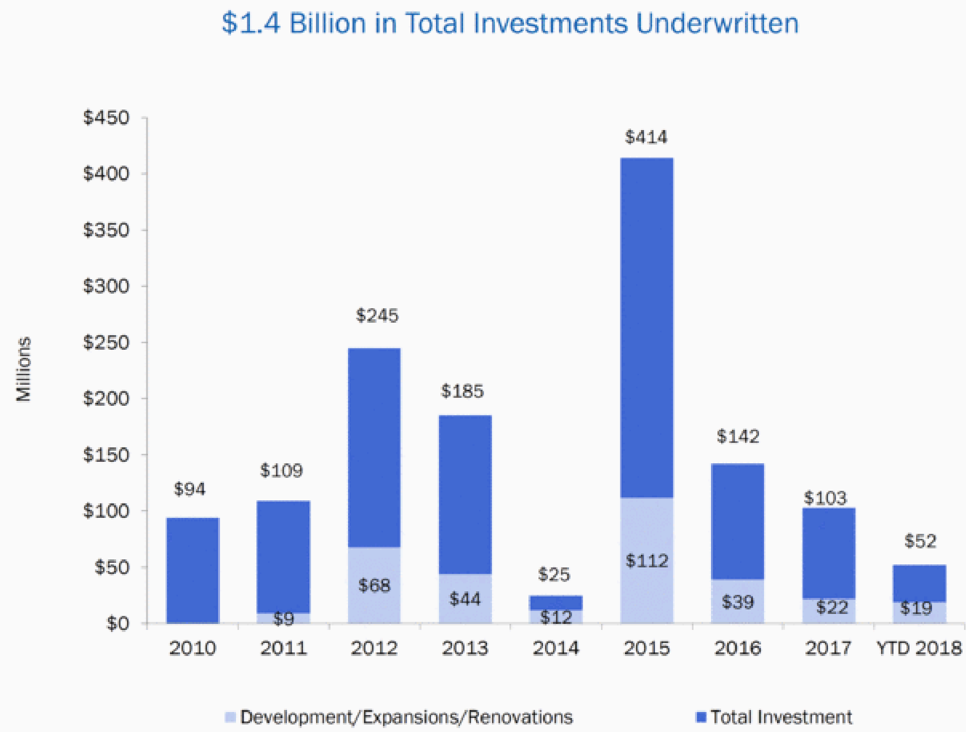
CHAD VANACORE
Stifel, Nicolaus & Company, Inc.

TODD STENDER
Wells Fargo Securities, LLC

Riverside Inn at Fossil Creek
Fort Worth, TX

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



Portfolio Overview

(dollar amounts in thousands)

Type of Property	# of Properties	Gross Investments	% of Investments	Twelve Months Ended June 30, 2018: Rental Income[1]	Twelve Months Ended June 30, 2018: Interest Income[1]	Twelve Months Ended June 30, 2018: % of Revenues
Skilled Nursing	96	$ 814,208	49.7%	$ 68,544	$ 27,101	60.1%
Assisted Living	102	787,373	48.1%	62,625	-	39.3%
Under Development[2]	-	25,077	1.5%	-	-	-
Other[3]	1	10,823	0.7%	889	-	0.6%
Total	199	$ 1,637,481	100.0%	$ 132,058	$ 27,101	100.0%

(1) Includes rental income and interest income from mortgage loans and excludes rental income from properties sold and interest income from loans that paid off during the twelve months ended June 30, 2018.
(2) Includes three development projects consisting of a 143-bed skilled nursing center in Kentucky, a 110-unit independent living, assisted living and memory care community in Wisconsin and a 78-unit assisted living and memory care community in Oregon.
(3) Includes three parcels of land held-for use and one behavioral health care hospital.

Real Estate Activities

Real Estate Activities – Acquisitions and Loan Originations

(dollar amounts in thousands)

Acquisitions

Year	Date	# of Properties	Property Type	# Beds/Units	Location	Operator	Date of Construction	Contractual Initial Cash Yield	Purchase Price	Additional Commitment [1]
2017	6/16	2	ALF/MC/ILF	180 units	Clovis, CA	Frontier Management	2014/2016	7.00%	$ 38,813	$ -
	6/23	1	MC	60 units	West Chester, OH	Thrive Senior Living	2017	- [3]	15,650	-
	10/31	1	ALF/MC	73 units	Kansas City, MO	Oxford Senior Living	2017	7.00%	16,555	-
	12/13	1	UDP[2]	110 units	Cedarburg, WI	Tealwood Senior Living	2017-2019	7.50%	800 [4]	21,671 [4]
	12/22	1	ALF/MC	87 units	Spartanburg, SC	Affinity Living Group	1999	7.25%	10,000 [4]	- [4]
		6		510 units					$ 81,818	$ 21,671
2018	5/11	1	UDP[2]	78 units	Medford, OR	Fields Senior Living	2018-2019	7.65%	$ 600 [5]	$ 17,508 [5]
	6/28	2	MC	88 units	Fort Worth & Frisco, TX	Koelsch Communities	2014/2015	7.25%	25,200	-
		3		166 units					$ 25,800	$ 17,508

(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 10 for development activities.
(3) Transitioned two memory care communities in our portfolio from Clarity Pointe to Thrive in the third quarter of 2017. The Thrive master lease was amended and restated to include these two memory care communities, along with the property in West Chester, OH. The GAAP rent under the Thrive amended and restated master lease on six properties (two in lease-up on page 12 and four stabilized on page 13) represents a lease rate of 7.35%.
(4) LTC owns a 90% controlling interest in the partnership that owns the real estate and accounts for the partnership on a consolidated basis.
(5) We entered into a partnership to own the real estate and develop a 78-unit assisted living and memory care community for $18,108 and committed to purchase an existing operational 89-unit independent living community in Oregon for $14,400 in the third quarter of 2018. Upon the completion of the development project and the acquisition of independent living community, our combined economic interest will be approximately 88%. We will account for the partnership on a consolidated basis.

