
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 4, 2020
(Date of earliest event reported)

LTC PROPERTIES, INC.

(Exact name of Registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

1-11314
(Commission file number)

71-0720518
(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):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, \$.01 par value	LTC	New York Stock Exchange

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 ☐

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. ☐

Item 2.02. — Results of Operations and Financial Condition

On May 4, 2020, LTC Properties, Inc. announced the operating results for the three months ended March 31, 2020. 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 4, 2020.](#)

[99.2](#) [LTC Properties, Inc. Supplemental Information Package for the period ending March 31, 2020.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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 4, 2020

By: /s/ WENDY L. SIMPSON

Wendy L. Simpson
Chairman, CEO & President



FOR IMMEDIATE RELEASE

For more information contact:
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LTC REPORTS 2020 FIRST QUARTER RESULTS AND DISCUSSES RECENT ACTIVITIES

WESTLAKE VILLAGE, CALIFORNIA, May 4, 2020-- 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, 2020.

Net income available to common stockholders was \$63.4 million, or \$1.60 per diluted share, for the 2020 first quarter, compared with \$20.3 million, or \$0.51 per diluted share, for the same period in 2019. The improvement was primarily due to a \$43.9 million net gain on sale of properties and higher rental and interest income in the 2020 first quarter, partially offset by lower income from investment in unconsolidated joint ventures and higher general and administrative expenses.

Funds from Operations ("FFO") was \$29.2 million for the 2020 first quarter, compared with \$29.9 million for the comparable 2019 period. FFO per diluted common share was \$0.74 and \$0.75 for the quarters ended March 31, 2020 and 2019, respectively. The decrease in FFO and FFO per diluted common share was primarily due to lower income from unconsolidated joint ventures and higher general and administrative expenses during 2020 first quarter, partially offset by higher rental and interest income.

LTC completed the following transactions during the first quarter of 2020:

- Acquired a 140-bed skilled nursing center in Longview, Texas for approximately \$13.5 million, and entered into a 10-year master lease with an initial cash yield of 8.5% escalating 2% annually with two, five-year renewal options;
- Completed the sale of its Preferred Care, Inc. portfolio with the sale of 21 skilled nursing centers, as previously announced. These properties included 2,411 beds in Arizona, Colorado, Iowa, Kansas and Texas, generated net proceeds of \$71.9 million, had a combined net book value of \$29.1 million and resulted in gain on sale of approximately \$43.9 million;
- Completed construction of a 78-unit seniors housing community in Oregon; and
- Purchased 615,827 shares of its common stock at an average price of \$29.25 per share, including commissions, for a total investment of approximately \$18.0 million under the stock repurchase plan which was approved by LTC's Board of Directors on March 12, 2020. In order to preserve liquidity and financial flexibility in light of impact of the national COVID-19 pandemic, LTC's Board of Directors made the strategic decision to terminate the stock repurchase plan on March 25, 2020.

Subsequent to March 31, 2020, LTC completed the following:

- Received liquidation proceeds of \$17.2 from the sale of properties in an unconsolidated joint venture. LTC anticipates receiving additional proceeds of \$1.3 million and expects to recognize a loss on liquidation of unconsolidated joint ventures of approximately \$0.6 million in the second quarter of 2020 related to the dissolution of this joint venture.

Conference Call Information

LTC will conduct a conference call on Monday, May 4, 2020, 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, 2020. The conference call is accessible by telephone and the internet. Interested parties may access the live conference call via the following:

Webcast	www.LTCreit.com
USA Toll-Free Number	1-877-510-2862
International Toll-Free Number	1-412-902-4134
Canada Toll-Free Number	1-855-669-9657

Additionally, an audio replay of the call will be available one hour after the live call and through May 18, 2020 via the following:

USA Toll-Free Number	1-877-344-7529
International Toll-Free Number	1-412-317-0088
Canada Toll-Free Number	1-855-669-9658
Conference Number	10142255

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 real estate investment trust (REIT) investing in seniors housing and health care properties primarily through sale-leasebacks, mortgage financing, joint-ventures and structured finance solutions including preferred equity and mezzanine lending. LTC holds 180 investments in 27 states with 29 operating partners. The portfolio is comprised of investments of approximately 50% seniors housing and 50% skilled nursing properties. Learn more 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,	
	2020	2019
	(unaudited)	
Revenues:		
Rental income	\$ 38,035	\$ 37,624
Interest income from mortgage loans	7,777	7,311
Interest and other income	598	521
Total revenues	46,410	45,456
Expenses:		
Interest expense	7,710	7,467
Depreciation and amortization	9,669	9,607
Provision for doubtful accounts	1	83
Transaction costs	70	—
Property tax expense	4,223	4,386
General and administrative expenses	5,100	4,571
Total expenses	26,773	26,114
Other operating income:		
Gain on sale of real estate, net	43,854	—
Operating income	63,491	19,342
Income from unconsolidated joint ventures	231	1,085
Net income	63,722	20,427
Income allocated to non-controlling interests	(89)	(81)
Net income attributable to LTC Properties, Inc.	63,633	20,346
Income allocated to participating securities	(263)	(92)
Net income available to common stockholders	\$ 63,370	\$ 20,254
Earnings per common share:		
Basic	\$ 1.60	\$ 0.51
Diluted	\$ 1.60	\$ 0.51
Weighted average shares used to calculate earnings per common share:		
Basic	39,539	39,532
Diluted	39,541	39,874
Dividends declared and paid per common share	\$ 0.57	\$ 0.57

Supplemental Reporting Measures

FFO 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 and FAD as supplemental measures of operating performance. The Company believes FFO 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 and FAD facilitate like comparisons of operating performance between periods. Occasionally, the Company may exclude non-recurring items from FFO and FAD in order to 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 FAD as FFO excluding the effects of straight-line rent, amortization of lease inducement, effective interest income, deferred income from unconsolidated joint ventures, non-cash compensation charges, capitalized interest and non-cash interest charges. 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. 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 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 and FAD

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

	Three Months Ended March 31,	
	2020	2019
GAAP net income available to common stockholders	\$ 63,370	\$ 20,254
Add: Depreciation and amortization	9,669	9,607
Less: Gain on sale of real estate, net	(43,854)	—
NAREIT FFO attributable to common stockholders	29,185	29,861
Add: Non-recurring items	—	576 ⁽¹⁾⁽²⁾
FFO attributable to common stockholders, excluding non-recurring items	\$ 29,185	\$ 30,437
NAREIT FFO attributable to common stockholders	\$ 29,185	\$ 29,861
Non-cash income:		
Less: straight-line rental income	(839)	(1,238)
Add: amortization of lease costs	101	87
Add: Other non-cash contra-revenue	—	1,926 ⁽¹⁾
Less: Effective interest income from mortgage loans	(1,523)	(1,415)
Less: Deferred income from unconsolidated joint ventures	—	(7)
Net non-cash income	(2,261)	(647)
Non-cash expense:		
Add: Non-cash compensation charges	1,777	1,689
Less: Capitalized interest	(191)	(260)
Net non-cash expense	1,586	1,429
Funds available for distribution (FAD)	28,510	30,643
Less: Non-recurring income	—	(1,350) ⁽²⁾
Funds available for distribution (FAD), excluding non-recurring items	\$ 28,510	\$ 29,293
NAREIT Basic FFO attributable to common stockholders per share	\$ 0.74	\$ 0.76
NAREIT Diluted FFO attributable to common stockholders per share	\$ 0.74	\$ 0.75
NAREIT Diluted FFO attributable to common stockholders	\$ 29,185	\$ 29,953
Weighted average shares used to calculate NAREIT diluted FFO per share attributable to common stockholders	39,541	39,874
Diluted FFO attributable to common stockholders, excluding non-recurring items	\$ 29,185	\$ 30,529
Weighted average shares used to calculate diluted FFO, excluding non-recurring items, per share attributable to common stockholders	39,541	39,874
Diluted FAD, excluding non-recurring items	\$ 28,510	\$ 29,385
Weighted average shares used to calculate diluted FAD, excluding non-recurring items, per share	39,541	39,874

(1) Represents the write-off of straight-line rent due to a lease termination and transition of two senior housing communities to a new operator.

(2) Represents deferred rent repayment from an operator.

