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: February 16, 2023
(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 February 16, 2023, LTC Properties, Inc. announced the operating results for the three months ended December 31, 2022. 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 February 16, 2023.
99.2	LTC Properties, Inc. Supplemental Information Package for the period ending December 31, 2022.
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: February 16, 2023

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

Exhibit 99.1

FOR IMMEDIATE RELEASE

For more information contact:
Mandi Hogan
(805) 981-8655

LTC REPORTS 2022 FOURTH QUARTER RESULTS AND DISCUSSES RECENT ACTIVITIES

WESTLAKE VILLAGE, CALIFORNIA, February 16, 2023-- LTC Properties, Inc. (NYSE: LTC) ("LTC" or the "Company"), a real estate investment trust that primarily invests in seniors housing and health care properties, today announced operating results for the fourth quarter ended December 31, 2022.

	Three Months Ended December 31, 2022	2021
	(unaudited)	
Net income available to common stockholders	$ 17,809	$ 12,726
Diluted earnings per common share	$ 0.44	$ 0.32
NAREIT funds from operations ("FFO") attributable to common stockholders	$ 29,218	$ 22,105
NAREIT diluted FFO per common share	$ 0.72	$ 0.56
FFO attributable to common stockholders, excluding non-recurring items	$ 29,218	$ 22,974
Funds available for distribution ("FAD")	$ 30,013	$ 24,023
FAD, excluding non-recurring items	$ 30,013	$ 24,023

Fourth quarter 2022 financial results were impacted by:

- Higher rental income from:
  - rent received from transitioned portfolios;
  - receipt of Anthem's temporary rent reduction;
  - rent received from the acquisition of four skilled nursing centers during the 2022 second quarter; and
  - rental income from completed development projects and annual escalations.
  - The increase in rental income was partially offset by the sale of three assisted living communities and a skilled nursing center during the 2022 second quarter.
- Higher interest income from financing receivables due to the acquisition of three skilled nursing centers during the 2022 third quarter, which is accounted for as a financing receivable in accordance with U.S. Generally Accepted Accounting Principles ("GAAP").
- Higher interest income from mortgage loans resulting from mortgage loan originations in 2022 and 2021 fourth quarter.

- Higher interest and other income due to a mezzanine loan origination and additional funding under working capital loans, partially offset by loan payoffs.

- Higher interest expense due to 2021 fourth quarter term loan originations, the issuance of $75.0 million senior unsecured notes during the 2022 second quarter, and higher interest rates on LTC's revolving line of credit, partially offset by scheduled principal paydowns on the Company's senior unsecured notes.

- Lower provisions for credit losses due to more mortgage originations in the fourth quarter of 2021, compared with the same quarter in 2022.

- Higher general and administrative expenses due to higher incentive compensation and increases in overall costs due to inflationary pressures.

- $2.1 million of impairment losses related to a 70-unit assisted living community located in Florida and a closed memory care community located in Colorado as a result of our recoverability analysis.

During the fourth quarter of 2022, LTC completed the following:

- Received payment of Anthem's $1.5 million temporary rent reduction from May through September 2022 and a return to their previously agreed upon rent of $900,000 per month in the fourth quarter of 2022. During 2022, LTC received Anthem's full agreed upon rent of $10.8 million;

- Provided $670,000 of abated rent to the same operator for whom we have been providing assistance;

- Paid $5.0 million in regular scheduled principal payments under the Company's senior unsecured notes at a weighted average rate of 4.27%;

- Amended LTC's Credit Agreement to update its benchmark provisions to replace the London interbank offered rate ("LIBOR") with the Secured Overnight Financing Rate ("SOFR"), plus a credit spread adjustment of 10 basis points, as the reference rate for purposes of calculating interest under the Credit Agreement. Other than the foregoing, the material terms of the Credit Agreement remain unchanged. Additionally, in connection with entering into the Amendment, LTC entered into amendments to its fixed interest rate swap agreements to account for SOFR as the updated reference rate in the Amended Credit Agreement;

- Repaid $21.0 million under the Company's revolving line of credit; and

- Sold 757,400 shares of LTC's common stock for $29.2 million in net proceeds under its equity distribution agreements.

Subsequent to December 31, 2022, LTC completed the following:

- As previously announced, entered into a $121.3 million joint venture ("JV") with an existing operator, and contributed $117.5 million into the JV that purchased 11 assisted living/memory care communities with a total of 523 units. The communities are located in North Carolina and will be operated under a 10-year master lease, with two five-year renewal options. The initial annual rent is at a rate of 7.25%, increasing to 7.50% in year three, then escalates thereafter based on CPI subject to a floor of 2% and ceiling of 4%. The master lease provides the operator with the option to buy up to 50% of the properties at the beginning of the third lease year and the remaining properties at the beginning of the fourth lease year through the end of the sixth lease year, with an exit IRR of 9.00% on any tranche of the properties being purchased. LTC will consolidate the joint venture's acquired properties and the acquisition will be accounted for as a financing receivable due to the seller's purchase option. LTC expects to record consolidated GAAP and cash rent interest income from financing receivable during 2023 of $9.7 million and $8.8 million, respectively, related to the joint venture investment;

- As previously announced, originated a $10.8 million mortgage loan secured by a 45-unit memory care community located in North Carolina. The loan carries a two-year term with an interest-only rate of 7.25% and an IRR of 9.00%;

- Received $4.5 million, which includes a prepayment fee and the exit IRR totaling $190,000, from a mezzanine loan prepayment. The mezzanine loan was on a 136-unit independent living community in Oregon;

- Received a notice of intent to redeem LTC's $13.0 million preferred equity investment in a joint venture to develop a 267-unit independent and assisted living community in Washington. LTC anticipates receiving $1.7 million of additional income in 2023 associated with the redemption representing the 14% IRR;

- Borrowed $162.7 million under its unsecured revolving line of credit primarily for investments in 2023;

- Paid $7.0 million under its senior unsecured notes; and

- Provided $215,000 of abated rent in January 2023. LTC has agreed to provide rent abatements up to $215,000 for each of February and March of 2023.

Conference Call Information

LTC will conduct a conference call on Thursday, February 16, 2023, at 10:00 a.m. Pacific Time (1:00 p.m. Eastern Time), to provide commentary on its performance and operating results for the quarter ended December 31, 2022. 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	1-844-200-6205
Canada Toll-Free Number	1-833-950-0062
Conference Access Code	948633

Additionally, an audio replay of the call will be available one hour after the live call and through March 2, 2023 via the following:

USA Toll-Free Number	1-866-813-9403
Canada Local Number	1-226-828-7578
International Toll-Free Number	+44 204 525 0658
Conference Number	340552

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's investment portfolio includes 215 properties in 29 states with 31 operating partners. Based on its gross real estate investments, LTC's investment portfolio is comprised 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 December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
	(unaudited)		*(audited)*	
Revenues:				
Rental income	$ 34,707	$ 30,028	$ 128,244	$ 121,125
Interest income from financing receivable[(1)]	1,405	—	1,762	—
Interest income from mortgage loans	10,488	9,032	40,600	32,811
Interest and other income	1,239	381	4,547	1,386
Total revenues	47,839	39,441	175,153	155,322
Expenses:				
Interest expense	8,830	6,933	31,437	27,375
Depreciation and amortization	9,294	9,449	37,496	38,296
Impairment loss	2,136	—	3,422	—
Provision for credit losses	74	962	1,528	1,021
Transaction costs	100	162	828	4,433
Property tax expense	3,306	3,679	15,486	15,392
General and administrative expenses	6,299	5,772	23,706	21,460
Total expenses	30,039	26,957	113,903	107,977
Other operating income:				
Gain on sale of real estate, net	21	70	37,830	7,462
Operating income	17,821	12,554	99,080	54,807
Income from unconsolidated joint ventures	377	376	1,504	1,417
Net income	18,198	12,930	100,584	56,224
Income allocated to non-controlling interests	(259)	(92)	(560)	(363)
Net income attributable to LTC Properties, Inc.	17,939	12,838	100,024	55,861
Income allocated to participating securities	(130)	(112)	(580)	(458)
Net income available to common stockholders	$ 17,809	$ 12,726	$ 99,444	$ 55,403
Earnings per common share:				
Basic	$ 0.44	$ 0.32	$ 2.49	$ 1.41
Diluted	$ 0.44	$ 0.32	$ 2.48	$ 1.41
Weighted average shares used to calculate earnings per common share:				
Basic	40,596	39,177	39,894	39,156
Diluted	40,769	39,177	40,067	39,156
Dividends declared and paid per common share	$ 0.57	$ 0.57	$ 2.28	$ 2.28

(1) Represents rental income from three skilled nursing centers acquired through a sale-leaseback transaction, subject to a lease which contains a purchase option. In accordance with GAAP, the properties are required to be presented as a financing receivable on our *Consolidated Balance Sheets* and the rental income to be presented as *Interest income from financing receivable* on our *Consolidated Statements of Income*.