Loan Originations

Year	Date	# of Properties	Property Type	# Beds/ Units	Location	Loan Type	Maturity Date	Operator	Origination	Total Funded to Date	2018 Revenue [1]	Stated Interest Rate
2018	3/1	1	SNF	112 beds	Sterling Heights, MI [2]	Mortgage	Oct-45	Prestige Healthcare	$ 9,100	$ 7,400	$ 214	8.66%

(1) Represents year-to-date GAAP interest income.
(2) We funded additional loan proceeds of $7,400 under an existing mortgage loan and committed to fund $1,700 in capital improvements. The loan is now secured by three SNF properties in Michigan. The above table represents the incremental details of the additional funding. See page 11 for the detail of remaining commitments for expansions and renovations.

Real Estate Activities – Unconsolidated Joint Ventures

(dollar amounts in thousands)

"We truly strive to foster mutually beneficial relationships. There is much LTC can do to help support our partners as they work to provide residents with a dynamic and engaging living experience."

Wendy Simpson | Chairman, CEO & President | LTC Properties

Grace Point Place
Oak Lawn, IL

Commitment Year	Location	# of Projects	Operator	Property Type	Investment Type	Maturity Date	Return	# Beds/ Units	Investment Commitment	2Q18 Funding	Total Funded to Date	Remaining Commitment
2015	Peoria & Yuma, AZ	4	Senior Lifestyle	ALF/MC/ILF	Preferred Equity	N/A	15.00% (1)	585 units	$ 25,650	$ 117	$ 23,511	$ 2,139
2015	Ocala, FL	1	Canterfield	ALF/ILF/MC	Mezzanine	Nov-20	15.00% (2)	99 units	2,900	-	2,900	-
2016	Fort Myers, FL	1	Canterfield	UDP-ALF/MC	Mezzanine	Dec-23	15.00% (3)	127 units	3,400	-	3,400	-
								811 units	$ 31,950	$ 117	$ 29,811	$ 2,139

(1) Currently, 7% is paid in cash and 8% is deferred.
(2) Currently, 12% is paid in cash and 3% is deferred.
(3) Currently, 10% is paid in cash and 5% is deferred.

Real Estate Activities – De Novo Development

(dollar amounts in thousands)

Estimated Rent Inception Date	Commitment Year	Location	Operator	# of Projects	Property Type	Contractual Initial Cash Yield	# Beds/ Units	Investment Commitment (1)	2Q18 Funding	Total Capitalized Interest/Other	Total Project Basis to Date	Remaining Commitment (2)
4Q18	2016	Union, KY	Carespring	1	SNF	8.50%	143 beds	$ 24,325	$ 2,182	$ 688	$ 15,734	$ 9,279
2Q19	2017	Cedarburg, WI	Tealwood	1	ILF/ALF/MC	7.50%	110 units	22,471	2,473	116	7,053	15,534
4Q19	2018	Medford, OR	Fields	1	ALF/MC	7.65%	78 units	18,108	2,270	20	2,290	15,838
		Total		3		7.92%	188 units/143 beds	$ 64,904	$ 6,925	$ 824	$ 25,077	$ 40,651

(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."

Hamilton House
Cedarburg, WI

Real Estate Activities – Expansions & Renovations

(dollar amounts in thousands)

Owned

Estimated Rent Inception Date	Commitment Year	Project Type	Location	Operator	# of Projects	Property Type	Contractual Initial Cash Yield	Investment Commitment	2Q18 Funding	Total Funded to Date	Remaining Commitment
- (1)	2017	Renovation	Spartanburg, SC	Affinity Living Group	1	ALF/MC	7.25%	$ 1,500	$ 196	$ 287	$ 1,213
- (1)	2017	Renovation	Las Vegas, NV	Fundamental	1	OTH	9.00%	5,550	83	606	4,944
				Total	2			$ 7,050	$ 279	$ 893	$ 6,157

(1) Rent payment increases upon each funding.

Mortgage Loans

Estimated Interest Inception Date	Commitment Year	Project Type	Location	Operator	# of Projects	Property Type	Contractual Initial Cash Yield	Investment Commitment	2Q18 Funding	Total Funded to Date	Remaining Commitment
- (1)	2015	Expansion	Rochester Hills , MI	Prestige Healthcare	1	SNF	9.41%	$ 10,000	$ 292	$ 1,449	$ 8,551
- (2)	2015	Renovation	Farmington & Howell, MI	Prestige Healthcare	2	SNF	9.41%	5,000	130	2,926	2,074
- (3)	2016	Expansion	Grand Blanc, MI	Prestige Healthcare	1	SNF	9.41%	5,500	994	4,825	675
- (3)	2016	Renovation	East Lansing, MI	Prestige Healthcare	2	SNF	9.41%	4,500	627	2,306	2,194
- (2)	2018	Renovation	Sterling Heights, MI	Prestige Healthcare	1	SNF	8.66%	1,700	-	-	1,700
				Total	7			$ 26,700	$ 2,043	$ 11,506	$ 15,194

(1) Commitment is part of the total loan commitment secured by 15 properties in Michigan operated by Prestige Healthcare. Interest payment increases upon each funding.
(2) Commitment is part of the total loan commitment secured by 3 properties in Michigan operated by Prestige Healthcare. Interest payment increases upon each funding.
(3) Interest payment increases upon each funding.

Real Estate Activities – Lease-Up

(dollar amounts in thousands)

Date Acquired	Date Opened (1)	Occupancy at 6/30/18	Development Commitment Year	Project Type	Location	Operator	# of Projects	Property Type	Contractual Initial Cash Yield	# of Units	Total Investment (2)
Sep-15	Aug-16	80%	2015	Development	Murrieta, CA	Anthem (3)	1	MC	- (3)	66 units	$ 12,904
May-15	Jul-16	55%	2015	Development	Tinley Park, IL	Anthem (3)	1	MC	- (3)	66 units	11,962
Oct-15	Dec-17	50%	2015	Development	Glenview, IL	Anthem (3)	1	MC	- (3)	66 units	16,305
Oct-16	Jun-18	17%	2016	Development	Oak Lawn, IL	Anthem (3)	1	MC	- (3)	66 units	15,151
							4			264 units	$ 56,322
Jun-17	Sep-16	84%	N/A	Acquisition	Clovis, CA	Frontier	1	MC/ILF	7.00%	73 units	$ 17,226
Jun-17	Nov-14	67%	N/A	Acquisition	Clovis, CA	Frontier	1	ALF	7.00%	107 units	21,669
							2			180 units	$ 38,895
May-15	Nov-16	60%	2015	Development	Wichita, KS	Oxford Senior Living	1	ILF	7.43%	108 units	$ 14,172
Oct-17	Aug-17	59%	N/A	Acquisition (4)	Kansas City, MO	Oxford Senior Living	1	ALF/MC	7.00%	73 units	16,555
							2			181 units	$ 30,727
Feb-15	Sep-16	82%	2015	Development	Murrells Inlet, SC	Thrive Senior Living (5)	1	ALF/MC		89 units	$ 16,265
Jun-17	Apr-17	67%	N/A	Acquisition (4)	West Chester, OH	Thrive Senior Living (5)	1	MC		60 units	15,909
							2		7.35% (5)	149 units	$ 32,174
						Total	10			774 units	$ 158,118