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

	March 31, 2020 <i>(unaudited)</i>	December 31, 2019 <i>(audited)</i>
ASSETS		
Investments:		
Land	\$ 127,774	\$ 126,703
Buildings and improvements	1,310,403	1,295,899
Accumulated depreciation and amortization	(320,332)	(312,642)
Operating real estate property, net	1,117,845	1,109,960
Properties held-for-sale, net of accumulated depreciation: 2020—\$0; 2019—\$35,113	—	26,856
Real property investments, net	1,117,845	1,136,816
Mortgage loans receivable, net of loan loss reserve: 2020—\$2,563; 2019—\$2,560	254,396	254,099
Real estate investments, net	1,372,241	1,390,915
Notes receivable, net of loan loss reserve: 2020—\$179; 2019—\$181	17,769	17,927
Investments in unconsolidated joint ventures	19,061	19,003
Investments, net	1,409,071	1,427,845
Other assets:		
Cash and cash equivalents	30,888	4,244
Debt issue costs related to bank borrowings	1,948	2,164
Interest receivable	28,097	26,586
Straight-line rent receivable	46,541	45,703
Lease incentives	2,764	2,552
Prepaid expenses and other assets	5,476	5,115
Total assets	<u>\$ 1,524,785</u>	<u>\$ 1,514,209</u>
LIABILITIES		
Bank borrowings	\$ 89,900	\$ 93,900
Senior unsecured notes, net of debt issue costs: 2020—\$773; 2019—\$812	599,527	599,488
Accrued interest	3,503	4,983
Accrued expenses and other liabilities	25,800	30,412
Total liabilities	718,730	728,783
EQUITY		
Stockholders' equity:		
Common stock: \$0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2020—39,218; 2019—39,752	392	398
Capital in excess of par value	847,572	867,346
Cumulative net income	1,357,115	1,293,482
Cumulative distributions	(1,407,450)	(1,384,283)
Total LTC Properties, Inc. stockholders' equity	797,629	776,943
Non-controlling interests	8,426	8,483
Total equity	806,055	785,426
Total liabilities and equity	<u>\$ 1,524,785</u>	<u>\$ 1,514,209</u>



**Supplemental Operating
and
Financial Data**

March 2020



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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, 2019 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 EBITDAre, adjusted EBITDAre, FFO, FFO excluding non-recurring items, FAD, FAD excluding non-recurring items, adjusted interest coverage ratio, and adjusted 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.

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Founded in 1992, LTC Properties, Inc. (NYSE: 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.

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

ANALYSTS

Connor Siversky	Berenberg Capital Markets
John Kim	BMO Capital Markets Corp.
Daniel Bernstein	CapitalOne
Jordan Sadler	KeyBanc Capital Markets, Inc.
Omotayo Okusanya	Mizuho Securities USA LLC
Mike Carroll	RBC Capital Markets Corporation
Rich Anderson	SMBC Nikko Securities
Todd Stender	Wells Fargo Securities, LLC

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.

LEADERSHIP



Wendy Simpson
Chairman, Chief Executive Officer and President



Pam Kessler
Executive Vice President, CFO and Secretary



Clint Malin
Executive Vice President, Chief Investment Officer



Cece Chikhale
Executive Vice President, Chief Accounting Officer, Controller and Treasurer



Doug Korey
Executive Vice President, Managing Director of Business Development



Gibson Satterwhite
Senior Vice President, Asset Management



Peter Lyew
Vice President, Director of Taxes



Mandi Hogan
Vice President, Marketing & Investor Relations



Mike Bowden
Vice President, Investments

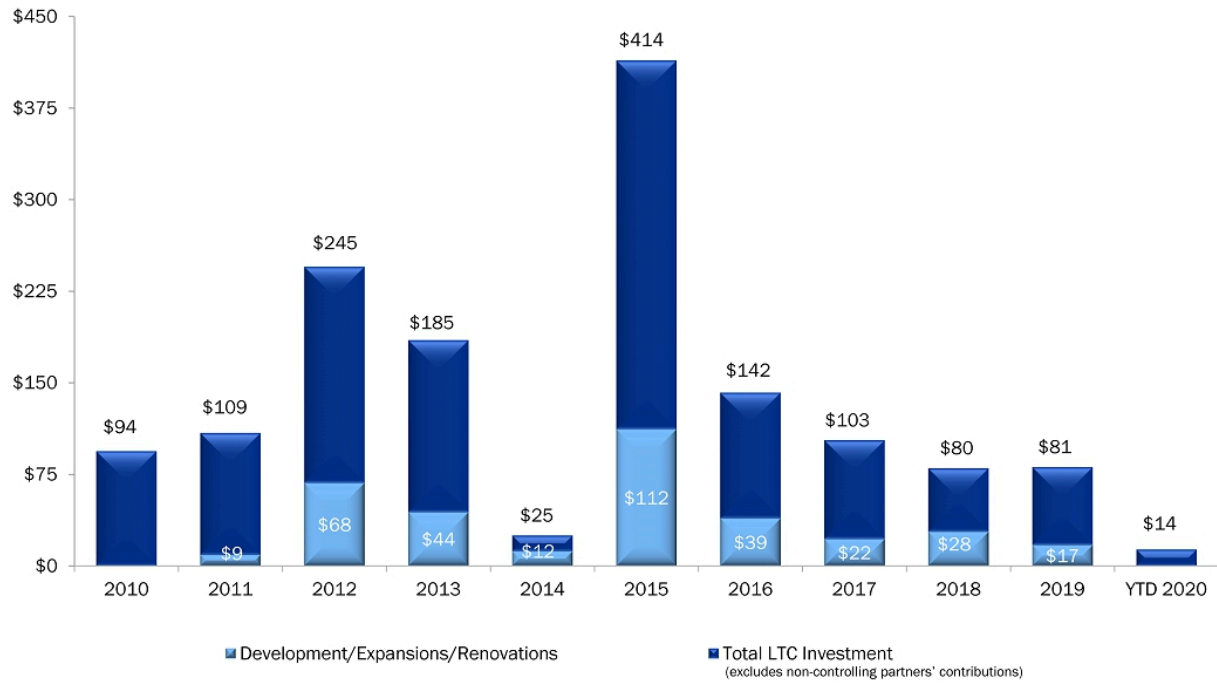
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EXECUTION OF GROWTH STRATEGY

\$1.5 Billion in Total Investments Underwritten





REAL ESTATE ACTIVITIES – ACQUISITIONS AND LOAN ORIGINATIONS

(DOLLAR AMOUNTS IN THOUSANDS)

ACQUISITIONS

DATE	# OF PROPERTIES	PROPERTY TYPE	# BEDS/ UNITS	LOCATION	OPERATOR	DATE OF CONSTRUCTION	CONTRACTUAL INITIAL CASH YIELD	PURCHASE PRICE	ADDITIONAL COMMITMENT ⁽¹⁾
2019 1/31	1	ALF/MC	74 units	Abingdon, VA	English Meadows Senior Living	2015	7.40%	\$ 16,719 ⁽²⁾	\$ —
8/15	1	SNF ⁽³⁾	90 beds	Kansas City, MO	Ignite Medical Resorts	2018	8.25% ⁽⁵⁾	19,500	—
8/23	1	UDP ⁽³⁾⁽⁴⁾	90 beds	Independence, MO	Ignite Medical Resorts	2019-2020	9.25%	2,622	14,752
12/31	1	ALF/MC	76 units	Auburn Hills, MI	Randall Residence	1995	7.40%	6,486	1,900 ⁽⁶⁾
12/31	1	MC	80 units	Sterling Heights, MI	Randall Residence	1997	7.40%	12,514	— ⁽⁶⁾
	<u>5</u>		<u>230 units / 180 beds</u>					<u>\$ 57,841</u>	<u>\$ 16,652</u>
2020 1/10	1	SNF	140 beds	Longview, TX	HMG Healthcare	2014	8.50%	\$ 13,500	\$ —

(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) We entered into a JV to purchase an existing operational 74-unit ALF/MC community. The non-controlling partner contributed \$919 of equity and we contributed \$15,976 in cash. LTC's economic interest in the real estate JV is approximately 95%. We account for the JV on a consolidated basis. See page 6 for joint venture contributions.

(3) We acquired a 90-bed post-acute skilled nursing center in Kansas City, MO. We also acquired a parcel of land and committed to develop a 90-bed post-acute skilled nursing center in Independence, MO.

(4) See page 7 for development activities.

(5) Escalated by 2% in December 2019 and annually thereafter.

(6) Capital improvement commitment is available to both properties for a total of \$1,900.

LOAN ORIGINATIONS

DATE	# OF PROPERTIES	PROPERTY TYPE	# BEDS/ UNITS	LOCATION	LOAN TYPE	MATURITY DATE	OPERATOR	ORIGINATION	FUNDED AT ORIGINATION	STATED INTEREST RATE
2019 6/20	2	SNF	205 beds	East Lansing, MI ⁽¹⁾	Mortgage	Jan-2045	Prestige Healthcare	\$ 7,500	\$ 7,500	9.41%

(1) We funded additional loan proceeds of \$7,500 under an existing mortgage loan. The incremental funding bears interest at 9.41%, fixed for two years, and escalating by 2.25% thereafter.