Supplemental Reporting Measures

FFO and 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 December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
GAAP net income available to common stockholders	$ 17,809	$ 12,726	$ 99,444	$ 55,403
Add: Impairment loss	2,136	—	3,422	—
Add: Depreciation and amortization	9,294	9,449	37,496	38,296
Less: Gain on sale of real estate, net	(21)	(70)	(37,830)	(7,462)
NAREIT FFO attributable to common stockholders	29,218	22,105	102,532	86,237
Add: Non-recurring items	—	869(2)	824(3)	5,947(6)
FFO attributable to common stockholders, excluding non-recurring items	$ 29,218	$ 22,974	$ 103,356	$ 92,184
NAREIT FFO attributable to common stockholders	$ 29,218	$ 22,105	$ 102,532	$ 86,237
Non-cash income:				
Add (Less): straight-line rental adjustment (income)	406	152	1,369	(467)
Add: amortization of lease costs	212	222	1,133(4)	608
Add: Other non-cash expense	—	—	—	758(7)
Less: Effective interest income	(1,910)(1)	(1,393)	(6,461)(1)	(6,093)
Net non-cash income	(1,292)	(1,019)	(3,959)	(5,194)
Non-cash expense:				
Add: Non-cash compensation charges	2,013	1,975	7,964	7,760
Add: Provision for credit losses	74	962	1,528	1,021
Net non-cash expense	2,087	2,937	9,492	8,781
Funds available for distribution (FAD)	$ 30,013	$ 24,023	$ 108,065	$ 89,824
(Less) Add: Non-recurring items	—	—	(681)(5)	5,232(8)
Funds available for distribution (FAD), excluding non-recurring items	$ 30,013	$ 24,023	$ 107,384	$ 95,056

(1) Includes effective interest from three skilled nursing centers acquired through a sale-leaseback transaction, subject to a lease which contains a purchase option. In accordance with GAAP, the properties are required to be presented as a financing receivable on our *Consolidated Balance Sheets* and the rental income to be presented as *Interest income from financing receivable* on our *Consolidated Statements of Income.*

(2) Represents provision for credit losses related to the origination of $86,933 mortgage loans during 2021 fourth quarter.

(3) Represents (4) from below, $1,332 of provision for credit losses reserve related to the origination of the financing receivable noted in (1) above, two mortgage loans and a mezzanine loan, and a lease termination fee of $500 paid to a former operator of 12 assisted living communities in exchange for cooperation and assistance in facilitating an orderly transition of the communities to another operator partially offset by a lease termination fee of $1,181 received in connection with the sale of an assisted living community.

(4) Includes a lease incentive balance write-off of $173 related to a closed property and subsequent lease termination.

(5) Represents the lease termination fee of $1,181 received in connection with the sale of an assisted living community offset by the lease termination fee of $500 paid to a former operator of 12 assisted living communities in exchange for cooperation and assistance in facilitating an orderly transition of the communities to another operator.

(6) Represents (2) from above, (7) from below, the Senior Care and Abri Health settlement payment ($3,895) in accordance with a settlement agreement approved by the United States Bankruptcy Court and the GAAP impact of the 50% reduction of 2021 rent and interest escalation ($425).

(7) Represents a straight-line rent receivable write-off ($758) due to transitioning rental revenue recognition to cash basis.

(8) Represents the Senior Care and Abri Health settlement payment ($3,895) in accordance with a settlement agreement approved by the United States Bankruptcy Court and the cash impact of the 50% reduction of 2021 rent and interest escalations ($1,337).

(Reconciliation of FFO and FAD continued on next page)

Reconciliation of FFO and FAD (continued)

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

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
NAREIT Basic FFO attributable to common stockholders per share	$ 0.72	$ 0.56	$ 2.57	$ 2.20
NAREIT Diluted FFO attributable to common stockholders per share	$ 0.72	$ 0.56	$ 2.56	$ 2.20
NAREIT Diluted FFO attributable to common stockholders	$ 29,348	$ 22,105	$ 103,112	$ 86,237
Weighted average shares used to calculate NAREIT diluted FFO per share attributable to common stockholders	40,998	39,177	40,296	39,156
Diluted FFO attributable to common stockholders, excluding non-recurring items	$ 29,348	$ 23,086	$ 103,936	$ 92,642
Weighted average shares used to calculate diluted FFO, excluding non-recurring items, per share attributable to common stockholders	40,998	39,374	40,296	39,353
Diluted FAD	$ 30,143	$ 24,135	$ 108,645	$ 89,824
Weighted average shares used to calculate diluted FAD per share	40,998	39,374	40,296	39,156
Diluted FAD, excluding non-recurring items	$ 30,143	$ 24,135	$ 107,964	$ 95,514
Weighted average shares used to calculate diluted FAD, excluding non-recurring items, per share	40,998	39,374	40,296	39,353

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

	December 31, 2022	December 31, 2021
ASSETS		
Investments:		
Land	$ 124,665	$ 123,239
Buildings and improvements	1,273,025	1,285,318
Accumulated depreciation and amortization	(389,182)	(374,606)
Operating real estate property, net	1,008,508	1,033,951
Properties held-for-sale, net of accumulated depreciation: 2022—$2,305; 2021—$0	10,710	—
Real property investments, net	1,019,218	1,033,951
Financing receivable,[1] net of credit loss reserve: 2022—$768; 2021—$0	75,999	—
Mortgage loans receivable, net of credit loss reserve: 2022—$3,930; 2021—$3,473	389,728	344,442
Real estate investments, net	1,484,945	1,378,393
Notes receivable, net of credit loss reserve: 2022—$589; 2021—$286	58,383	28,337
Investments in unconsolidated joint ventures	19,340	19,340
Investments, net	1,562,668	1,426,070
Other assets:		
Cash and cash equivalents	10,379	5,161
Debt issue costs related to revolving line of credit	2,321	3,057
Interest receivable	46,000	39,522
Straight-line rent receivable	21,847	24,146
Lease incentives	1,789	2,678
Prepaid expenses and other assets	11,099	4,191
Total assets	$ 1,656,103	$ 1,504,825
LIABILITIES		
Revolving line of credit	$ 130,000	$ 110,900
Term loans, net of debt issue costs: 2022—$489; 2021—$637	99,511	99,363
Senior unsecured notes, net of debt issue costs: 2022—$1,477; 2021—$524	538,343	512,456
Accrued interest	5,234	3,745
Accrued expenses and other liabilities	32,708	33,234
Total liabilities	805,796	759,698
EQUITY		
Stockholders' equity:		
Common stock: $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2022—41,262; 2021—39,374	412	394
Capital in excess of par value	931,124	856,895
Cumulative net income	1,544,660	1,444,636
Accumulated other comprehensive income (loss)	8,719	(172)
Cumulative distributions	(1,656,548)	(1,565,039)
Total LTC Properties, Inc. stockholders' equity	828,367	736,714
Non-controlling interests	21,940	8,413
Total equity	850,307	745,127
Total liabilities and equity	$ 1,656,103	$ 1,504,825

(1) Represents three skilled nursing centers acquired through a sale-leaseback transaction, subject to a lease which contains a purchase option. In accordance with GAAP, the properties are required to be presented as a financing receivable on our *Consolidated Balance Sheets*.

Exhibit 99.2

SUPPLEMENTAL OPERATING AND FINANCIAL DATA

LTC REIT

FOURTH QUARTER 2022

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, 2022 and in our publicly available filings with the Securities and Exchange Commission. We do not undertake any responsibility to update or revise any of these factors or to announce publicly any revisions to forward-looking statements, whether as a result of new information, future events or otherwise.

NON-GAAP INFORMATION

This supplemental information contains certain non-GAAP information including EBITDA*re*, adjusted EBITDA*re*, 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 22, 25 and 26 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.

LTC LISTED NYSE

BOARD OF DIRECTORS

WENDY SIMPSON	Chairman
CORNELIA CHENG	ESG Committee Chairman
BOYD HENDRICKSON	Lead Independent Director and Nominating & Corporate Governanc Committee Chairman
JAMES PIECZYNSKI	Investment Committee Chairman
DEVRA SHAPIRO	Audit Committee Chairman
TIMOTHY TRICHE, MD	Compensation Committee Chairmar

LEADERSHIP

WENDY SIMPSON
Chairman and
Chief Executive Officer

PAM KESSLER
Co-President,
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Chief Investment Officer

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MANDI HOGAN
Vice President
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and ESG

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Investments

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Vice President
and Controller

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TAYO OKUSANYA	Credit Suisse Securities (USA) LLC
AARON HECHT	JMP Securities, LLC
AUSTIN WURSCHMIDT	KeyBanc Capital Markets, Inc.
MIKE CARROLL	RBC Capital Markets Corporation
RICHARD ANDERSON	SMBC Nikko Securities
STEVE MANAKER	Stifel, Nicolaus & Company, Inc.