(1) Represents date of Certificate of Occupancy.
(2) Total Investment for acquisitions include closing costs.
(3) During 2017, we issued a notice of default to Anthem resulting from Anthem's partial payment of minimum rent. Anthem operates 11 operational memory care communities under a master lease. We are currently not pursuing enforcement of our rights and remedies pertaining to known events of default under the master lease and our guarantees, with the stipulation that Anthem achieve certain levels of performance and pays an annual total amount of approximately $5,200 toward their obligations of the master lease through December 31, 2018. We receive regular financial performance updates from Anthem and continue to closely monitor Anthem's performance obligations under the master lease agreement.
(4) Properties were newly constructed and purchased following issuance of final certificate of occupancy and licensure.
(5) Transitioned two memory care communities in our portfolio from Clarity Pointe to Thrive in the third quarter of 2017. The Thrive master lease was amended and restated to include these two memory care communities, along with the property in West Chester, OH. The GAAP rent under the Thrive amended and restated master lease on six properties (two in lease-up and four stabilized) represents a lease rate of 7.35%.

Real Estate Activities – Lease-Up History

Property	Location	Operator	Property Type	Project Type	# Beds/Units	Date Acquired	Date Opened [1]	Date Stabilized	# of months to Stabilization
Highline Place	Littleton, CO	Anthem	MC	Development	60 units	May 2012	Jul 2013	Sep 2013	2
Willowbrook Place - Kipling	Littleton, CO	Anthem	MC	Development	60 units	Sep 2013	Aug 2014	Dec 2015	16
Chelsea Place	Aurora, CO	Anthem	MC	Development	48 units	Sep 2013	Dec 2014	Mar 2016	15
Greenridge Place	Westminster, CO	Anthem	MC	Development	60 units	Dec 2013	Feb 2015	Feb 2017	24
Harvester Place	Burr Ridge, IL	Anthem	MC	Development	66 units	Oct 2014	Feb 2016	Feb 2018	24
Coldspring Transitional Care Center	Cold Spring, KY	Carespring	SNF	Development	143 beds	Dec 2012	Nov 2014	Jun 2016	19
Hillside Heights Rehabilitation Suites	Amarillo, TX	Fundamental	SNF	Redevelopment	120 beds	Oct 2011	Jul 2013	Aug 2013	1
Pavilion at Glacier Valley	Slinger, WI	Fundamental	SNF	Redevelopment	106 beds	Feb 2015	Feb 2014	Feb 2016	24
Pavilion at Creekwood	Mansfield, TX	Fundamental	SNF	Acquisition	126 beds	Feb 2016	Jul 2015	Feb 2017	12
Mustang Creek Estates	Frisco, TX	Mustang Creek Mgmt	ALF/MC	Development	80 units	Dec 2012	Oct 2014	Dec 2015	14
The Oxford Grand	Wichita, KS	Oxford Senior Living	ALF/MC	Development	77 units	Oct 2012	Oct 2013	Sep 2014	11
Thrive at Deerwood	Jacksonville, FL	Thrive Senior Living	MC	Acquisition	60 units	Sep 2015	Jul 2015	Jul 2017	24
Thrive at Beckley Creek	Louisville, KY	Thrive Senior Living	MC	Acquisition	60 units	Apr 2016	Mar 2016	Mar 2018	24
Thrive at Athens	Athens, GA	Thrive Senior Living	ALF/MC	Acquisition	70 units	June 2016	May 2016	May 2018	24
Thrive at Oso Bay[2]	Corpus Christi, TX	Thrive Senior Living	MC	Development	56 units	Feb 2015	May 2016	May 2018	24

(1) Represents date of Certificate of Occupancy.
(2) Property meets the definition of stabilized but has not yet achieved the applicable occupancy threshold. The occupancy for Corpus Christi, TX property at June 30, 2018 was 63%.

Portfolio Metrics

Portfolio Metrics

Same Property Portfolio Statistics (1)

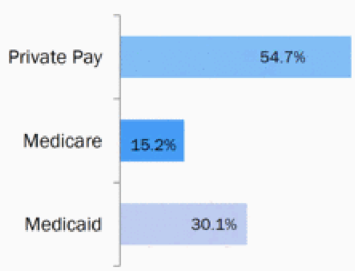
	Occupancy		Normalized EBITDARM Coverage		Normalized EBITDAR Coverage	
Owned Properties	1Q18	4Q17	1Q18	4Q17	1Q18	4Q17
Assisted Living	84.4%	84.5%	1.44	1.46	1.23	1.24
Skilled Nursing	78.3%	78.4%	1.77	1.83	1.27	1.33

(1) Information is for the trailing twelve months through March 31, 2018 and December 31, 2017 and is from property level operator financial statements which are unaudited and have not been independently verified by LTC.