REAL ESTATE ACTIVITIES – JOINT VENTURES

(DOLLAR AMOUNTS IN THOUSANDS)

UNCONSOLIDATED JOINT VENTURES

COMMITMENT		PROPERTIES	OPERATOR	PROPERTY TYPE	INVESTMENT TYPE	MATURITY DATE	RETURN	# BEDS/ UNITS	INVESTMENT		CARRYING VALUE
YEAR	LOCATION								COMMITMENT	IMPAIRMENT	
2015	Peoria & Yuma, AZ	4	Senior Lifestyle	ALF/MC/ILF	Preferred Equity	N/A	15.00% ⁽¹⁾	585 units	\$ 24,561	\$ (5,500) ⁽¹⁾	\$ 19,061

- (1) During 2019, this JV was placed on cash basis due to delinquency of our preferred return. In November 2019, the JV entered into an agreement to sell the four properties comprising the JV. Accordingly, we reduced our preferred equity investment down to its estimated fair value by recording an impairment loss of \$5,500 on our unconsolidated JV investment. In April 2020, the four properties comprising the JV were sold and we received partial liquidation proceeds of \$17,200. We anticipate receiving additional proceeds of approximately \$1,300 and expect to recognize a loss on liquidation of unconsolidated joint ventures of approximately \$600 in the second quarter of 2020 related to the dissolution of this joint venture.

CONSOLIDATED JOINT VENTURES

INVESTMENT		OPERATOR	PROPERTY TYPE	INVESTMENT PURPOSE	# BEDS/ UNITS	TOTAL	NON-CONTROLLING	LTC	LTC	LTC
YEAR	LOCATION					JOINT VENTURES COMMITMENT	INTEREST CONTRIBUTION	COMMITMENT	FUNDED TO DATE	REMAINING COMMITMENT
2017	Cedarburg, WI	Tealwood Senior Living	ALF/MC/ILF	Owned Real Estate & Development	110 units	\$ 22,246	\$ 2,305	\$ 19,941	\$ 19,941 ⁽¹⁾	\$ —
2017	Spartanburg, SC	Affinity Living Group	ALF	Owned Real Estate	87 units	11,660	1,241	10,419	10,419	—
					197 units	33,906	3,546	30,360	30,360	—
2018	Medford, OR	Fields Senior Living ⁽²⁾⁽³⁾	ALF	Owned Real Estate & Development	78 units	18,108	1,081	17,027	14,684	2,343
2018	Medford, OR	Fields Senior Living ⁽³⁾	ILF	Owned Real Estate	89 units	14,400	2,857	11,543	11,543	—
					167 units	32,508	3,938	28,570	26,227	2,343
2019	Abingdon, VA	English Meadows Senior Living	ALF/MC	Owned Real Estate	74 units	16,895	919	15,976	15,976	—
					438 units	\$ 83,309	\$ 8,403	\$ 74,906	\$ 72,563	\$ 2,343

- (1) In 4Q19, the construction of the senior living community in Cedarburg, WI was completed under budget.
(2) Certificate of occupancy was received on March 18, 2020.
(3) Represents a single joint venture with ownership in two properties.





REAL ESTATE ACTIVITIES – DE NOVO DEVELOPMENT

(DOLLAR AMOUNTS IN THOUSANDS)

CONSTRUCTION IN PROGRESS

ESTIMATED CASH RENT		COMMITMENT		# OF PROJECTS	PROPERTY TYPE	CONTRACTUAL		# BEDS/ UNITS	INVESTMENT COMMITMENT ⁽¹⁾	1Q20 FUNDING	TOTAL	TOTAL	REMAINING COMMITMENT ⁽²⁾
INCEPTION DATE	YEAR	LOCATION	OPERATOR			INITIAL CASH YIELD					CAPITALIZED INTEREST/OTHER	PROJECT BASIS TO DATE	
4Q20 ⁽³⁾	2019	Independence, MO	Ignite	1	SNF	9.25%		90 beds	\$ 17,374	\$ 2,468	\$ 110	\$ 6,684	\$ 10,800

(1) Includes purchase of land and development commitment.

(2) Remaining Commitment is calculated as follows: "Investment Commitment" less "Total Project Basis" plus "Total Capitalized Interest/Other."

(3) In August 2019, we acquired a parcel of land for \$2,622 and committed to develop a 90-bed post-acute skilled nursing center in Independence, MO. Completion is scheduled for the fall of 2020.

DEVELOPMENTS COMPLETED DURING THE QUARTER

ESTIMATED CASH RENT		COMMITMENT		# OF PROJECTS	PROPERTY TYPE	CONTRACTUAL		# BEDS/ UNITS	INVESTMENT COMMITMENT ⁽¹⁾	1Q20 FUNDING	TOTAL	TOTAL	REMAINING COMMITMENT ⁽²⁾
INCEPTION DATE	YEAR	LOCATION	OPERATOR			INITIAL CASH YIELD					CAPITALIZED INTEREST/OTHER	PROJECT BASIS TO DATE	
2Q21 ⁽³⁾	2018	Medford, OR	Fields	1	ALF/MC	7.65%		78 units	\$ 18,108	\$ 2,377	\$ 575	\$ 16,341	\$ 2,342

(1) Includes purchase of land and development commitment.

(2) Remaining Commitment is calculated as follows: "Investment Commitment" less "Total Project Basis" plus "Total Capitalized Interest/Other." We expect to fund the remaining commitment in 2Q20.

(3) Project was completed in 1Q20. See Lease-Up on page 9.





REAL ESTATE ACTIVITIES – EXPANSIONS & RENOVATIONS

(DOLLAR AMOUNTS IN THOUSANDS)

MORTGAGE LOANS

ESTIMATED INTEREST DATE	COMMITMENT YEAR	PROJECT TYPE	LOCATION	OPERATOR	# OF PROJECTS	PROPERTY TYPE	CONTRACTUAL INITIAL CASH YIELD	INVESTMENT COMMITMENT	1Q20 FUNDING	TOTAL FUNDED TO DATE	REMAINING COMMITMENT
— ⁽¹⁾	2016	Renovation	East Lansing, MI	Prestige Healthcare	2	SNF	9.41%	\$ 4,500	\$ —	\$ 4,263	\$ 237
— ⁽²⁾	2018	Renovation	Sterling Heights, MI	Prestige Healthcare	1	SNF	8.66%	1,700	67	1,038	662
— ⁽²⁾	2018	Renovation	Grand Haven, MI	Prestige Healthcare	1	SNF	9.41%	3,000	260	970	2,030
					<u>4</u>			<u>\$ 9,200</u>	<u>\$ 327</u>	<u>\$ 6,271</u>	<u>\$ 2,929</u>

(1) Commitment is secured by two properties in Michigan operated by Prestige Healthcare. Interest payment increases upon each funding.

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



Medilodge of Richmond
Richmond, MI





REAL ESTATE ACTIVITIES – LEASE-UP

(DOLLAR AMOUNTS IN THOUSANDS)

DATE ACQUIRED	DATE OPENED ⁽¹⁾	OCCUPANCY AT 3/31/2020	DEVELOPMENT		PROJECT TYPE	LOCATION	OPERATOR	# OF PROJECTS	PROPERTY TYPE	# BEDS/ UNITS	CONTRACTUAL	TOTAL
			COMMITMENT YEAR								INITIAL CASH YIELD	INVESTMENT ⁽²⁾
Oct-2016	Jun-2018	73%	2016		Development	Oak Lawn, IL	Anthem ⁽³⁾	1	MC	66 units	— ⁽³⁾	\$ 14,997
Dec-2017	Feb-2019 ⁽⁴⁾	30%	2017		Development	Cedarburg, WI	Tealwood	1	ALF/MC/ILF	110 units	7.50%	21,537
May-2018	— ⁽⁵⁾	— ⁽⁵⁾	2018		Development	Medford, OR	Fields Senior Living	1	ALF/MC	78 units	7.65%	15,912
								3		254 units		\$ 52,446

(1) Represents date of Certificate of Occupancy.

(2) Total Investment includes land acquisition, closing costs and total development funding and excludes capitalized interest.

(3) As a result of Anthem's default under its master lease in 2017, they are on a cash basis. We anticipate that Anthem will pay annual cash rent of \$9.9 million through 2020. However, the COVID-19 pandemic may adversely impact Anthem's operating cashflow and ability to pay rent. We receive regular financial performance updates from Anthem and continue to monitor Anthem's performance obligations under the master lease agreement.