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

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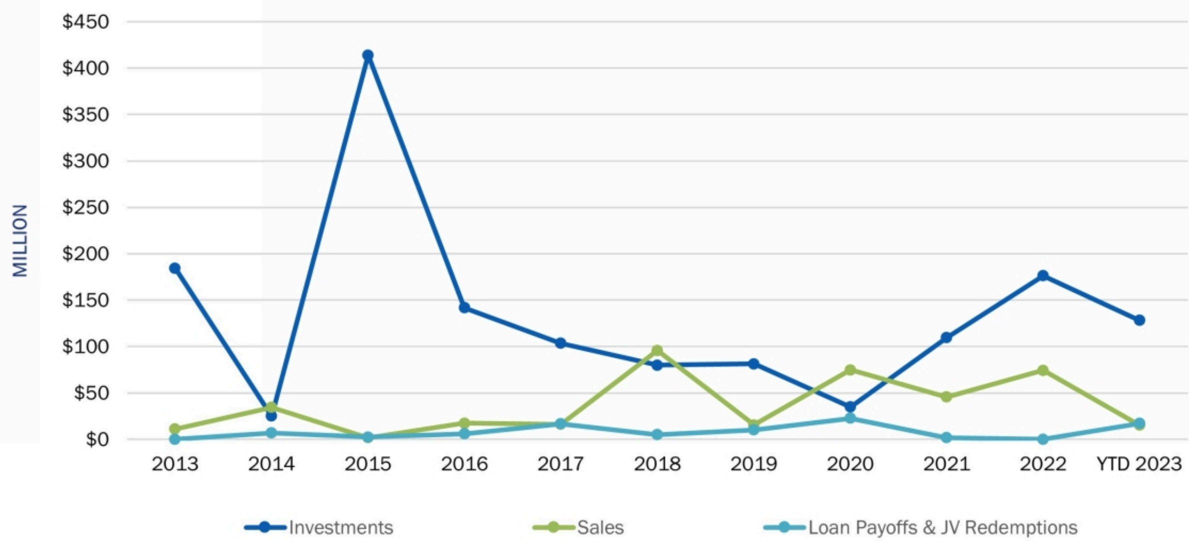
REAL ESTATE ACTIVITIES – INVESTMENTS AND CAPITAL RECYCLING SINCE 2013

(FROM JANUARY 1, 2013 THROUGH FEBRUARY 16, 2023)

Total Investments (1)	Total Sales (2)	Total Gains	Total Loan Payoffs and JV Redemptions
$ 1.5 Billion	$ 386.9 Million	$ 176.7 Million	$ 88.8 Million



(1) Represents total investments.
(2) Reflects total sales price.

REAL ESTATE ACTIVITIES – ACQUISITIONS AND FINANCING RECEIVABLES

(DOLLAR AMOUNTS IN THOUSANDS)

ACQUISITIONS

DATE	# OF PROPERTIES	PROPERTY TYPE	# OF BEDS	LOCATION	OPERATOR	DATE OF CONSTRUCTION	CONTRACTUAL INITIAL CASH YIELD	PURCHASE PRICE
2022 4/1	4	SNF	339 beds	Various cities in TX	Ignite Medical Resorts	2017-2018	8.00%	$ 51,534

The lease term is 10 years, with two 5-year renewal options, and contains a purchase option beginning in the sixth lease year through the end of the seventh lease year. The contractual rent in 2023 is approximately $4,300. Rent will increase annually beginning on the third anniversary of the lease by 2.0% to 4.0% based on the change in the Medicare Market Basket Rate. Additionally, we provided a 10-year working capital loan at 8.00% for the first year increasing to 8.25% for the second year then increasing annually with the lease rate. At December 31, 2022, the working capital loan had an outstanding balance of $1,642.

FINANCING RECEIVABLES

DATE	# OF PROPERTIES	PROPERTY TYPE	# OF BEDS	LOCATION	OPERATOR	DATE OF CONSTRUCTION	CONTRACTUAL INITIAL CASH YIELD	PURCHASE PRICE
2022 9/8	3	SNF	299 beds	Various cities in FL	PruittHealth	2018-2021	7.25%	$ 75,825 (1)
2023 1/5	11	ALF/MC	523 units	Various cities in NC	ALG Senior	1988-2018	7.25%	121,321 (2)

(1) We entered into a joint venture ("JV") with an affiliate of PruittHealth, Inc. ("PruittHealth") and contributed $61,661 into the JV that purchased three skilled nursing centers. The JV leased the centers to PruittHealth under a 10-year master lease, with two five-year renewal options and provided PruittHealth with a purchase option, exercisable at the beginning of the fourth year through the end of the fifth year. In accordance with GAAP, the purchased assets are required to be presented as a financing receivable on our *Consolidated Balance Sheets*, since the JV acquired the centers through a sale-leaseback transaction subject to a lease agreement that contains a purchase option. LTC expects to record consolidated GAAP and cash interest income from financing receivables during 2023 of $5,621 and $5,615, respectively. See Consolidated Joint Ventures on page 7.

(2) On January 5, 2023, we entered into a JV with an affiliate of ALG Senior and contributed $117,490 into the JV that purchased 11 assisted living/memory care communities from an affiliate of ALG Senior. The JV leased the communities to an affiliate of ALG Senior under a 10-year master lease, with two five-year renewal options and provided a purchase option to buy up to 50% of the properties at the beginning of the third lease year and the remainin properties at the beginning of the fourth lease year through the end of the sixth lease year, with an exit IRR of 9.0%. The contractual initial cash yield of 7.25% increases to 7.50% in year three then escalates thereafter based on CP subject to a floor of 2% and ceiling of 4%. In accordance with GAAP, the purchased assets are required to be presented as a financing receivable on our *Consolidated Balance Sheets*, since the JV acquired the communities through sale-leaseback transaction subject to a lease agreement that contains a purchase option. LTC expects to record consolidated GAAP and cash interest income from financing receivables during 2023 of $9,706 and $8,796, respectively. See Consolidated Joint Ventures on page 7.

REAL ESTATE ACTIVITIES – MORTGAGE & MEZZANINE LOAN ORIGINATIONS

(DOLLAR AMOUNTS IN THOUSANDS)

MORTGAGE LOANS

DATE		# OF PROPERTIES	PROPERTY TYPE	# BEDS/ UNITS	LOCATION	OPERATOR	MATURITY DATE	CONTRACTUAL INITIAL RATE	ORIGINATION	INITIAL INVESTMENT	INITI ADDITI COMMIT
2021	9/30	— [1]	OTH	N/A	St Peters, MO	N/A[1]	Jul-2023	7.50%	$ 1,780	$ 1,780	$
	10/1	1	SNF	189 beds	Lafayette, LA	Crossroads Area Management	Oct-2024 [2]	7.50%	27,347	27,047	
	10/5	1	ALF/MC	68 units	Ocala, FL	Pointe Group Care	Sep-2025	7.75%	16,707	12,530	4,
	12/1	13	ILF/ALF/MC	523 units	Various cities in NC & SC	ALG Senior	Dec-2025	7.25%	59,250	52,502	6,
		15		189 beds/591 units					$ 105,084	$ 93,859	$ 11,
2022	5/5	4	ALF	217 units	Various cities in NC	ALG Senior	Jun-2026	7.25%	$ 35,074	$ 33,842	$ 1,
	5/5	— [6]	OTH	N/A	Mills River, NC	ALG Senior	Jun-2026	7.25%	826	826	
		4		217 units					$ 35,900	$ 34,668	$ 1,
2023	1/5	1	MC	45 units	Canton, NC	ALG Senior	Jan-2025	7.25% [7]	$ 10,750	$ 10,750	$

(1) We entered into a one-year loan agreement secured by a parcel of land for a future development of a post-acute skilled nursing center to be operated by Ignite Medical Resorts. On September 30, 2022, we extended the maturi date to July 1, 2023 and increased the loan to $1,886.
(2) The loan includes a 12-month extension option and the initial additional commitment was for capital improvement which was fully funded in 2Q22.
(3) The initial additional commitment of $4,177 is for the construction of a memory care addition to the property. See Renovations and Expansions on page 8.
(4) The initial rate is 7.25% with an 8.00% IRR. The initial additional commitment is comprised of a $6,098 capital improvement commitment and a $650 working capital commitment, which has been fully funded. See Renovation Expansions on page 8.
(5) The initial rate is 7.25% with an 8.00% IRR. The initial additional commitment is for working capital.
(6) Represents a mortgage loan on a parcel of land adjacent to one of the assisted living communities secured under the $35,074 ALG mortgage loan. The land is being held for the future development of a seniors housing commu The initial rate is 7.25% with an 8.00% IRR.
(7) The initial rate is 7.25% with a 9.00% IRR.

MEZZANINE LOANS

COMMITMENT YEAR	# OF PROPERTIES	PROPERTY TYPE	# OF UNITS	LOCATION	OPERATOR	MATURITY DATE	CONTRACTUAL INITIAL RATE	INVESTMENT BALANCE
2021	1	ILF	136 units	Bend, OR	BPM Senior Living	Oct-2024 [1]	8.00% [1]	$ 4,355
2022	5	ILF/ALF/MC	621 units	Various cities in OR & MT	The Springs Living	May-2027 [2]	8.00% [2]	$ 25,000

(1) The loan includes two 12-month extension options. The initial cash rate is 8.00% for the first 18 months then increasing to 10.50% thereafter with a 10.50% IRR. Our investment represents approximately 8.00% of the total investment. Subsequent to December 31, 2022, we received $4,545, which includes the exit IRR and a prepayment fee totaling $190, for the early payoff of this loan.
(2) The loan includes two 12-month extension options. The initial cash rate is 8.00% with a 11.00% IRR. Our investment represents approximately 12.00% of the total investment.