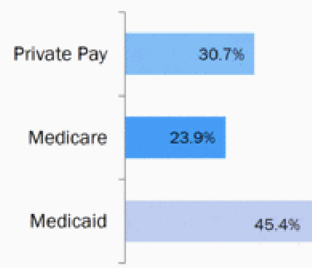
Stabilized Property Portfolio

TTM Ended March 31, 2018

Total Portfolio Payor Source



SNF Portfolio Payor Source

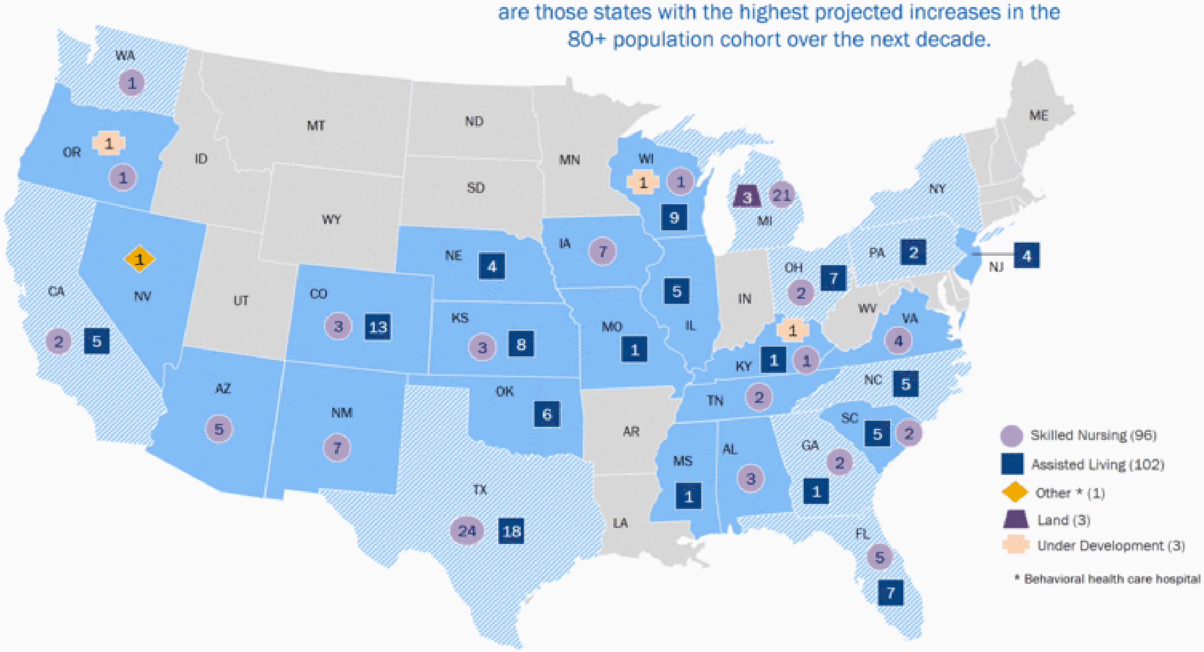


Portfolio Diversification – Geography

(as of June 30, 2018)

199 Properties | 3 Development Projects | 3 Land Parcels | 28 States | 30 Operators

States in which we have the highest concentration of properties are those states with the highest projected increases in the 80+ population cohort over the next decade.



Represents 10 states with the highest projected increases in the 80+ population cohort from year 2020 to year 2030

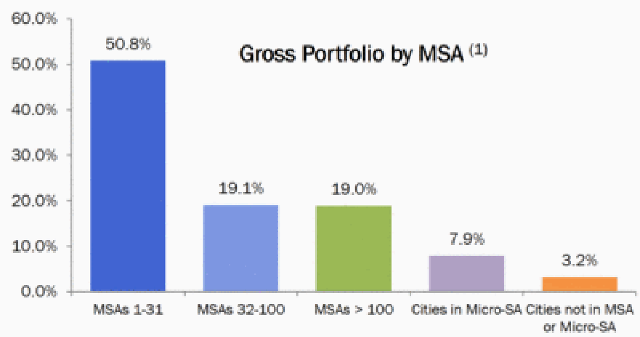
Source: The American Senior Housing Association, Winter 2018, Population Growth Forecast by State

Portfolio Diversification – Geography

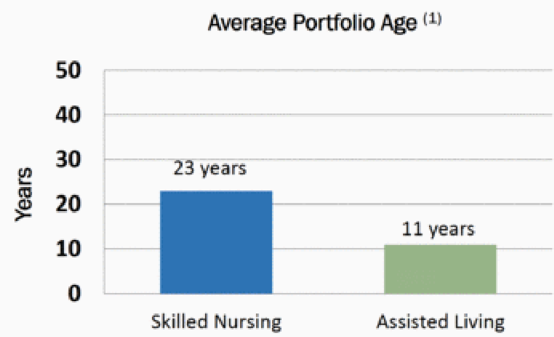
(as of June 30, 2018, dollar amounts in thousands)

State [1]	# of Props	SNF	%	ALF	%	UDP	%	OTH [2]	%	Gross Investment	%
Texas	42	$ 216,247	26.6%	$ 76,070	9.7%	$ -	-	$ -	-	$ 292,317	17.8%
Michigan	21	236,178	29.0%	-	-	-	-	943	8.7%	237,121	14.5%
Wisconsin	10	13,946	1.7%	112,795	14.3%	7,053	28.1%	-	-	133,794	8.2%
Colorado	16	8,044	1.0%	106,879	13.6%	-	-	-	-	114,923	7.0%
California	7	22,130	2.7%	80,124	10.2%	-	-	-	-	102,254	6.2%
Ohio	9	54,000	6.6%	32,137	4.1%	-	-	-	-	86,137	5.3%
Illinois	5	-	-	86,129	10.9%	-	-	-	-	86,129	5.3%
Florida	12	35,362	4.4%	39,247	5.0%	-	-	-	-	74,609	4.5%
Kansas	11	14,112	1.7%	57,577	7.3%	-	-	-	-	71,689	4.4%
New Jersey	4	-	-	62,098	7.9%	-	-	-	-	62,098	3.8%
All Others	62	214,189	26.3%	134,317	17.0%	18,024	71.9%	9,880	91.3%	376,410	23.0%
Total	199	$ 814,208	100.0%	$ 787,373	100.0%	$ 25,077	100.0%	$ 10,823	100.0%	$ 1,637,481	100.0%

(1) Due to master leases with properties in multiple states, revenue by state is not available.
(2) Includes one behavioral health care hospital and three parcels of land.



(1) The MSA rank by population as of July 1, 2017, as estimated by the United States Census Bureau. Approximately 70% of our properties are in the top 100 MSAs.