(4) Certificate of occupancy was received in February 2019, however licensure was not received until April 2019.

(5) Certificate of occupancy was received in March 2020, however due to COVID-19 pandemic, we have consented to delay the opening of this community to a later date to be determined.





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
Vineyard Place	Murrieta, CA	Anthem	MC	Development	66 units	Sep-2015	Aug-2016	Aug-2018	24
Porter Place	Tinley Park, IL	Anthem	MC	Development	66 units	May-2015	Jul-2016	Jul-2018	24
Emerald Place	Glenview, IL	Anthem	MC	Development	66 units	Oct-2015	Dec-2017	Dec-2019	24
Cold Spring Transitional Care Center	Cold Spring, KY	Carespring	SNF	Development	143 beds	Dec-2012	Nov-2014	Jun-2016	19
Boonespring Healthcare Center	Union, KY	Carespring	SNF	Development	143 beds	Sep-2016	Feb-2019	Dec-2019	10
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
Carmel Village Memory Care	Clovis, CA	Generations	MC/ILF	Acquisition	73 units	Jun-2017	Sep-2016	Jun-2018	12
Carmel Village at Clovis	Clovis, CA	Generations	ALF	Acquisition	107 units	Jun-2017	Nov-2014	Jun-2018	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
Oxford Villa	Wichita, KS	Oxford Senior Living	ILF	Development	108 units	May-2015	Nov-2016	Nov-2018	24
Oxford Kansas City	Kansas City, MO	Oxford Senior Living	ALF/MC	Acquisition	73 units	Oct-2017	Aug-2017	Jun-2019	22

(1) Represents date of Certificate of Occupancy.

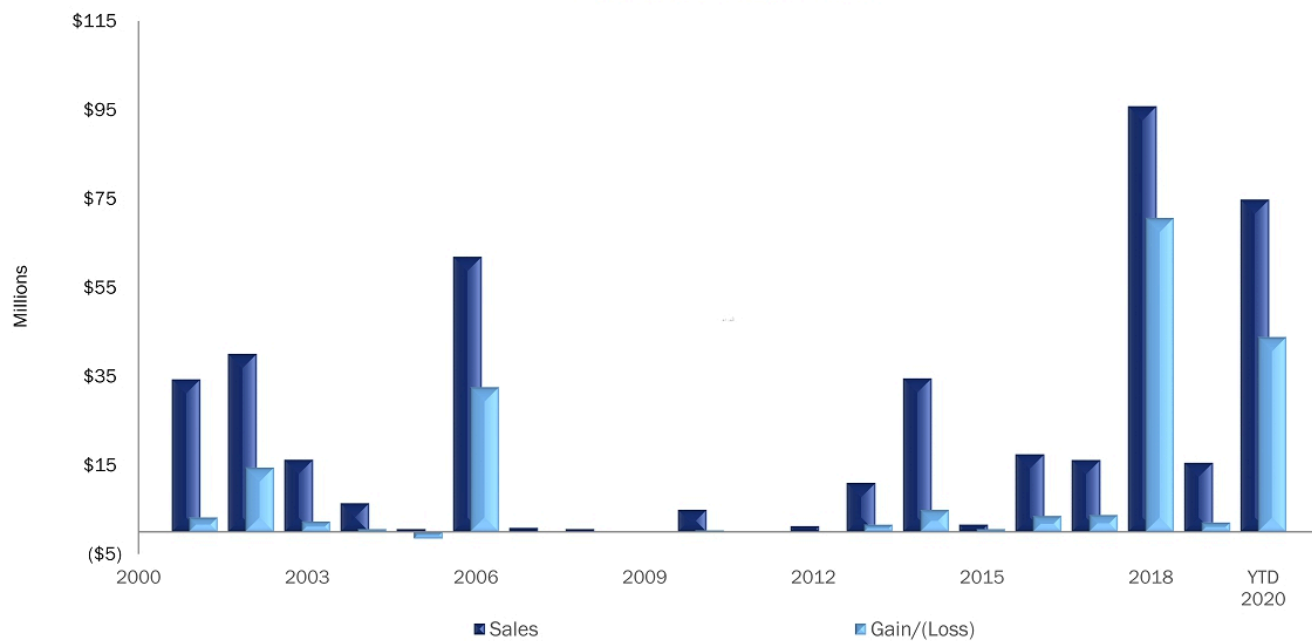




REAL ESTATE ACTIVITIES – CAPITAL RECYCLING

On average, LTC has sold approximately \$20.7 million⁽¹⁾ annually

- Since 2000:
- Total Sales Price of \$434.2 million
 - Total Gain of \$183.4 million



(1) Reflects total sales price.





PORTFOLIO OVERVIEW

(DOLLAR AMOUNTS IN THOUSANDS)

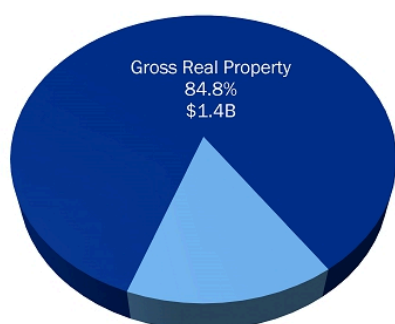
PROPERTY TYPE	# OF PROPERTIES	GROSS INVESTMENT	% OF INVESTMENT	TWELVE MONTHS ENDED MARCH 31, 2020		
				RENTAL INCOME ⁽¹⁾	INTEREST INCOME ⁽²⁾	% OF REVENUES
Skilled Nursing	72	\$ 800,773	47.2%	\$ 61,017	\$ 30,458	56.5%
Assisted Living	107	876,319	51.7%	69,424	—	42.9%
Under Development ⁽³⁾	—	6,684	0.4%	—	—	—
Other ⁽⁴⁾	1	11,360	0.7%	962	—	0.6%
Total	180	\$ 1,695,136	100.0%	\$ 131,403	\$ 30,458	100.0%

(1) Includes "cash rent," "straight-line rent" and "amortization of lease incentives" and excludes real estate taxes reimbursement, straight-line rent write-off and rental income from properties sold during the twelve months ended March 31, 2020.

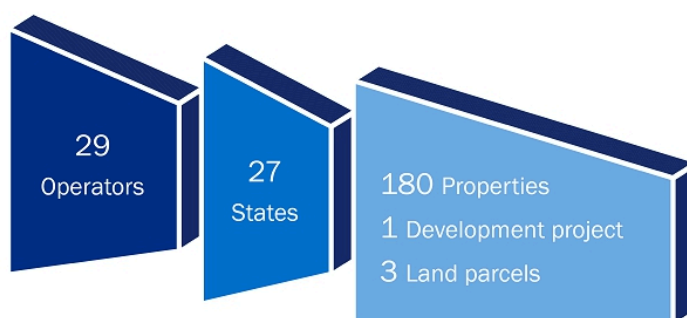
(2) Includes "interest income from mortgage loans" and excludes interest income from mortgage loans that paid off during the twelve months ended March 31, 2020.

(3) Includes a development project consisting of a 90-bed SNF center in Missouri.

(4) Includes three parcels of land held-for use and one behavioral health care hospital.



Loans Receivable
15.2%
\$0.3B

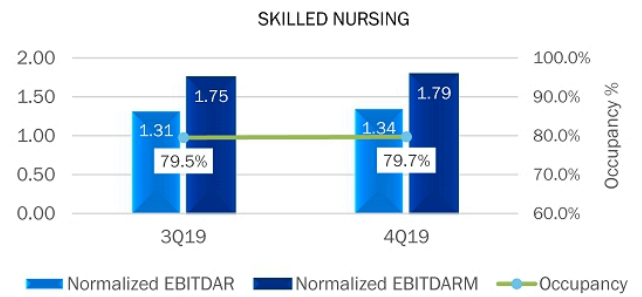
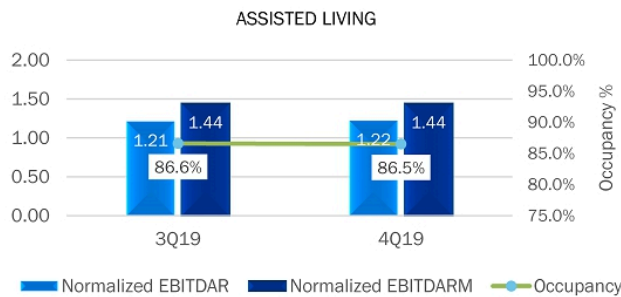