REAL ESTATE ACTIVITIES – JOINT VENTURES

(DOLLAR AMOUNTS IN THOUSANDS)

UNCONSOLIDATED JOINT VENTURES

COMMITMENT YEAR	# OF PROPERTIES	PROPERTY TYPE	# OF UNITS	LOCATION	OPERATOR	INVESTMENT TYPE	RETURN	INVESTMENT COMMITMENT
2020	1	ALF/MC	95 units	Arlington, WA	Fields Senior Living	Preferred Equity	7.00% [1]	$ 6,340
2020	1	UDP-ILF/ALF	267 units	Vancouver, WA	Koelsch Communities	Preferred Equity	8.00% [2]	13,000
	2		362 units					$ 19,340

(1) The initial cash rate is 7.00% increasing to 9.00% in year-four until the IRR is 8.00%. After achieving an 8.00% IRR, the cash rate drops to 8.00% with an IRR ranging between of 12.00% and 14.00% depending upon timing of redemption. Our investment represents 15.50% of the total investment. The property opened in December 2021 and occupancy was 80% at December 31,2022. We have the option to require the JV partner to purchase our preferred equity interest at any time between August 17, 2031 and December 31, 2036.

(2) The initial cash rate is 8.00% with an IRR of 14.00%. Our investment represents 11.60% of the total estimated project cost. The estimated project completion is 1Q23. Subsequent to December 31, 2022, we received a notice intent to redeem our preferred equity investment. We anticipate receiving $1,675 of additional income in 2023 associated with the redemption representing the 14.00% IRR.

CONSOLIDATED JOINT VENTURES

INVESTMENT YEAR	PROPERTY TYPE	# OF UNITS/BEDS	LOCATION	OPERATOR	INVESTMENT PURPOSE	TOTAL JOINT VENTURES COMMITMENT	NON-CONTROLLING INTEREST CONTRIBUTION	LTC CONTRIBU
2017	ILF/ALF/MC	110 units	Cedarburg, WI	Tealwood Senior Living	Owned Real Estate	$ 22,244	$ 2,305	$ 19,93
2017	ALF	87 units	Spartanburg, SC	ALG Senior	Owned Real Estate	11,660	1,241	10,41
		197 units				33,904	3,546	30,35
2018	ALF/MC	78 units	Medford, OR	Fields Senior Living [1]	Owned Real Estate	18,978	1,163	17,8
2018	ILF	89 units	Medford, OR	Fields Senior Living [1]	Owned Real Estate	14,651	2,907	11,74
		167 units				33,629	4,070	29,63
2022	SNF	299 beds	Various cities in FL	PruittHealth [2]	Owned Real Estate [2]	75,986	14,325	61,66
2023	ALF/MC	523 units	Various cities in NC	ALG Senior	Owned Real Estate [3]	121,321	3,831	117,49
		887 units/299 beds				$ 264,840	$ 25,772	$ 239,14

(1) Represents a single joint venture with ownership in two properties.

(2) We entered into a JV with an affiliate of PruittHealth and the JV purchased three skilled nursing centers. In accordance with GAAP, the purchased assets are required to be presented as a financing receivable on our *Consolida Balance Sheets*, since the JV acquired the centers through a sale-leaseback transaction with PruittHealth, subject to a lease agreement that contains a purchase option. See further discussion of the PruittHealth financing receivable on page 5.

(3) On January 5, 2023, we entered into a JV with an affiliate of ALG Senior to purchase 11 assisted living/memory care communities. In accordance with GAAP, the purchased assets are required to be presented as a financing receivable on our *Consolidated Balance Sheets*, since the JV acquired the communities through a sale-leaseback transaction with an affiliate of ALG Senior, subject to a lease agreement that contains a purchase option. See f discussion of the ALG Senior financing receivable on page 5.

REAL ESTATE ACTIVITIES – PURCHASE OPTIONS AND RENOVATIONS & EXPANSIONS

(DOLLAR AMOUNTS IN THOUSANDS)

PURCHASE OPTIONS

STATE	# OF PROPERTIES	PROPERTY TYPE	GROSS INVESTMENTS	ANNUALIZED GAAP REVENUE	OPTION WINDOW
California	2	ALF/MC	$ 38,895	$ 2,876	2023-2029
Florida	1	MC	15,201	664	2029
Florida	3	SNF	76,767	5,625	2025-2027 (1)
Nebraska	3	ALF	7,633	480	TBD (2)
North Carolina	11	ALF/MC	121,321	9,706	2025-2028 (3)
South Carolina	1	ALF/MC	11,680	907	2029
Texas	4	SNF	51,837	4,373	2027-2029 (4)
Total	25		$ 323,334	$ 24,631	

(1) During 3Q22, we entered into a JV to purchase three skilled n centers. See Financing Receivables on page 5.
(2) Subject to the properties achieving certain occupancy level.
(3) On January 5, 2023, we entered into a JV to purchase 11 ass living/memory care communities. See Financing Receivables page 5.
(4) During 2Q22, we purchased four skilled nursing centers and l these properties under a 10-year lease with an existing opera The lease allows the operator to elect either an earn-out payn purchase option. If neither option is elected within the timefra defined in the lease, both elections are terminated.

RENOVATIONS & EXPANSIONS: MORTGAGE LOANS

ESTIMATED INTEREST INCEPTION DATE	COMMITMENT YEAR	# OF PROPERTIES	PROPERTY TYPE	PROJECT TYPE	LOCATION	OPERATOR	CONTRACTUAL INITIAL CASH YIELD	INVESTMENT COMMITMENT	4Q22 FUNDING	TOTAL FUNDED TO DATE	REM/ COMM
— (1)	2018	1	SNF	Renovation	Grand Haven, MI	Prestige Healthcare	9.41%	$ 3,000	$ 8	$ 1,776	$
— (2)	2021	1	ALF/MC	Expansion	Ocala, FL	Pointe Group Care	7.75%	4,177	1,184	1,778	
— (3)	2021	13	ILF/ALF/MC	Renovation	Various cities in NC and SC	ALG Senior	7.25%	6,098	2,492	3,702	
		15						$ 13,275	$ 3,684	$ 7,256	$

(1) This commitment is part of a total loan commitment secured by four properties in Michigan. Interest payment increases upon each funding.
(2) This commitment is part of a $16,707 loan commitment for the construction of a memory care addition to the property. Interest payment increases upon each funding.
(3) This commitment is part of a $59,250 loan commitment secured by 13 properties, (12) North Carolina and (1) South Carolina. Interest payment increases upon each funding.

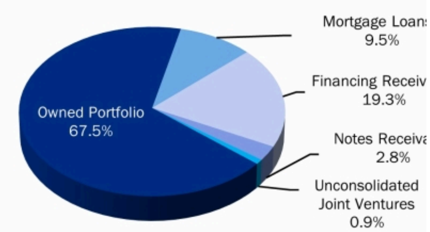
PROFORMA PORTFOLIO OVERVIEW (1)

(DOLLAR AMOUNTS IN THOUSANDS)

BY INVESTMENT TYPE	# OF PROPERTIES	GROSS INVESTMENT	% OF INVESTMENT	TRAILING TWELVE MONTHS ENDED DECEMBER 31, 2022 REVENUES[(2)]	% OF REVENUES	INCOME STATEMENT LINE
Owned Portfolio	152	$ 1,410,705	67.5%	$ 110,040	65.2%	Rental Income
Financing Receivables[(1)]	14	198,088	9.5%	11,468	6.8%	Interest Income from Financing Receivables
Mortgage Loans[(1)]	42	404,408	19.3%	41,543	24.6%	Interest Income from Mortgage Loans
Notes Receivable[(3)]	7	58,973	2.8%	4,310	2.5%	Interest and Other Income
Unconsolidated Joint Ventures[(4)]	1	19,340	0.9%	1,504	0.9%	Income from Unconsolidated Joint Ventures
Total	216	$ 2,091,514	100.0%	$ 168,865	100.0%	

BY PROPERTY TYPE	# OF PROPERTIES	GROSS INVESTMENT	% OF INVESTMENT
Assisted Living[(3)]	137	$ 1,083,512	51.8%
Skilled Nursing	78	980,401	46.9%
Other[(5)]	1	14,601	0.7%
Under Development[(4)]	—	13,000	0.6%
Total	216	$ 2,091,514	100.0%

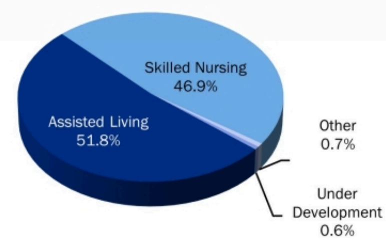
GROSS INVESTMENT BY INVESTMENT TYPE

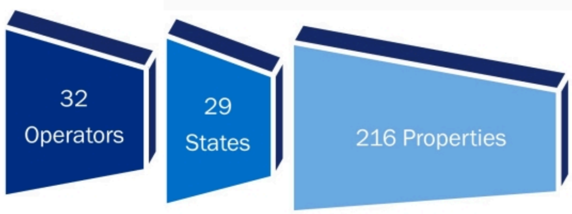


*Weighted average maturity @ 12/31/22 – 14.9 years

(1) Proforma includes our January 5, 2023 JV investment of $117,490 to purchase 11 assisted living/memory care communities and a mortgage loan origination of $10,750 secured by a memory care community. These communities are located in North Carolina. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. See Financing Receivables on page 5 and Mortgage Loans on page 6 for further discussion.
(2) See Trailing Twelve Months Revenues definition in the Glossary.
(3) Subsequent to December 31, 2022, we received proceeds from the payoff of a mezzanine loan on an independent living community located in Oregon. See pages 6 and 13 for further discussion.
(4) Subsequent to December 31, 2022, we received a notice of intent to redeem our preferred equity investment in a joint venture to develop a 267-unit independent/assisted living community in Washington. See page 7 for further discussion.
(5) Includes one behavioral health care hospital and three parcels for land held-for-use, a parcel of land securing a first mortgage held for future development of a post-acute skilled nursing center and a parcel of land securing a first mortgage held for future development of a seniors housing community.