(1) As calculated from construction date or major renovation/expansion date. Includes owned portfolio and mortgage loans secured by 21 skilled nursing centers in Michigan.

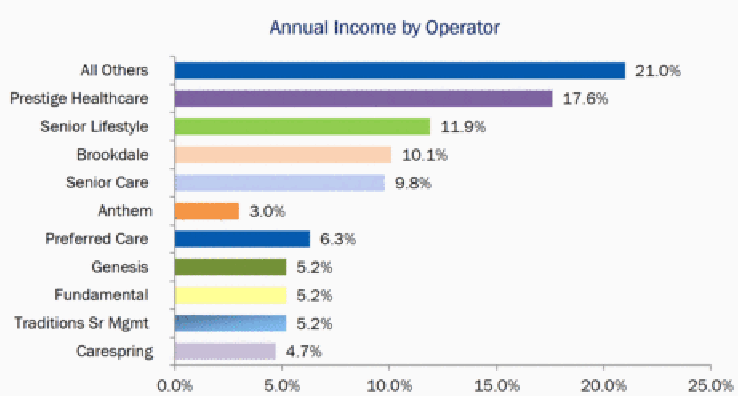
Portfolio Diversification – Operators

(as of June 30, 2018, dollar amounts in thousands)

Operators	# of Properties	Annual Income [1]	%	Gross Investment	%
Prestige Healthcare	23	$ 28,335	17.6%	$ 249,311	15.2%
Senior Lifestyle Corporation	23	19,185	11.9%	189,945	11.6%
Brookdale Senior Living	37	16,271	10.1%	126,991	7.8%
Senior Care Centers	11	15,756	9.8%	138,109	8.4%
Anthem Memory Care [2]	11	4,788	3.0%	135,342	8.3%
Preferred Care	24	10,125	6.3%	78,264	4.8%
Genesis Healthcare	8	8,434	5.2%	54,864	3.3%
Fundamental	7	8,361	5.2%	75,258	4.6%
Traditions Senior Management	7	8,263	5.2%	71,610	4.4%
Carespring Health Care Management	3	7,635	4.7%	93,279	5.7%
All Others	45	33,867	21.0%	424,508	25.9%
	199	$ 161,020	100.0%	$ 1,637,481	100.0%

(1) Includes annualized GAAP rent for leased properties except for Anthem as described below, and trailing twelve months of interest income from mortgage loans excluding the interest income from loans that paid off during the twelve months ended June 30, 2018.

(2) Anthem is currently being accounted for on a cash basis. Contractual annualized GAAP rent is $13,399. See page 12 for Anthem disclosure.



Portfolio Diversification - Top Ten Operator Profiles

(as of June 30, 2018)

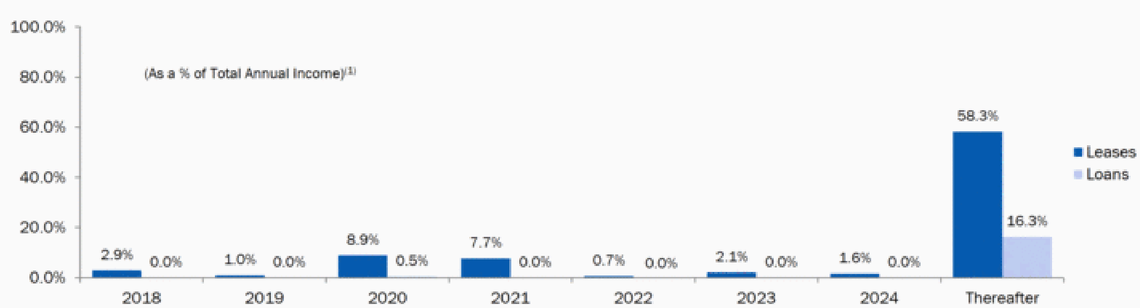
Prestige Healthcare	Senior Lifestyle	Brookdale Senior Living	Senior Care Centers	Anthem Memory Care
Privately Held	Privately Held	NYSE: BKD	Privately Held	Privately Held
SNF/ALF/ILF Other Rehab	ALF/ILF/MC/SNF Short Term Stays	ILF/ALF/MC Continuing Care	SNF/ALF/ILF/MC Transitional Care & Rehab	Exclusively MC
80 Properties	180 Properties	Approx 1,010 Properties	107 Properties	12 Properties
7 States	27 States	46 States	2 States	4 States

Preferred Care, Inc	Genesis HealthCare	Fundamental	Traditions Senior Management	Carespring
Privately Held	NYSE: GEN	Privately Held	Privately Held	Privately Held
SNF/ALF/ILF Specialty Care	SNF/ALF Senior Living	SNF/MC Hospitals & Other Rehab	SNF/ALF/ILF	SNF/ALF/ILF Transitional Care
104 Properties	More than 450 Properties	89 Properties	33 Properties	11 Properties
12 States	30 States	10 States	6 States	2 States

Portfolio Maturity

(as of June 30, 2018, dollar amounts in thousands)

Year	Rental Income(1)	% of Total	Interest Income(1)	% of Total	Annual Income(1)	% of Total
2018	$ 4,620	3.4%	$ -	-	$ 4,620	2.9%
2019	1,571	1.2%	-		1,571	1.0%
2020	14,295	10.7%	863	3.2%	15,158	9.4%
2021	12,341	9.2%	-	-	12,341	7.7%
2022	1,175	0.9%	-	-	1,175	0.7%
2023	3,332	2.5%	-	-	3,332	2.1%
2024	2,630	2.0%	-	-	2,630	1.6%
Thereafter	93,955	70.1%	26,238	96.8%	120,193	74.6%
Total	$ 133,919	100.0%	$ 27,101	100.0%	$ 161,020	100.0%



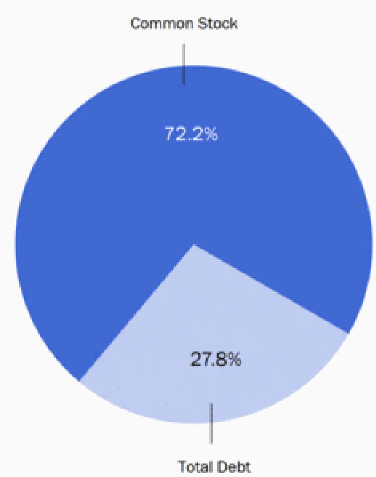
(1) Includes annualized GAAP rent for leased properties except for Anthem, and trailing twelve months of interest income from mortgage loans excluding the interest income from loans that paid off during the twelve months ended June 30, 2018.