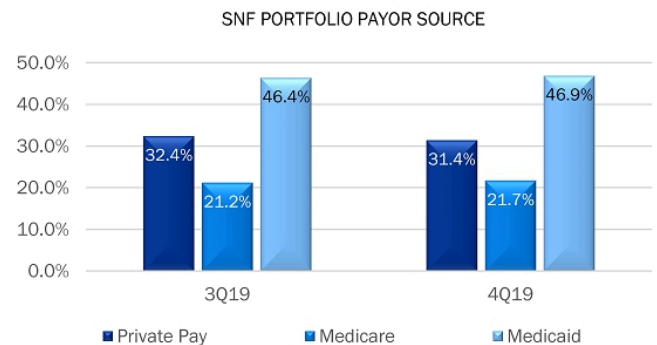
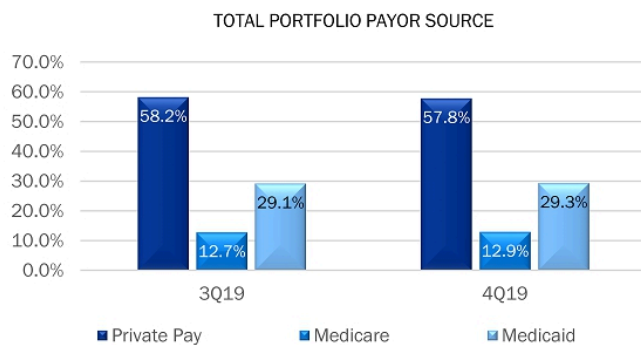
PORTFOLIO METRICS

(TRAILING TWELVE MONTHS THROUGH DECEMBER 31, 2019 AND SEPTEMBER 30, 2019)

SAME PROPERTY PORTFOLIO STATISTICS ⁽¹⁾⁽²⁾



STABILIZED PROPERTY PORTFOLIO ⁽¹⁾⁽²⁾



(1) Information is from property level operator financial statements which are unaudited and have not been independently verified by LTC.

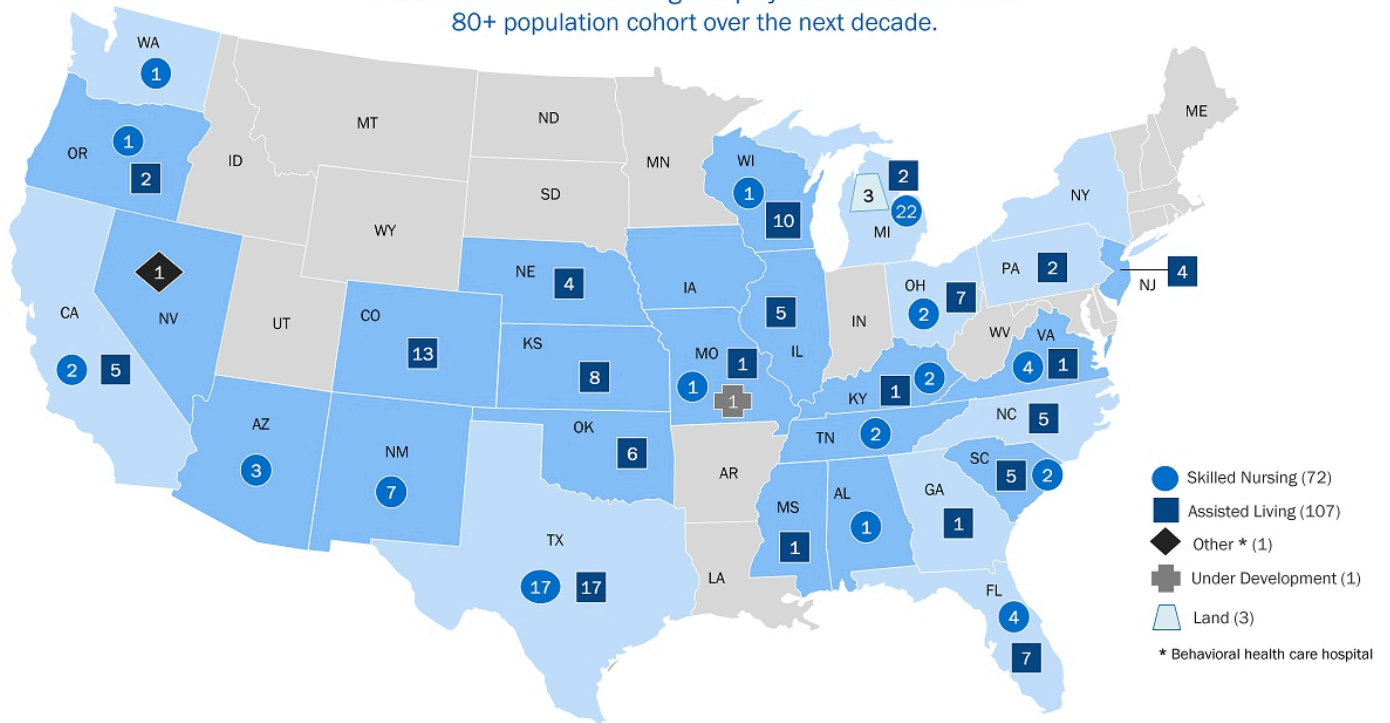
(2) The coverage and occupancy levels at our properties will be adversely affected if COVID-19 or another pandemic results in infections on a large scale at our properties, early resident move-outs, our operators delay accepting new residents due to quarantines, and/or potential occupants postpone moving to a senior housing facility.



PORTFOLIO DIVERSIFICATION – GEOGRAPHY

(AS OF MARCH 31, 2020)

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

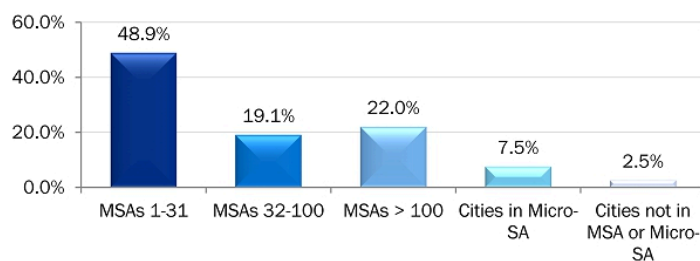
(AS OF MARCH 31, 2020, DOLLAR AMOUNTS IN THOUSANDS)

STATE ⁽¹⁾	# OF PROPS	GROSS INVESTMENT	%	SNF	%	ALF	%	UDP	%	OTH ⁽²⁾	%
Michigan	24	\$ 277,063	16.3%	\$ 256,959	32.1%	\$ 19,161	2.2%	\$ —	—	\$ 943	8.3%
Texas	34	273,075	16.1%	202,605	25.3%	70,470	8.0%	—	—	—	—
Wisconsin	11	149,405	8.8%	13,946	1.7%	135,459	15.5%	—	—	—	—
Colorado	13	106,879	6.3%	—	—	106,879	12.2%	—	—	—	—
California	7	103,970	6.1%	22,262	2.8%	81,708	9.3%	—	—	—	—
Illinois	5	87,670	5.2%	—	—	87,670	10.0%	—	—	—	—
Ohio	9	86,497	5.1%	54,000	6.7%	32,497	3.7%	—	—	—	—
Florida	11	72,169	4.3%	32,865	4.1%	39,304	4.5%	—	—	—	—
Kentucky	3	62,733	3.7%	48,520	6.1%	14,213	1.6%	—	—	—	—
New Jersey	4	62,229	3.7%	—	—	62,229	7.1%	—	—	—	—
All Others	59	413,446	24.4%	169,616	21.2%	226,729	25.9%	6,684	100.0%	10,417	91.7%
Total	180	\$ 1,695,136	100.0%	\$ 800,773	100.0%	\$ 876,319	100.0%	\$ 6,684	100.0%	\$ 11,360	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.

GROSS PORTFOLIO BY MSA ⁽¹⁾



(1) The MSA rank by population as of July 1, 2019, as estimated by the United States Census Bureau. Approximately 68% of our properties are in the top 100 MSAs.

AVERAGE PORTFOLIO AGE ⁽¹⁾



(1) As calculated from construction date or major renovation/expansion date. Includes owned portfolio and mortgage loans secured by 22 SNF properties in Michigan.