GROSS INVESTMENT BY PROPERTY TYPE





PROFORMA PORTFOLIO OVERVIEW (1) – DETAIL

(DOLLAR AMOUNTS IN THOUSANDS)

TRAILING TWELVE MONTHS ENDED DECEMBER 31, 2022

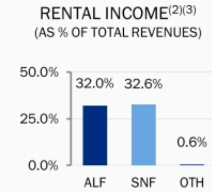
OWNED PROPERTIES	# OF PROPERTIES	GROSS INVESTMENT	% OF GROSS INVESTMENT	RENTAL INCOME[2]	% OF TOTAL REVENUES
Assisted Living	99	$ 797,813	38.2%	$ 53,923	32.0%
Skilled Nursing	52	600,974	28.7%	55,126	32.6%
Other	1	11,918	0.6%	991	0.6%
Total	152	$ 1,410,705	67.5%	$ 110,040	65.2%

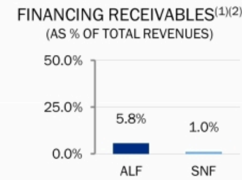
FINANCING RECEIVABLES	# OF PROPERTIES	GROSS INVESTMENT	% OF GROSS INVESTMENT	FINANCING INCOME[1][2]	% OF TOTAL REVENUES
Assisted Living[1]	11	$ 121,321	5.8%	$ 9,706	5.8%
Skilled Nursing	3	76,767	3.7%	1,762	1.0%
	14	$ 198,088	9.5%	$ 11,468	6.8%

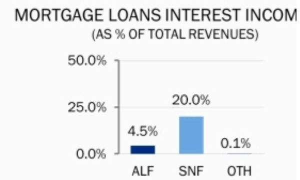
MORTGAGE LOANS	# OF PROPERTIES	GROSS INVESTMENT	% OF GROSS INVESTMENT	MORTGAGE LOANS INTEREST INCOME[1][2]	% OF TOTAL REVENUES
Assisted Living[1]	19	$ 114,376	5.5%	$ 7,673	4.5%
Skilled Nursing	23	287,349	13.7%	33,692	20.0%
Other	–	2,683	0.1%	178	0.1%
Total	42	$ 404,408	19.3%	$ 41,543	24.6%
REAL ESTATE INVESTMENTS	208	$ 2,013,201	96.3%	$ 163,051	96.6%

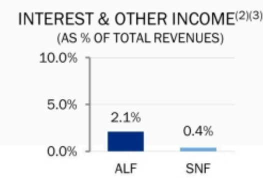
NOTES RECEIVABLE	# OF PROPERTIES	GROSS INVESTMENT	% OF GROSS INVESTMENT	INTEREST AND OTHER INCOME[2]	% OF TOTAL REVENUES
Assisted Living[3]	7	$ 43,662	2.1%	$ 3,590	2.1%
Skilled Nursing	–	15,311	0.7%	720	0.4%
Total	7	$ 58,973	2.8%	$ 4,310	2.5%

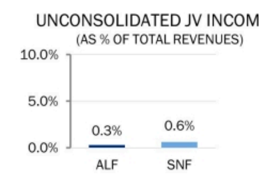
UNCONSOLIDATED JOINT VENTURES	# OF PROPERTIES	GROSS INVESTMENT	% OF GROSS INVESTMENT	UNCONSOLIDATED JV INCOME	% OF TOTAL REVENUES
Assisted Living	1	$ 6,340	0.3%	$ 450	0.3%
Under Development[4]	–	13,000	0.6%	1,054	0.6%
Total	1	$ 19,340	0.9%	$ 1,504	0.9%
TOTAL INVESTMENTS	216	$ 2,091,514	100.0%	$ 168,865	100.0%











(1) Proforma includes our January 5, 2023 JV investment of $117,490 to purchase 11 assisted living/memory care communities and a mortgage loan origination of $10,750 secured by a memory care community. These communities are located in North Carolina. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. See Financing Receivables on page 5 and Mortgage Loans on page 6 for further discussion.

(2) See Trailing Twelve Months Revenues definition in the Glossary.

(3) Subsequent to December 31, 2022, we received proceeds from the payoff of a mezzanine loan on an independent living community located in Oregon. See pages 6 and 13 for further discussion.

(4) Subsequent to December 31, 2022, we received a notice of intent to redeem our preferred equity investment in a joint venture to develop a 267-unit independent/assisted living community in Washington. See page 7 for further discussion.

PROFORMA PORTFOLIO DIVERSIFICATION (1) – 32 OPERATORS

(AS OF DECEMBER 31, 2022, DOLLAR AMOUNTS IN THOUSANDS)

OPERATORS	# OF PROPS	ANNUALIZED ACTUAL CASH(2)(4)	%	ANNUALIZED CONTRACTUAL CASH(2)(4)(5)	%	ANNUALIZED GAAP(2)(5)	%	GROSS INVESTMENT	%
Prestige Healthcare	24	$ 27,685	15.9%	$ 27,685	15.7%	$ 32,559	18.0%	$ 271,476	13.
ALG Senior (1)(7)	43	17,970	10.3%	17,970	10.2%	19,117	10.6%	324,770	15.
Brookdale Senior Living (7)	35	14,906	8.6%	14,906	8.4%	14,901	8.2%	106,010	5.
Anthem Memory Care (7)	11	10,800	6.2%	10,800	6.1%	10,800	6.0%	139,176	6.
Carespring Health Care Management	4	10,506	6.1%	10,506	5.9%	11,195	6.2%	102,940	4.
Fundamental	7	9,165	5.3%	9,165	5.2%	8,444	4.7%	76,353	3.
Ark Post Acute Network	7	9,110	5.2%	9,110	5.2%	8,257	4.6%	71,742	3.
Genesis Healthcare	6	8,761	5.0%	8,761	5.0%	8,761	4.8%	50,004	2.
HMG Healthcare (3)	13	8,570	4.9%	8,570	4.9%	8,561	4.7%	175,835	8.
Ignite Medical Resorts	6	7,751	4.5%	7,751	4.4%	7,751	4.3%	89,945	4.
All Others (6)(7)	60	48,601	28.0%	51,132	29.0%	50,539	27.9%	683,263	32.
	216	$ 173,825	100.0%	$ 176,356	100.0%	$ 180,885	100.0%	$ 2,091,514	100.

(1) Proforma includes our January 5, 2023 JV investment of $117,490 to purchase 11 assisted living/memory care communities and a mortgage loan origination of $10,750 secured by a memory care community. These communities ar located in North Carolina. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. See Financing Receivables on page 5 and Mortgage Loans on page 6 for furthe discussion.
(2) See Glossary for definition of Annualized Actual Cash Income, Annualized Contractual Cash Income and Annualized GAAP Income.
(3) Includes annual cash rent of $6,000 and annual GAAP rent of $5,991 from HMG in 2022 related to the former Senior Care portfolio. We anticipate receiving $8,000 of cash rent and $7,991 of GAAP rent in 2023 related to thi portfolio.
(4) The difference between annualized actual cash and annualized contractual cash is due to deferred rent payments and abatements received in December 2022.
(5) The difference between annualized contractual cash and annualized GAAP is due to straight-line rent, lease incentives amortization and effective interest. See Non-Cash Revenue Components on page 21.
(6) Subsequent to December 31, 2022, we received proceeds from the payoff of a mezzanine loan on an independent living community located in Oregon. See pages 6 and 13 for further discussion. In addition, we received a notice c intent to redeem our preferred equity investment in a joint venture to develop a 267-unit independent/assisted living community in Washington subsequent to December 31, 2022. See page 7 for further discussion.
(7) See operator update and subsequent events on pages 12-13.

PRESTIGE	Privately Held	SNF/ILF/ALF Other Rehab	79 Properties	5 States
ALG	Privately Held	ILF/ALF/MC	149 Properties	7 States
BROOKDALE	NYSE: BKD	ILF/ALF/MC Continuing Care	673 Properties	41 States
ANTHEM	Privately Held	Exclusively MC	21 Properties	9 States
CARESPRING	Privately Held	SNF/ILF/ALF Transitional Care	16 Properties	2 States

FUNDAMENTAL	Privately Held	SNF/MC Hospitals & Other Rehab	79 Properties	7 States
ARK	Privately Held	SNF/ILF/ALF	13 Properties	4 States
GENESIS	OTC PINK: GENN	SNF/ Senior Living	More than 250 Properties	22 States
HMG	Privately Held	SNF/ILF/ALF	37 Properties	2 States
IGNITE	Privately Held	SNF/ALF	17 Properties	6 States

PORTFOLIO DIVERSIFICATION – OPERATOR UPDATE

(DOLLAR AMOUNTS IN THOUSANDS)

OPERATOR
UPDATES & RENEWALS

During 4Q22, we collected 98.5%, or $41,182, of contractual rent and mortgage interest income. We provided 1.6%, or $670, of abated rent to an existing operator and provided $215 of abated rent in January 2023 and agreed to provide rent abatements up to $215 for each of February and March of 2023 pursuant to a master lease covering two assisted living communities. We are evaluating options for these communities.