Enterprise Value

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

	No. of shares	6/29/18 Closing Price	At June 30, 2018	Capitalization
Debt				
Bank borrowings - weighted average rate 3.3%[1]			$ 85,500	
Senior unsecured notes - weighted average rate 4.5%[2]			566,940	
Total debt - weighted average rate 4.3%			652,440	27.8%
Equity				
Common stock	39,634,980	$ 42.74 [3]	1,693,999	72.2%
Total Market Value			**$ 2,346,439**	100.0%
Add: Non-controlling interest			4,569	
Less: Cash and cash equivalents			(4,260)	
Enterprise Value			**$ 2,346,748**	
Debt to Enterprise Value			27.8%	
Debt to Annualized Normalized EBITDA[4]			4.3x	

Capitalization



(1) During the second quarter of 2018 , we amended our Unsecured Credit Agreement maintaining our commitment of $600,000 with the opportunity to increase the credit line up to $1,000,000. The maturity of the facility was extended to June 27, 2022 and provides a one-year extension option. Pricing under the new credit agreement is LIBOR plus 115 basis points and a facility fee of 20 basis points. Subsequent to June 30, 2018, we borrowed an additional $14,500 under our unsecured revolving line of credit. Accordingly, we have $100,000 outstanding with $500,000 available for borrowing.

(2) Represents outstanding balance of $567,967, net of debt issue costs of $1,027. Rate includes amortization of debt issue cost. Subsequent to June 30, 2018, we paid down $14,000 of scheduled principal. Accordingly, we have $553,967outstanding under our senior unsecured notes.

(3) Closing price of our common stock as reported by the NYSE on June 29, 2018, the last trading day of second quarter 2018.

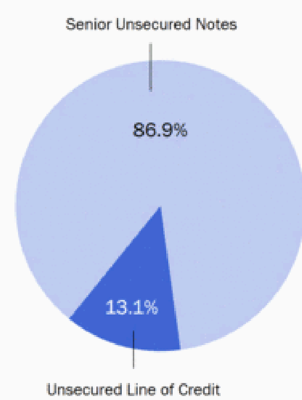
(4) See page 24 for reconciliation of annualized normalized EBITDA.

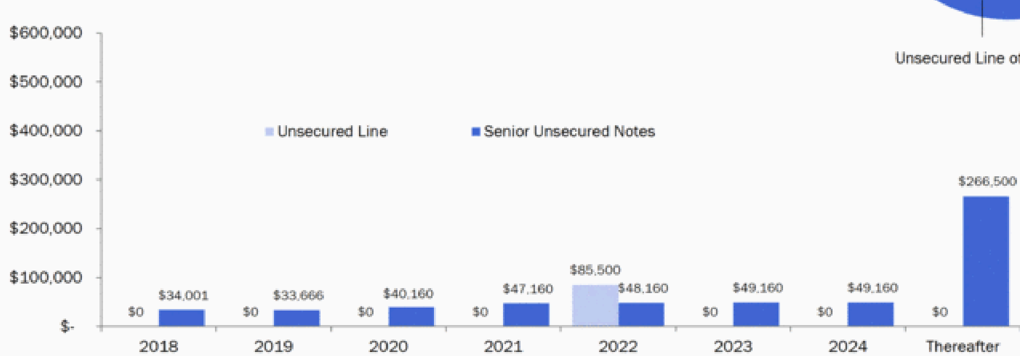
Debt Maturity

(as of June 30, 2018, dollar amounts in thousands)

Year	Unsecured Line of Credit[1]	Senior Unsecured Notes[2]	Total	% of Total
2018	$ -	$ 34,001	$ 34,001	5.2%
2019	-	33,666	33,666	5.2%
2020	-	40,160	40,160	6.1%
2021	-	47,160	47,160	7.2%
2022	85,500	48,160	133,660	20.5%
2023	-	49,160	49,160	7.5%
2024	-	49,160	49,160	7.5%
Thereafter	-	266,500	266,500	40.8%
Total	$ 85,500	$ 567,967 [3]	$ 653,467 [3]	100.0%

Debt Structure





(1) During the second quarter of 2018 , we amended our Unsecured Credit Agreement maintaining our commitment of $600,000 with the opportunity to increase the credit line up to $1,000,000. The maturity of the facility was extended to June 27, 2022 and provides a one-year extension option. Pricing under the new credit agreement is LIBOR plus 115 basis points and a facility fee of 20 basis points. Subsequent to June 30, 2018, we borrowed an additional $14,500 under our unsecured revolving line of credit. Accordingly, we have $100,000 outstanding with $500,000 available for borrowing.

(2) Reflects scheduled principal payments. Subsequent to June 30, 2018, we paid down $14,000 of scheduled principal. Accordingly, we have $553,967outstanding under our senior unsecured notes.

(3) Excludes debt issue costs which are included in the senior unsecured notes balance shown on page 26.