PORTFOLIO DIVERSIFICATION – OPERATORS

(AS OF MARCH 31, 2020, DOLLAR AMOUNTS IN THOUSANDS)

OPERATORS	# OF PROPS	ANNUALIZED INCOME				GROSS	
		GAAP ⁽¹⁾	%	CASH	%	INVESTMENT	%
Prestige Healthcare	24	\$ 32,485	19.5%	\$ 26,418	16.7%	\$ 270,091	15.9%
Senior Lifestyle Corporation	23	20,010	12.0%	18,241	11.6%	191,622	11.3%
Anthem Memory Care	11	9,900 ⁽²⁾	5.9%	9,900 ⁽²⁾	6.3%	136,483	8.1%
Senior Care Centers	11	14,603	8.8%	14,603	9.3%	138,109	8.1%
Brookdale Senior Living	35	13,894	8.3%	13,969	8.8%	98,921	5.8%
Carespring Health Care Management	4	11,194	6.7%	9,748	6.2%	102,520	6.1%
Fundamental	7	8,418	5.0%	8,675	5.5%	75,795	4.5%
Traditions Senior Management	7	8,276	5.0%	8,535	5.4%	71,742	4.2%
Genesis Healthcare	6	8,154	4.9%	8,111	5.1%	50,004	3.0%
Juniper Communities	5	6,663	4.0%	6,626	4.2%	81,988	4.8%
All Others	47	33,253	19.9%	33,019	20.9%	477,861	28.2%
	<u>180</u>	<u>\$ 166,850</u>	<u>100.0%</u>	<u>\$ 157,845</u>	<u>100.0%</u>	<u>\$ 1,695,136</u>	<u>100.0%</u>

(1) Represents annualized income for the month of March 2020 for leased properties, except for Anthem as noted below, and annualized interest income from mortgage loans outstanding as of March 31, 2020.

(2) Anthem is currently being accounted for on a cash basis. See page 9 for Anthem disclosure.



SENIOR LIFESTYLE
FAMILY-OWNED COMMUNITIES



SENIOR CARE
CENTERS
Our generations caring for others.

BROOKDALE
SENIOR LIVING

Privately Held	SNF/ALF/ILF Other Rehab	78 Properties	5 States
Privately Held	ALF/ILF/MC/SNF Short Term Stays	184 Properties	27 States
Privately Held	Exclusively MC	11 Properties	4 States
Privately Held	SNF/ALF	22 Properties	1 State
NYSE: BKD	ILF/ALF/MC Continuing Care	743 Properties	45 States



FUNDAMENTAL



Genesis HealthCare

JUNIPER
COMMUNITIES
Nurturing the spirit of life.

Privately Held	SNF/ALF/ILF Transitional Care	13 Properties	2 States
Privately Held	SNF/MC Hospitals & Other Rehab	84 Properties	10 States
Privately Held	SNF/ALF/ILF	25 Properties	5 States
NYSE: GEN	SNF/ALF Senior Living	Nearly 400 Properties	26 States
Privately Held	ALF/ILF/MC/SNF	21 Properties	3 States



PORTFOLIO DIVERSIFICATION – OPERATORS

(DOLLAR AMOUNTS IN THOUSANDS)



- Our rent deferral agreements generally require the deferred rent to be paid within 6 to 12 months.
- LTC evaluated deferral requests with close attention to ongoing operations, unit coverage, corporate financial health and liquidity of the operator.

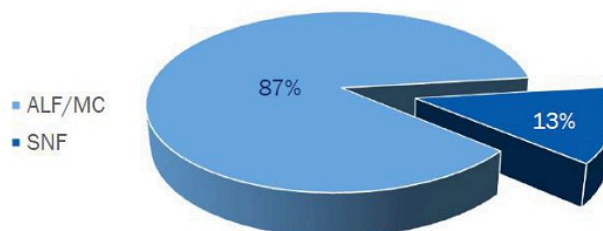
OPERATOR UPDATE

93%

April contractual rent collected

90%

9 of our top 10 operators paid all of their contractual rent in April



- Of the \$772 April rent deferred, approximately 87% relates to ALF/MC and 13% relates to SNF.
- Of the \$772 April rent deferred, \$496 is backed by security deposits.
- Of the \$772 April rent deferred, we subsequently received the repayment of \$137.



PORTFOLIO MATURITY

(AS OF MARCH 31, 2020, DOLLAR AMOUNTS IN THOUSANDS)

YEAR	RENTAL INCOME ⁽¹⁾	% OF TOTAL	INTEREST INCOME ⁽¹⁾	% OF TOTAL	ANNUAL INCOME ⁽¹⁾	% OF TOTAL
2020	\$ 13,894 ⁽²⁾	10.2%	\$ —	—	\$ 13,894	8.3%
2021	3,958	2.9%	—	—	3,958	2.4%
2022	771	0.6%	—	—	771	0.5%
2023	3,332	2.5%	—	—	3,332	2.0%
2024	5,140	3.8%	—	—	5,140	3.1%
2025	9,096	6.7%	—	—	9,096	5.5%
2026	16,430	12.1%	—	—	16,430	9.8%
2027	11,257	8.3%	—	—	11,257	6.7%
Thereafter	71,721	52.9%	31,251	100.0%	102,972	61.7%
Total	\$ 135,599	100.0%	\$ 31,251	100.0%	\$ 166,850	100.0%

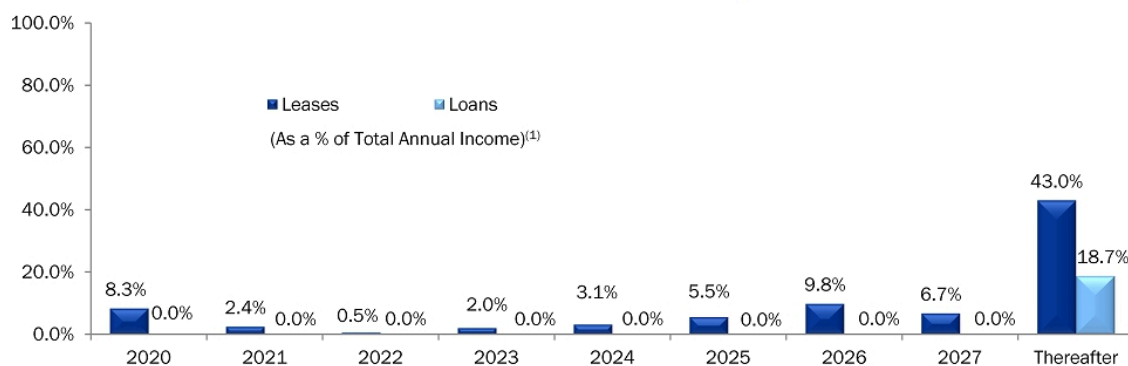
Near Term Lease Maturities:



- Four in 2020 with an annualized GAAP rent totaling \$13.9 million⁽²⁾
- Three in 2021 with an annualized GAAP rent totaling \$4.0 million
- One in 2022 with an annualized GAAP rent totaling \$0.8 million



As of March 31, 2020, approximately 93% of owned properties are covered under master leases and approximately 96% of rental revenues come from master leases or cross-default leases.



(1) Includes annualized GAAP rent for leased properties, except for Anthem, and annualized interest income from mortgage loans outstanding as of March 31, 2020.

(2) Represents Brookdale maturing on December 31, 2020, with two 10-year renewal options in which the notice period expires on June 30, 2020.





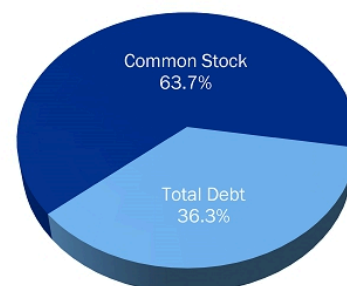
ENTERPRISE VALUE

(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND NUMBER OF SHARES)

		MARCH 31, 2020	CAPITALIZATION
DEBT			
Bank borrowings - weighted average rate 2.2%		\$ 89,900	
Senior unsecured notes, net of debt issue costs - weighted average rate 4.4% ⁽¹⁾		599,527	
Total debt - weighted average rate 4.1%		689,427	36.3%
EQUITY			
		3/31/20	
	No. of shares	Closing Price	
Common stock	39,217,848	\$ 30.90 ⁽²⁾	1,211,832
Total Market Value			1,211,832
TOTAL VALUE		\$ 1,901,259	100.0%
Add: Non-controlling interest		8,426	
Less: Cash and cash equivalents		(30,888)	
ENTERPRISE VALUE		\$ 1,878,797	
Debt to Enterprise Value		36.7%	
Debt to Annualized Adjusted EBITDAre ⁽³⁾		4.6x	
Net Debt to Annualized Adjusted EBITDAre ⁽³⁾		4.4x	

- (1) Represents outstanding balance of \$600,300, net of debt issue costs of \$773.
 (2) Closing price of our common stock as reported by the NYSE on March 31, 2020.
 (3) See page 23 for reconciliation of annualized adjusted EBITDAre.