During 4Q22, we received payment of Anthem's $1,500 temporary rent reduction from May through September 2022 and a return to their previously agreed upon rent of $900 per month in the fourth quarter of 2022. Accordingly, Anthem paid us the agreed upon annual cash rent of $10,800 in each of 2022 and 2021 and $9,900 in 2020. We expect to receive $10,800 of annual cash rent from Anthem during 2023. Anthem is current on rent payments through February 2023. We receive regular financial performance updates from Anthem and continue to monitor their performance obligations under the master lease agreement.

The Brookdale master lease matures on December 31, 2023 and provides three renewal options consisting of a two-year renewal option, a five-year renewal option and a 10-year renewal option. The first renewal option expires on February 28, 2023. The master lease provides Brookdale a $4,000 capital commitment, which matures on February 28, 2023, at a yield of 7% with a reduced rate for qualified ESG projects. During 4Q22, we funded $1,549 under Brookdale's capital commitment. Accordingly, we have a remaining commitment of $911. Brookdale is current on rent payments through February 2023.

Subsequent to December 31, 2022, a master lease covering two skilled nursing centers that was scheduled to mature in 2023 was renewed at the contractual rate for another five years extending the maturity to November 2028. The centers have a total 216 beds and are located in Florida.

In regard to our transitioned ALF portfolios with quarterly market-based rent resets, we expect to receive $480 in rent during 2023. For our transitioned SNF portfolio to HMG with quarterly market-based resets, we expect to receive $8,000 in rent during 2023.

(DOLLAR AMOUNTS IN THOUSANDS)

FINANCING RECEIVABLE ORIGINATION

We entered into a $121,321 JV with an affiliate of an existing operator and contributed $117,490 into the JV that purchased 11 assisted living and memory care communities from an affiliate of our JV partner. The JV leased the communities back to an affiliate of the seller under a 10-year master lease, with two five-year renewal options. The contractual initial cash yield of 7.25% increases to 7.5% in year three then escalates thereafter based on CPI subject to a floor of 2.0% and a ceiling of 4.0%. Additionally, the JV provided the seller-lessee with a purchase option to buy up to 50% of the properties at the beginning of the third lease year and the remaining properties at the beginning of the fourth lease year through the end of the sixth lease year, with an exit IRR of 9.0%. In accordance with GAAP, the communities acquired by the JV are required to be presented as *Financing receivable* on our *Consolidated Balance Sheets* and we will record a loan loss reserve estimate equal to 1% of the balance of the financing receivable. This reserve is amortized as the loan principal is paid down. We expect to record consolidated GAAP and cash interest income from financing receivables during 2023 of $9,706 and $8,796, respectively.

MORTGAGE LOAN ORIGINATION

We originated a $10,750 mortgage loan secured by a memory care community located in North Carolina. The loan carries a two-year term with an interest-only rate of 7.25% an an IRR of 9.0%. We expect to record GAAP and cash interest income from mortgage loans during 2023 of $943 and $790, respectively. In accordance with GAAP, upon origination of this loan, we will record a loan loss reserve estimate equal to 1% of the loan balance. This reserve is amortized as the loan principal is paid down.

MEZZANINE LOAN PREPAYMENT

We received $4,545, which includes a prepayment fee and the exit IRR totaling $190, from a mezzanine loan repayment. This mezzanine loan was on a 136-unit independent living community in Oregon. During 2022, we recorded annual GAAP and cash interest income of $353 related to this community.

UNCONSOLIDATED JV REDEMPTION

We received a notice of intent to redeem our $13,000 preferred equity investment in a joint venture to develop a 267-unit independent/assisted living community in Washington. We anticipate receiving $1,675 of additional income in 2023 associated with the redemption representing the 14% IRR. During 2022, we recorded annual GAAP and cash income of $1,054 related to this community.

Financing Receivable Origination	State	Units	No. of Properties	Property Type	LTC Contribution	Non-Controlling Interest	Total JV Commitment	Anticipated Loan Loss Reserve Charge	Expected Annual GAAP Interest Income	Expected Annual Cash Interest Income
	NC	523	11	ALF/MC	$ 117,490	$ 3,831	$ 121,321	$ (1,213)	$ 9,706	$ 8,796

Mortgage Loan Origination	State	Units	No. of Properties	Property Type	Origination	Anticipated Loan Loss Reserve Charge	Expected Annual GAAP Interest Income	Expected Annual Cash Interest Income
	NC	45	1	MC	$ 10,750	$ (108)	$ 943	$ 790

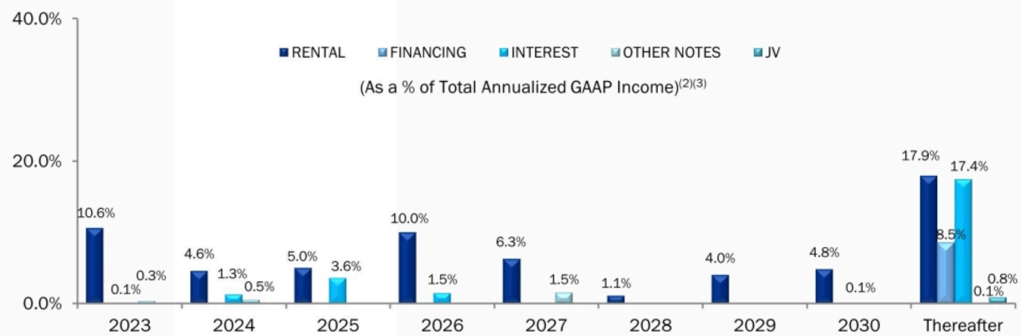
Mezzanine Loan Prepayment	State	Units	No. of Properties	Property Type	Principal Prepayment	Prepayment Fee/ Exit IRR	Total Prepayment Proceeds	Anticipated Loan Loss Recovery	2022 Annual GAAP Interest Income	2022 Annual Cash Interest Income
	OR	136	1	ILF	$ 4,355	$ 190	$ 4,545	$ 44	$ 353	$ 353

Unconsolidated JV Redemption	State	Units	No. of Properties	Property Type	LTC Investment	Prepayment Fee/ Exit IRR	Anticipated Total Redemption	2022 Annual GAAP Income	2022 Annual Cash Income
	WA	267	1	ILF/ALF	$ 13,000	$ 1,675	$ 14,675	$ 1,054	$ 1,054

PROFORMA PORTFOLIO DIVERSIFICATION - MATURITY [(1)]

(AS OF DECEMBER 31, 2022, DOLLAR AMOUNTS IN THOUSANDS)

YEAR	RENTAL INCOME[(2)(3)]	% OF TOTAL	FINANCING INCOME[(1)(2)]	% OF TOTAL	INTEREST INCOME[(1)(2)]	% OF TOTAL	OTHER NOTES INCOME[(2)]	% OF TOTAL	UNCONSOLIDATED JV INCOME[(2)(4)]	% OF TOTAL	ANNUALIZED GAAP INCOME[(2)]	% O TOTA
2023	$ 19,143 [(5)]	16.5%	$ —	—	$ 143	0.3%	$ 659	14.2%	$ —	—	$ 19,945	11.0
2024	**8,359 [(3)]**	**7.2%**	—	—	**2,232**	**5.2%**	**922 [(6)]**	**19.8%**	—	—	**11,513**	**6.4**
2025	9,120	7.8%	—	—	6,487 [(1)]	15.1%	—	—	—	—	15,607	8.6
2026	**18,072**	**15.5%**	—	—	**2,660**	**6.2%**	—	—	—	—	**20,732**	**11.5**
2027	11,341	9.7%	—	—	—	—	2,794	60.2%	—	—	14,135	7.8
2028	**1,965**	**1.7%**	—	—	—	—	—	—	—	—	**1,965**	**1.1**
2029	7,311	6.3%	—	—	—	—	—	—	—	—	7,311	4.0
2030	**8,715**	**7.5%**	—	—	—	—	**124**	**2.7%**	—	—	**8,839**	**4.9**
Thereafter	32,354	27.8%	15,331 [(1)]	100.0%	31,505	73.2%	144	3.1%	1,504	100.0%	80,838	44.7
Total	**$ 116,380**	**100.0%**	**$ 15,331**	**100.0%**	**$ 43,027**	**100.0%**	**$ 4,643**	**100.0%**	**$ 1,504**	**100.0%**	**$ 180,885**	**100.0**



Near Term Maturities:

- Six leases and four loans in 2023 with an annualized GAAP income totaling $19.9 million[(5)]
- Four leases and four loans in 2024 with an annualized GAAP income totaling $11.5 million[(6)]
- Two leases and three loans in 2025 with an annualize GAAP income totaling $15.6 million[(1)]
- As of December 31, 2022, approximately 93% of owne properties are covered under master leases and approximately 92% of rental revenues come from master leases or cross-default leases.

(1) Proforma includes our January 5, 2023 JV investment of $117,490 to purchase 11 assisted living/memory care communities and a mortgage loan origination of $10,750 secured by a memory care community. These communities a located in North Carolina. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. See Financing Receivables on page 5 and Mortgage Loans on page 6 for further discussion.

(2) See Annualized GAAP income definition in the Glossary and (3) below.