Financial Data Summary

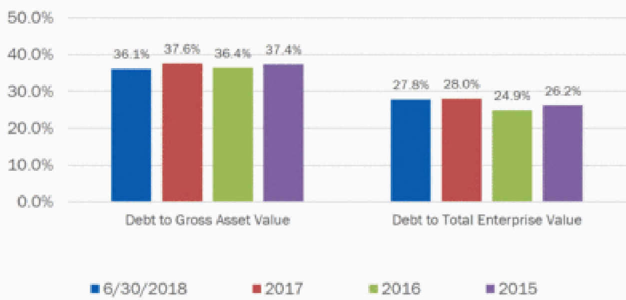
(dollar amounts in thousands)

Balance Sheet and Leverage Ratios

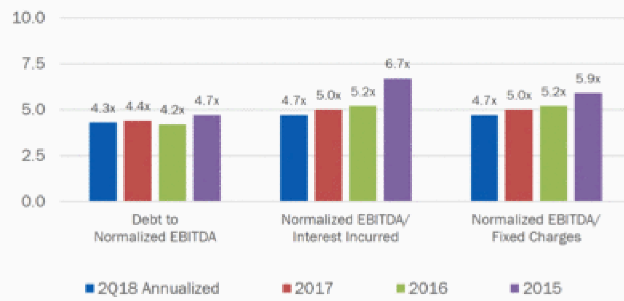
	6/30/18	12/31/17	12/31/16	12/31/15
Balance Sheet				
Gross real estate assets	$1,637,481	$1,618,284	$1,533,679	$1,418,405
Net real estate investments	1,331,752	1,309,996	1,255,503	1,164,950
Gross asset value	1,805,500	1,774,024	1,673,238	1,528,879
Total debt [1]	652,440	667,502	609,391	571,872
Total liabilities	693,933	706,922	654,848	616,222
Total equity	805,696	758,648	740,048	659,202

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

Leverage Ratios



Coverage Ratios



Financial Data Summary

(dollar amounts in thousands)

Reconciliation of Annualized Normalized EBITDA and Fixed Charges

	2Q18 Annualized [1]	For the Year Ended 12/31/17	12/31/16	12/31/15
Net income	$ 130,709	$ 87,340	$ 85,115	$ 73,081
Less: Gain on sale of real estate, net	(48,345)	(3,814)	(3,582)	(586)
Add: Impairment charges	-	1,880 [2]	766 [3]	2,250 [4]
Add: Interest expense	30,620	29,949	26,442	17,497
Add: Depreciation and amortization	37,072	37,610	35,932	29,431
Adjusted EBITDA	150,056	152,965	144,673	121,673
Add: Non-recurring one-time items	-	-	-	937
Normalized EBITDA	$ 150,056	$ 152,965	$ 144,673	$ 122,610
Interest expense:	$ 30,620	$ 29,949	$ 26,442	$ 17,497
Add: Capitalized interest	1,172	908	1,408	827
Interest incurred	$ 31,792	$ 30,857	$ 27,850	$ 18,324
Interest incurred	$ 31,792	$ 30,857	$ 27,850	$ 18,324
Preferred stock dividend	-	-	-	2,454
Fixed Charges	$ 31,792	$ 30,857	$ 27,850	$ 20,778

(1) Gain on sale of real assets is not annualized.

(2) In conjunction with our negotiations to transition two properties to another operator in our portfolio, we wrote off $1,880 of straight-line rent and other receivables related to these two properties.

(3) Impairment charge related to an asset sold in 2017.

(4) Impairment charge related to an asset sold in 2015.

Non-Cash Revenue Components

	2Q18	3Q18 [1]	4Q18 [1]	1Q19 [1]	2Q19 [1]
Straight-line rent	$ 2,000	$ 2,928	$ 1,556	$ 1,080	$ 1,295
Amort of lease inducement	(551)	(556)	(556)	(556)	(556)
Effective Interest	1,420	1,428	1,369	1,331	1,334
Net	$ 2,869	$ 3,800	$ 2,369	$ 1,855	$ 2,073

(1) For leases and loans in place at June 30, 2018, assuming no renewals, modification or replacement, and no new investments are added to our portfolio, except for the anticipated 89-unit independent living community as discussed on page 8, and excludes straight-line rent under the Anthem master lease which is in default and currently being accounted for on a cash basis. See page 12 for Anthem disclosure.

Income Statement Data

(amounts in thousands, except per share amounts)

	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
	(unaudited)		*(unaudited)*	
Revenues				
Rental income	$ 33,930	$ 35,265	$ 68,435	$ 70,300
Interest income from mortgage loans	7,007	6,625	13,823	13,373
Interest and other income	535	578	1,024	1,417
Total revenues	41,472	42,468	83,282	85,090
Expenses				
Interest expense	7,655	7,151	15,484	14,622
Depreciation and amortization	9,268	9,308	18,712	18,667
Impairment charges	-	1,880	-	1,880
Recovery for doubtful accounts	(38)	(5)	(30)	(43)
Transaction costs	6	-	10	22
General and administrative expenses	4,716	4,386	9,513	9,126
Total expenses	21,607	22,720	43,689	44,274
Operating Income	19,865	19,748	39,593	40,816
Income from unconsolidated joint ventures	726	575	1,357	1,020
Gain on sale of real estate, net	48,345	5,054	48,345	5,054
Net Income	68,936	25,377	89,295	46,890
Income allocated to participating securities	(278)	(104)	(366)	(201)
Net income available to common stockholders	$ 68,658	$ 25,273	$ 88,929	$ 46,689
Earnings per common share:				
Basic	$1.74	$0.64	$2.25	$1.19
Diluted	$1.73	$0.64	$2.25	$1.18
Weighted average shares used to calculate earnings per common share:				
Basic	39,471	39,414	39,461	39,390
Diluted	39,765	39,794	39,750	39,769
Dividends declared and paid per common share	$0.57	$0.57	$1.14	$1.14

Consolidated Balance Sheets

(amounts in thousands, except per share amounts)

	June 30, 2018	December 31, 2017
	(unaudited)	*(audited)*
ASSETS		
Investments:		
Land	$ 125,882	$ 124,041
Buildings and improvements	1,269,675	1,262,335
Accumulated depreciation and amortization	(301,458)	(304,117)
Operating real estate property, net	1,094,099	1,082,259
Properties held-for-sale, net of accumulated depreciation: 2018 - $1,916; 2017 - $1,916	3,830	3,830
Real property investments, net	1,097,929	1,086,089
Mortgage loans receivable, net of loan loss reserve: 2018 - $2,355; 2017 - $2,255	233,823	223,907
Real estate investments, net	1,331,752	1,309,996
Notes receivable, net of loan loss reserve: 2018 - $142; 2017 - $166	14,074	16,402
Investments in unconsolidated joint ventures	30,397	29,898
Investments, net	1,376,223	1,356,296
Other assets:		
Cash and cash equivalents	4,260	5,213
Restricted cash	2,446	-
Debt issue costs related to bank borrowings	3,304	810
Interest receivable	17,864	15,050
Straight-line rent receivable, net of allowance for doubtful accounts: 2018 - $707; 2017 - $814	70,036	64,490
Lease Incentives	21,407	21,481
Prepaid expenses and other assets	4,089	2,230
Total assets	$ 1,499,629	$ 1,465,570