CAPITALIZATION





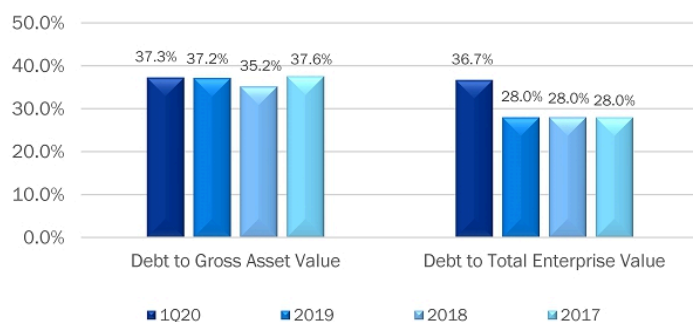
DEBT METRICS

(DOLLAR AMOUNTS IN THOUSANDS)

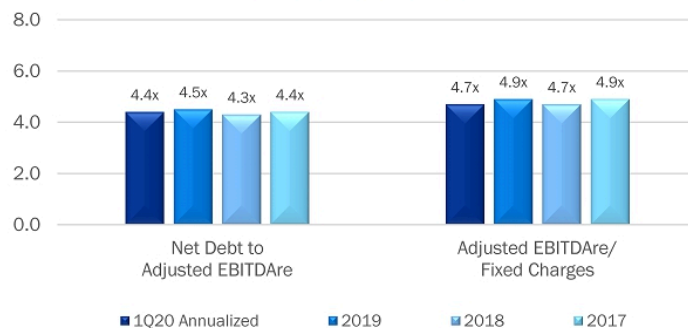
LINE OF CREDIT LIQUIDITY



LEVERAGE RATIOS



COVERAGE RATIOS



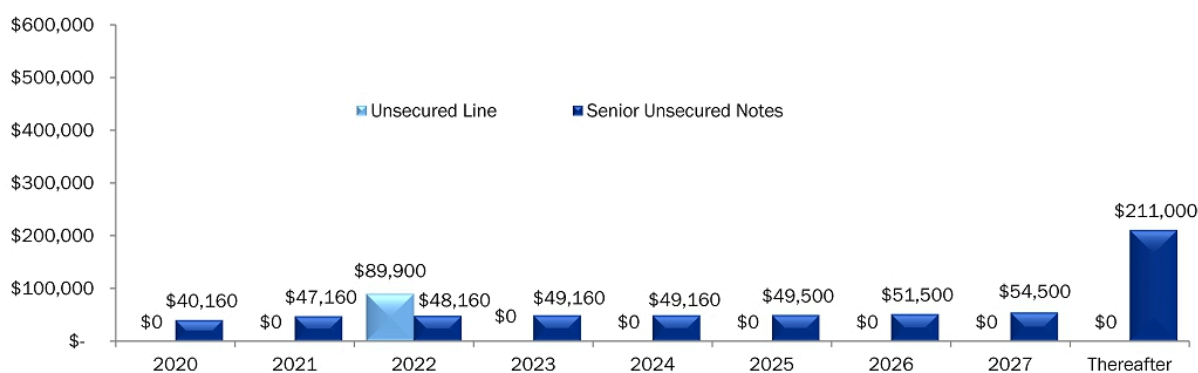
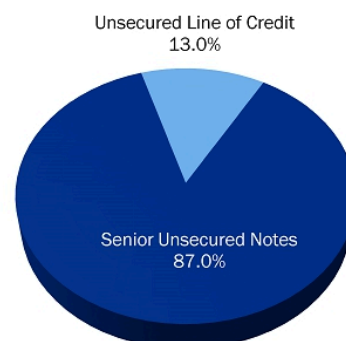


DEBT MATURITY

(AS OF MARCH 31, 2020, DOLLAR AMOUNTS IN THOUSANDS)

YEAR	UNSECURED LINE OF CREDIT	SENIOR UNSECURED NOTES ⁽¹⁾	TOTAL	% OF TOTAL
2020	\$ —	\$ 40,160	\$ 40,160	5.8%
2021	—	47,160	47,160	6.8%
2022	89,900	48,160	138,060	20.0%
2023	—	49,160	49,160	7.1%
2024	—	49,160	49,160	7.1%
2025	—	49,500	49,500	7.2%
2026	—	51,500	51,500	7.5%
2027	—	54,500	54,500	7.9%
Thereafter	—	211,000	211,000	30.6%
Total	\$ 89,900	\$ 600,300 ⁽²⁾	\$ 690,200 ⁽²⁾	100.0%

DEBT STRUCTURE



(1) Reflects scheduled principal payments.

(2) Includes debt issue costs which are excluded in the senior unsecured notes balance on our Consolidated Balance Sheets shown on page 25.





FINANCIAL DATA SUMMARY

(DOLLAR AMOUNTS IN THOUSANDS)

	3/31/20	12/31/19	12/31/18	12/31/17
Gross real estate assets	\$ 1,695,136	\$ 1,741,230	\$ 1,666,842	\$ 1,618,284
Net real estate investments	\$ 1,372,241	\$ 1,390,915	\$ 1,349,520	\$ 1,309,996
Gross asset value	\$ 1,847,860	\$ 1,864,705	\$ 1,831,070	\$ 1,774,024
Total debt ⁽¹⁾	\$ 689,427	\$ 693,388	\$ 645,029	\$ 667,502
Total liabilities ⁽¹⁾	\$ 718,730	\$ 728,783	\$ 680,649	\$ 706,922
Total equity	\$ 806,055	\$ 785,426	\$ 832,971	\$ 758,648

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

NON-CASH REVENUE COMPONENTS

	1Q20	2Q20 ⁽¹⁾	3Q20 ⁽¹⁾	4Q20 ⁽¹⁾	1Q21 ⁽¹⁾
Straight-line rent	\$ 839	\$ 1,520 ⁽²⁾	\$ 579	\$ 202	\$ 282
Amortization of lease incentives	(101)	(108)	(108)	(108)	(108)
Effective interest	1,523	1,555	1,549	1,477	1,427
Net	\$ 2,261	\$ 2,967	\$ 2,020	\$ 1,571	\$ 1,601

(1) For leases and loans in place at March 31, 2020, assuming no renewals, modifications or replacements and no new investments are added to our portfolio except for completed development in 2020 and the leases on cash basis.

(2) Increase due to April 2020 rent deferrals. See COVID-19 disclosure on page 17.

COMPONENTS OF RENTAL INCOME

	THREE MONTHS ENDED	
	MARCH 31,	
	2020	2019
Cash rent	\$ 33,075 ⁽¹⁾	\$ 34,064
Revenue related to real estate taxes reimbursed by the operator	4,222	4,335
Straight-line rent	839	1,238
Straight-line rent write-off	—	(1,926) ⁽²⁾
Amortization of lease incentives	(101)	(87)
Total rental income	\$ 38,035	\$ 37,624

(1) Decrease due to a reduction of rent received from Preferred Care who began paying reduced rent in July 2019, partially offset by rent increases from acquisitions.

(2) Represents the write-off of straight-line rent due to a lease termination and transition of two senior housing communities to a new operator.





FINANCIAL DATA SUMMARY

(DOLLAR AMOUNTS IN THOUSANDS)

RECONCILIATION OF ANNUALIZED ADJUSTED EBITDAre AND FIXED CHARGES

	THREE MONTHS ENDED	FOR THE YEAR ENDED		
	3/31/20	12/31/2019	12/31/2018	12/31/2017
Net income	\$ 63,722	\$ 80,872	\$ 155,076	\$ 87,340
Less: Gain on sale of real estate, net	(43,854)	(2,106)	(70,682)	(3,814)
Add: Impairment charges	—	5,500 ⁽¹⁾	—	1,880 ⁽²⁾
Add: Interest expense	7,710	30,582	30,196	29,949
Add: Depreciation and amortization	9,669	39,216	37,555	37,610
EBITDAre	37,247	154,064	152,145	152,965
Less: Non-recurring one-time items	—	(1,535) ⁽³⁾	(3,074) ⁽⁴⁾	(842) ⁽⁴⁾
Adjusted EBITDAre	\$ 37,247	\$ 152,529	\$ 149,071	\$ 152,123
Interest expense	\$ 7,710	\$ 30,582	\$ 30,196	\$ 29,949
Add: Capitalized interest	191	608	1,248	908
Fixed charges ⁽⁵⁾	\$ 7,901	\$ 31,190	\$ 31,444	\$ 30,857
Annualized Adjusted EBITDAre	\$ 148,988			
Annualized Fixed Charges	\$ 31,604			
Debt (net of debt issue costs)	\$ 689,427	\$ 693,388	\$ 645,029	\$ 667,502
Net Debt (debt less cash)	\$ 658,539	\$ 689,144	\$ 642,373	\$ 662,289
Debt to Adjusted EBITDAre	4.6x *	4.5x	4.3x	4.4x
Net Debt to Adjusted EBITDAre	4.4x *	4.5x	4.3x	4.4x
Adjusted EBITDAre to Fixed Charges	4.7x *	4.9x	4.7x	4.9x

* Represents annualized 1Q20 results except for gain on sale of real estate.