(3) Includes annual GAAP rent of $5,991 from HMG in 2022 related to the former Senior Care portfolio. We anticipate recording $7,991 of GAAP rent in 2023 related to this portfolio.

(4) Represents income from two preferred equity investments accounted for as unconsolidated joint ventures. These preferred equity investments do not have scheduled maturities but provide the entity an option to redeem our investment at a future date. Subsequent to December 31, 2022, we received a notice of intent to redeem our preferred equity investment in a joint venture to develop a 267-unit independent/assisted living community in Washingto See page 7 for further discussion on Unconsolidated Joint Ventures.

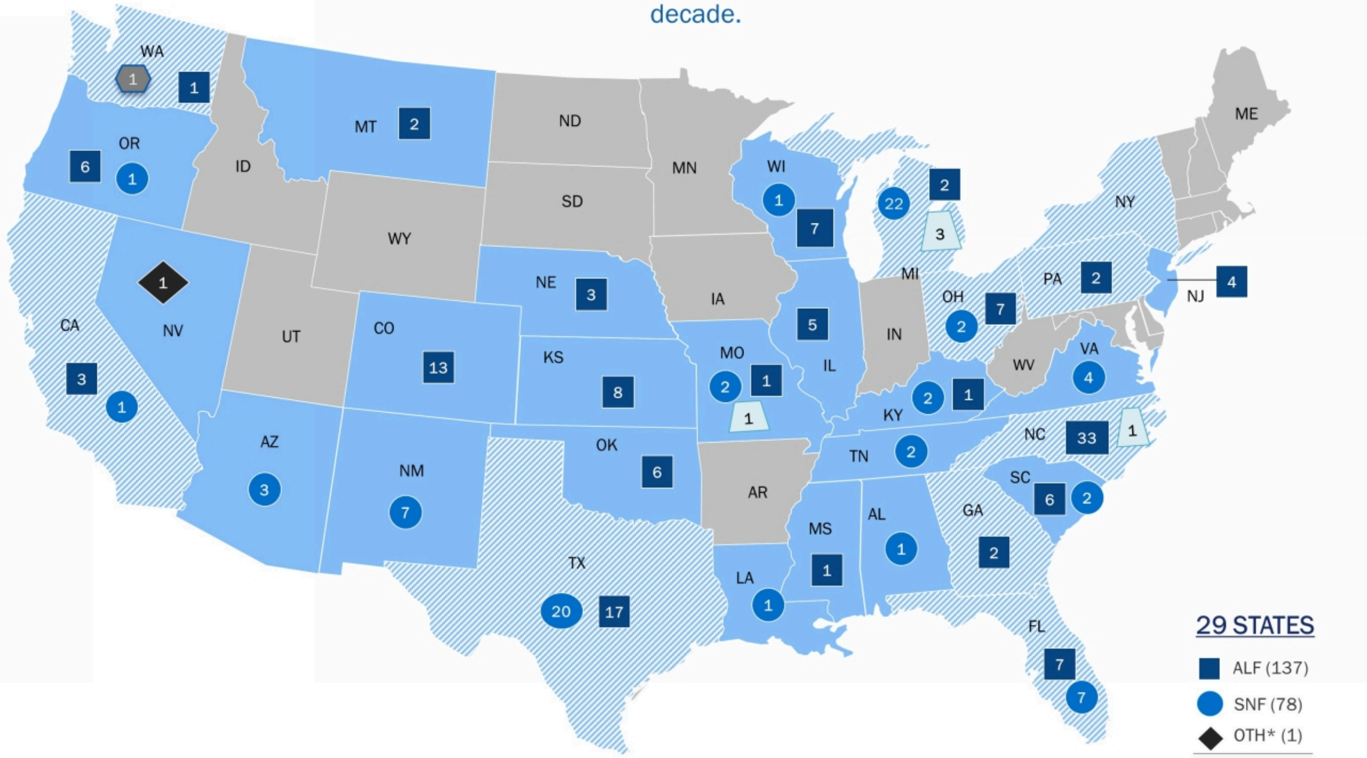
(5) One of the six lease maturities is Brookdale which represents 75% of the annualized GAAP income maturing in 2023. The Brookdale renewal option expires on February 28, 2023. Another one of the six lease maturities relates to a master lease on two skilled nursing centers located in Florida, which represents 8% of the annualized GAAP income maturing in 2023. The master lease on these centers was renewed subsequent to December 31, 2022. See page 1 for additional information on these operators.

(6) One of the four loan maturities relates to a mezzanine loan on an independent living community located in Oregon which represents 3% of the annualized GAAP income maturing in 2024. This mezzanine loan was paid off subsequer to December 31, 2022. See pages 6 and 13 for further discussion.

PROFORMA PORTFOLIO DIVERSIFICATION [(1)] - GEOGRAPHY

(AS OF DECEMBER 31, 2022)

States in which we have some of the highest concentration of properties are 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

(1) Proforma includes our January 5, 2023 JV investment of $117,490 to purchase 11 assisted living/memory care communities and a mortgage loan origination of $10,750 secured by a memory care community. These communities are located in North Carolina. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. See Financing Receivables on page 5 and Mortgage Loans on page 6 for further discussion.

PROFORMA PORTFOLIO DIVERSIFICATION (1) – GEOGRAPHY (29 STATES)

(AS OF DECEMBER 31, 2022, DOLLAR AMOUNTS IN THOUSANDS)

STATE (2)	# OF PROPS	GROSS INVESTMENT	%	ALF	%	SNF	%	UDP	%	OTH (3)	%
Texas	37	$ 327,490	15.8%	$ 72,559	6.7%	$ 254,931	26.4%	$ —	—	$ —	—
Michigan	24	280,389	13.6%	21,444	2.0%	258,002	26.7%	—	—	943	6.5%
North Carolina (1)	33	231,718	11.2%	230,921	21.5%	—	—	—	—	797	5.4%
Florida	14	158,892	7.7%	49,260	4.6%	109,632	11.4%	—	—	—	—
Wisconsin	8	114,838	5.5%	100,892	9.4%	13,946	1.5%	—	—	—	—
Colorado	13	104,795	5.1%	104,795	9.7%	—	—	—	—	—	—
Illinois	5	88,347	4.3%	88,347	8.2%	—	—	—	—	—	—
Ohio	9	87,569	4.2%	33,345	3.1%	54,224	5.6%	—	—	—	—
California	4	69,685	3.4%	52,053	4.8%	17,632	1.8%	—	—	—	—
New Jersey	4	62,832	3.0%	62,832	5.8%	—	—	—	—	—	—
All Others (4)	65	542,802	26.2%	260,218	24.2%	256,723	26.6%	13,000	100.0%	12,861	88.1%
Total	216	$ 2,069,357	100.0%	$ 1,076,666	100.0%	$ 965,090	100.0%	$ 13,000	100.0%	$ 14,601	100.0%

(The ALF through OTH columns are under the heading GROSS INVESTMENT.)

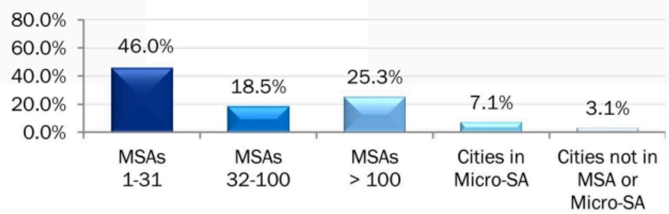
(1) Proforma includes our January 5, 2023 JV investment of $117,490 to purchase 11 assisted living/memory care communities and a mortgage loan origination of $10,750 secured by a memory care community. These communities are located in North Carolina. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. See Financing Receivables on page 5 and Mortgage Loans on page 6 for further discussion.

(2) Due to master leases with properties in various states, revenue by state is not available. Also, working capital notes are provided to certain operators under their master leases covering properties in various states. Therefore, the working capital notes outstanding balance totaling $22,157 is also not available by state.

(3) Includes one behavioral health care hospital and three parcels for land held-for-use, one parcel of land securing a first mortgage held for future development of a post-acute skilled nursing center and one parcel of land securing a first mortgage held for future development of a seniors housing community.

(4) Subsequent to December 31, 2022, we received proceeds from the payoff of a mezzanine loan on an independent living community located in Oregon. See pages 6 and 13 for further discussion. In addition, we received a notice of intent to redeem our preferred equity investment in a joint venture to develop a 267-unit independent/assisted living community in Washington subsequent to December 31, 2022. See page 7 for further discussion.

PROFORMA GROSS PORTFOLIO BY MSA (1)

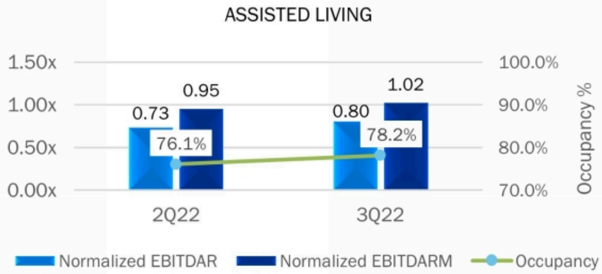


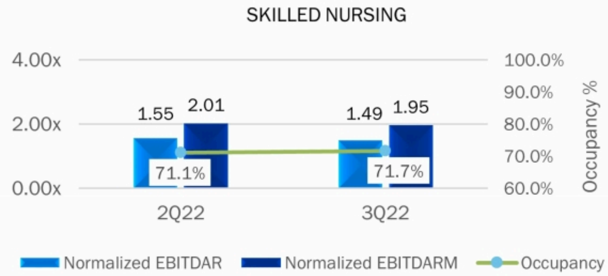
(1) The MSA rank by population as of July 1, 2021, as estimated by the United States Census Bureau. Approximately 65% of our properties are in the top 100 MSAs. Includes only our real estate investments.