	June 30, 2018	December 31, 2017
	(unaudited)	*(audited)*
LIABILITIES		
Bank borrowings	$ 85,500	$ 96,500
Senior unsecured notes, net of debt issue costs: 2018 - $1,027; 2017 - $1,131	566,940	571,002
Total Debt	652,440	667,502
Accrued interest	5,105	5,276
Accrued incentives and earn-outs	9,167	8,916
Accrued expenses and other liabilities	27,221	25,228
Total liabilities	693,933	706,922
EQUITY		
Stockholders' equity:		
Common stock (1)	396	396
Capital in excess of par value	858,832	856,992
Cumulative net income	1,190,078	1,100,783
Cumulative distributions	(1,248,179)	(1,203,011)
Total LTC stockholders' equity	801,127	755,160
Non-controlling interests	4,569	3,488
Total equity	805,696	758,648
Total liabilities and equity	$ 1,499,629	$ 1,465,570

(1) Common stock of $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2018 – 39,635; 2017 – 39,570

Funds from Operations

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

Reconciliation of FFO, AFFO, and FAD

	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
GAAP net income available to common stockholders	$ 68,658	$ 25,273	$ 88,929	$ 46,689
Add: Depreciation and amortization	9,268	9,308	18,712	18,667
Add: Impairment charges	-	1,880	-	1,880
Less: Gain on sale of real estate, net	(48,345)	(5,054)	(48,345)	(5,054)
NAREIT FFO attributable to common stockholders	29,581	31,407	59,296	62,182
Less: Non-cash rental income	(1,449)	(1,856)	(4,349)	(4,196)
Less: Effective interest income from mortgage loans	(1,420)	(1,401)	(2,824)	(2,708)
Less: Deferred income from unconsolidated joint ventures	(31)	(47)	(62)	(94)
Adjusted FFO (AFFO)	26,681	28,103	52,061	55,184
Add: Non-cash compensation charges	1,521	1,425	2,897	2,684
Add: Non-cash interest related to earn-out liabilities	125	125	251	351
Less: Capitalized interest	(293)	(201)	(552)	(371)
Funds available for distribution (FAD)	$ 28,034	$ 29,452	$ 54,657	$ 57,848
NAREIT Diluted FFO attributable to common stockholders per share	$0.75	$0.79	$1.50	$1.57

Funds from Operations

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

Reconciliation of FFO Per Share

For the three months ended June 30,	FFO 2018	FFO 2017	AFFO 2018	AFFO 2017	FAD 2018	FAD 2017
Normalized FFO/AFFO/FAD attributable to common stockholders	$ 29,581	$ 31,407	$ 26,681	$ 28,103	$ 28,034	$ 29,452
Effect of dilutive securities:						
Participating securities	-	104	-	104	-	104
Diluted normalized FFO/AFFO/FAD assuming conversion	$ 29,581	$ 31,511	$ 26,681	$ 28,207	$ 28,034	$ 29,556
Shares for basic FFO/AFFO/FAD per share	39,471	39,414	39,471	39,414	39,471	39,414
Effect of dilutive securities:						
Stock options	2	11	2	11	2	11
Performance based stock units (MSU)	132	207	132	207	132	207
Participating securities	-	162	-	162	-	162
Shares for diluted normalized FFO/AFFO/FAD per share	39,605	39,794	39,605	39,794	39,605	39,794

For the six months ended June 30,	FFO 2018	FFO 2017	AFFO 2018	AFFO 2017	FAD 2018	FAD 2017
Normalized FFO/AFFO/FAD attributable to common stockholders	$ 59,296	$ 62,182	$ 52,061	$ 55,184	$ 54,657	$ 57,848
Effect of dilutive securities:						
Participating securities	366	201	366	201	366	201
Diluted normalized FFO/AFFO/FAD assuming conversion	$ 59,662	$ 62,383	$ 52,427	$ 55,385	$ 55,023	$ 58,049
Shares for basic FFO/AFFO/FAD per share	39,461	39,390	39,461	39,390	39,461	39,390
Effect of dilutive securities:						
Stock options	2	11	2	11	2	11
Performance based stock units (MSU)	132	207	132	207	132	207
Participating securities	155	161	155	161	155	161
Shares for diluted normalized FFO/AFFO/FAD per share	39,750	39,769	39,750	39,769	39,750	39,769

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 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 Communities ("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 and other notes.

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.

Memory Care Communities ("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. MSAs 1 to 31 have a population of 20.3M – 2.1M. MSAs 32 to 100 have a population of 2.1M – 0.6M. MSAs less than 100 have a population of 0.5M – 55K. Cities in a Micro-SA have a population of 216K – 13K. Cities not in a MSA has population of less than 100K.

Mezzanine: In certain circumstances, the Company strategically allocates 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.

Glossary

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 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).

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 and the Prestige Healthcare mortgage loan portfolio. Our SPP is comprised of stabilized properties occupied and operated throughout the duration of the quarter-over-quarter comparison periods presented (excluding assets sold and assets held-for-sale). Accordingly, a property must be occupied and stabilized for a minimum of 15 months 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, or issuance of certificate of occupancy for properties acquired in lease-up.

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

LTC Properties, Inc.

Company

Founded in 1992, LTC Properties, Inc. (LTC) is a self-administered real estate investment trust (REIT) investing in seniors housing and health care properties primarily through sale-leaseback transactions, mortgage financing and structured finance solutions including preferred equity and mezzanine lending. LTC's portfolio encompasses Skilled Nursing Facilities (SNF), Assisted Living Communities (ALF), Independent Living Communities (ILF), Memory Care Communities (MC) and combinations thereof. Our main objective is to build and grow a diversified portfolio that creates and sustains shareholder value while providing our stockholders current distribution income. To meet this objective, we seek properties operated by regional operators, ideally offering upside and portfolio diversification (geographic, operator, property type and investment vehicle). For more information, visit 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, 2017 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 24, 27 and 28 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.