- (1) Impairment charge on an unconsolidated joint venture investment.
- (2) Represents net write-off of \$1,880 of straight-line rent and other receivables related to two properties in Overland Park and Wichita, KS.
- (3) Represents \$2,111 gain from property insurance proceeds related to a property in Texas and \$1,350 deferred rent repayment from an operator offset by \$1,926 write-off of straight-line rent due to a lease termination and transition of two seniors housing communities to a new operator.
- (4) Represents net write-off of earn-out liabilities and the related lease incentives.
- (5) Given we do not have preferred stock, our fixed-charge coverage ratio and interest coverage ratio are the same.





INCOME STATEMENT DATA

(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	THREE MONTHS ENDED	
	MARCH 31,	
	2020	2019
	<i>(unaudited)</i>	
Revenues		
Rental income	\$ 38,035	\$ 37,624
Interest income from mortgage loans	7,777	7,311
Interest and other income	598	521
Total revenues	46,410	45,456
Expenses		
Interest expense	7,710	7,467
Depreciation and amortization	9,669	9,607
Provision for doubtful accounts	1	83
Transaction costs	70	—
Property tax expense	4,223	4,386
General and administrative expenses	5,100	4,571
Total expenses	26,773	26,114
Other Operating Income		
Gain on sale of real estate, net	43,854	—
Operating Income	63,491	19,342
Income from unconsolidated joint ventures	231	1,085
Net Income	63,722	20,427
Income allocated to non-controlling interests	(89)	(81)
Net income attributable to LTC Properties, Inc.	63,633	20,346
Income allocated to participating securities	(263)	(92)
Net income available to common stockholders	\$ 63,370	\$ 20,254
Earnings per common share:		
Basic	\$1.60	\$0.51
Diluted	\$1.60	\$0.51
Weighted average shares used to calculate earnings		
per common share:		
Basic	39,539	39,532
Diluted	39,541	39,874
Dividends declared and paid per common share	\$0.57	\$0.57



CONSOLIDATED BALANCE SHEETS

(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	MARCH 31, 2020	DECEMBER 31, 2019
	(unaudited)	(audited)
ASSETS		
Investments:		
Land	\$ 127,774	\$ 126,703
Buildings and improvements	1,310,403	1,295,899
Accumulated depreciation and amortization	(320,332)	(312,642)
Operating real estate property, net	1,117,845	1,109,960
Properties held-for-sale, net of accumulated depreciation: 2020—\$0; 2019—\$35,113	—	26,856
Real property investments, net	1,117,845	1,136,816
Mortgage loans receivable, net of loan loss reserve: 2020—\$2,563; 2019—\$2,560	254,396	254,099
Real estate investments, net	1,372,241	1,390,915
Notes receivable, net of loan loss reserve: 2020—\$179; 2019—\$181	17,769	17,927
Investments in unconsolidated joint ventures	19,061	19,003
Investments, net	1,409,071	1,427,845
Other assets:		
Cash and cash equivalents	30,888	4,244
Debt issue costs related to bank borrowings	1,948	2,164
Interest receivable	28,097	26,586
Straight-line rent receivable	46,541	45,703
Lease incentives	2,764	2,552
Prepaid expenses and other assets	5,476	5,115
Total assets	\$ 1,524,785	\$ 1,514,209
LIABILITIES		
Bank borrowings	\$ 89,900	\$ 93,900
Senior unsecured notes, net of debt issue costs: 2020—\$773; 2019—\$812	599,527	599,488
Accrued interest	3,503	4,983
Accrued expenses and other liabilities	25,800	30,412
Total liabilities	718,730	728,783
EQUITY		
Stockholders' equity:		
Common stock: \$0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2020—39,218; 2019—39,752	392	398
Capital in excess of par value	847,572	867,346
Cumulative net income	1,357,115	1,293,482
Cumulative distributions	(1,407,450)	(1,384,283)
Total LTC Properties, Inc. stockholders' equity	797,629	776,943
Non-controlling interests	8,426	8,483
Total equity	806,055	785,426
Total liabilities and equity	\$ 1,524,785	\$ 1,514,209



FUNDS FROM OPERATIONS

(UNAUDITED, AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

RECONCILIATION OF FFO AND FAD

	THREE MONTHS ENDED	
	MARCH 31,	
	2020	2019
GAAP net income available to common stockholders	\$ 63,370	\$ 20,254
Add: Depreciation and amortization	9,669	9,607
Less: Gain on sale of real estate, net	(43,854)	—
NAREIT FFO attributable to common stockholders	29,185	29,861
Add: Non-recurring items	—	576 ⁽¹⁾⁽²⁾
FFO attributable to common stockholders excluding non-recurring income	\$ 29,185	\$ 30,437
<hr/>		
NAREIT FFO attributable to common stockholders	\$ 29,185	\$ 29,861
Non-cash income:		
Less: Straight-line rental income	(839)	(1,238)
Add: Amortization of lease costs	101	87
Add: Other non-cash contra revenue	—	1,926 ⁽¹⁾
Less: Effective interest income from mortgage loans	(1,523)	(1,415)
Less: Deferred income from unconsolidated joint ventures	—	(7)
Net non-cash income	(2,261)	(647)
Non-cash expense:		
Add: Non-cash compensation charges	1,777	1,689
Less: Capitalized interest	(191)	(260)
Net non-cash expense	1,586	1,429
Funds available for distribution (FAD)	28,510	30,643
Less: Non-recurring income ⁽²⁾	—	(1,350) ⁽²⁾
Funds available for distribution (FAD) excluding non-recurring income	\$ 28,510	\$ 29,293
NAREIT Diluted FFO attributable to common stockholders per share	\$0.74	\$0.75

(1) Represents \$1,926 write-off of straight-line rent due to a lease termination and transition of two seniors housing communities to a new operator.

(2) Represents \$1,350 of deferred rent repayment from an operator.



FUNDS FROM OPERATIONS

(UNAUDITED, AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

RECONCILIATION OF FFO PER SHARE

FOR THE THREE MONTHS ENDED MARCH 31,	FFO		FAD	
	2020	2019	2020	2019
FFO/FAD attributable to common stockholders	\$ 29,185	\$ 29,861	\$ 28,510	\$ 30,643
Non-recurring one-time items	—	576 ^(1,2)	—	(1,350) ⁽²⁾
FFO/FAD attributable to common stockholders excluding non-recurring income	29,185	30,437	28,510	29,293
Effect of dilutive securities:				
Participating securities	—	92	—	92
Diluted FFO/FAD assuming conversion	\$ 29,185	\$ 30,529	\$ 28,510	\$ 29,385
Shares for basic FFO/FAD per share	39,539	39,532	39,539	39,532
Effect of dilutive securities:				
Stock options	2	4	2	4
Performance-based stock units (MSU)	— ⁽³⁾	181	— ⁽³⁾	181
Participating securities	— ⁽⁴⁾	157	— ⁽⁴⁾	157
Shares for diluted FFO/FAD per share	39,541	39,874	39,541	39,874

(1) Represents \$1,926 write-off of straight-line rent due to a lease termination and transition of two seniors housing communities to a new operator offset by (2) below.

(2) Represents \$1,350 net of deferred rent repayment from an operator.

(3) Excludes performance-based stock units as no performance-based units would be earned based on the total shareholder return target at March 31, 2020.

(4) Excludes the effective of participating securities from the computation of FFO per share and FAD per share as such inclusion would be anti-dilutive.





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.

Earnings Before Interest, Tax, Depreciation and Amortization for Real Estate ("EBITDAre"): As defined by the National Association of Real Estate Investment Trusts ("NAREIT"), EBITDAre is calculated as net income (computed in accordance with GAAP) excluding (i) interest expense, (ii) income tax expense, (iii) real estate depreciation and amortization, (iv) impairment write-downs of depreciable real estate, (v) gains or losses on the sale of depreciable real estate, and (vi) adjustments for unconsolidated partnerships and joint ventures.

Funds Available for Distribution ("FAD"): FFO excluding the effects of straight-line rent, amortization of lease costs, effective interest income, deferred income from unconsolidated joint ventures, non-cash compensation charges, capitalized interest and non-cash interest charges.

Funds From Operations ("FFO"): As defined by 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.





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 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.

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/lease transition 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.