PROFORMA AVERAGE PORTFOLIO AGE (1

(1) As calculated from construction date or major renovation/expansic Includes only our real estate investments.

SAME PROPERTY PORTFOLIO ("SPP") COVERAGE STATISTICS (1)(2)





ALF metrics include Coronavirus Stimulus Funds ("CSF") as allocated/reported by operators. Excluding CSF, the 3Q22 normalized EBITDAR and EBITDARM coverages were 0.69x and 0.91x, respectively, and 0.70x and 0.91x, respectively, for 2Q22. See definition of Coronavirus Stimulus Funds on Page 28. Occupancy represents the average TTM occupancy. For the 66% of the reported SPP ALF, spot occupancy was 79% at January 31, 2023, 81% at September 30, 2022 and 79% at June 30, 2022.

SNF metrics include CSF, as allocated/reported by operators. Excluding CSF, the 3Q22 normalized EBITDAR and EBITDARM coverages were 1.01x and 1.47x, respectively, and 1.05x and 1.50x, respectively, for 2Q22. Occupancy represents the average TTM occupancy. For the 90% of the reported SPP SNF, average monthly occupancy was 73% in January 2023, 73% in September 2022 and 73% in June 2022.

(1) Information is from property level operator financial statements which are unaudited and have not been independently verified by LTC. The same store portfolio excludes each property currently, or formerly, operated by Senior Lifestyle and Senior Care and will be added back to SPP 15 months after the date of the transition to the new operator.
(2) The coverage and occupancy levels at our properties may 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, and/or residents delay or postpone elective surgeries at hospitals.

PROFORMA ENTERPRISE VALUE (1)

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

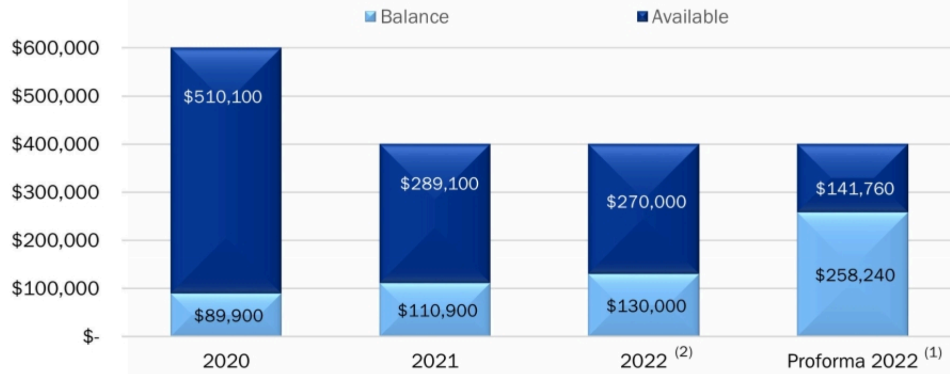
	No. of shares	Closing Price	DECEMBER 31, 2022	CAPITALIZATION	PROFORMA DECEMBER 31, 2022	CAPITALIZATION
DEBT						
Revolving line of credit - WA rate 5.4% (2)			$ 130,000		$ 258,240 (1)	
Term loans, net of debt issue costs - WA rate 2.7% (3)			99,511		99,511	
Senior unsecured notes, net of debt issue costs - WA rate 4.2% (4)			538,343		538,343	
Total debt - WA rate 4.2%			767,854	34.4%	896,094	37.9%
EQUITY		12/31/2022				
Common stock	41,262,191	$ 35.53 (5)	1,466,046	65.6%	1,466,046	62.1%
Total Market Value			1,466,046		1,466,046	
TOTAL VALUE			$ 2,233,900	100.0%	$ 2,362,140	100.0%
Add: Non-controlling interest			21,940		21,940	
Less: Cash and cash equivalents			(10,379)		(10,379)	
ENTERPRISE VALUE			$ 2,245,461		$ 2,373,701	
Debt to Enterprise Value			34.2%		37.8%	
Debt to Annualized Adjusted EBITDAre (6)			5.0x		5.5x	

(1) Proforma includes borrowing $128,240 under our revolving line of credit to fund the $117,490 JV investment to purchase 11 assisted living/memory care communities and a mortgage loan origination of $10,750 secured by a memory care community. These communities are located in North Carolina. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. See Financing Receivables on page 5 and Mortgage Loans on page 6 for further discussion.
(2) Subsequent to December 31, 2022, in addition to the $128,240 borrowing discussed in (1) above, we borrowed an additional $34,460 primarily for investments in 2023. Accordingly, we currently have $292,700 outstanding and $107,300 available for borrowing under our revolving line of credit.
(3) Represents outstanding balance of $100,000, net of debt issue costs of $489.
(4) Represents outstanding balance of $539,820, net of debt issue costs of $1,477. Subsequent to December 31, 2022, we paid $7,000 in regular scheduled principal payments under our senior unsecured notes. Accordingly, we currently have $531,343 outstanding under our senior unsecured notes, net of debt issue costs.
(5) Closing price of our common stock as reported by the NYSE on December 30, 2022.
(6) See page 22 for reconciliation of annualized adjusted EBITDAre.

PROFORMA DEBT METRICS (1)

(DOLLAR AMOUNTS IN THOUSANDS)

LINE OF CREDIT LIQUIDITY

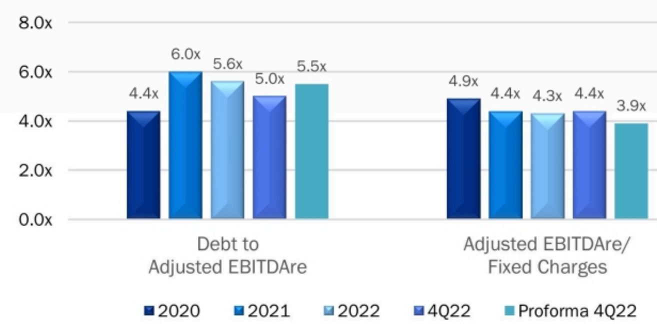


(1) Proforma includes borrowing $128,240 under our revolving line of credit to fund the $117,490 JV investment to purchase 11 assisted living/memory care communities and a mortgage loan origination of $10,750 secured by a memory care community. These communities are located in North Carolina. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. See Financing Receivables on page 5 and Mortgage Loans on page 6 for further discussion.

(2) Subsequent to December 31, 2022, in addition to the $128,240 borrowing discussed in (1) above, we borrowed an additional $34,460 primarily for investments in 2023. Accordingly, we currently have $292,700 outstanding and $107,300 available for borrowing under our revolving line of credit.

LEVERAGE RATIOS

COVERAGE RATIOS

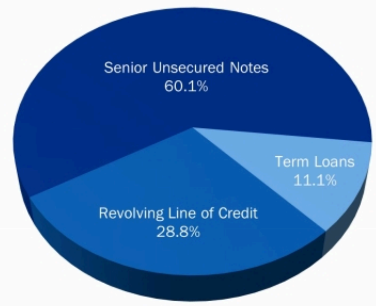


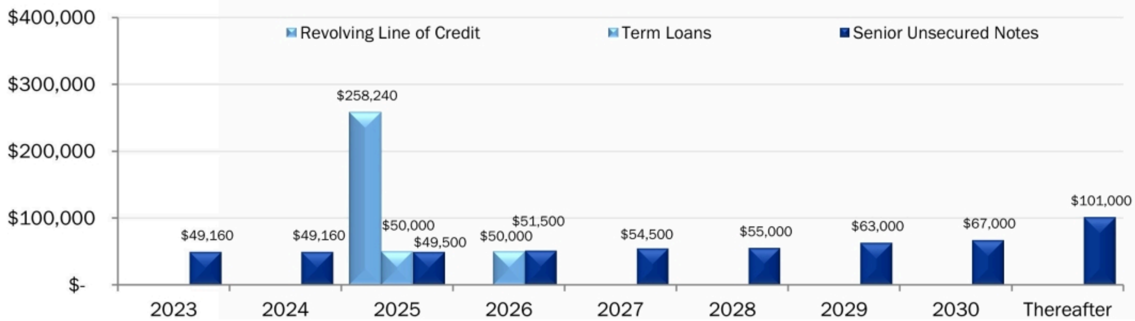
PROFORMA DEBT MATURITY (1)

(AS OF DECEMBER 31, 2022, DOLLAR AMOUNTS IN THOUSANDS)

YEAR	REVOLVING LINE OF CREDIT	TERM LOANS (2)(3)	SENIOR UNSECURED NOTES (2)(3)	TOTAL (3)	% OF TOTAL
2023	$ —	$ —	$ 49,160	$ 49,160	5.5%
2024	—	—	49,160	49,160	5.5%
2025	258,240 (1)	50,000	49,500	357,740	39.8%
2026	—	50,000	51,500	101,500	11.3%
2027	—	—	54,500	54,500	6.1%
2028	—	—	55,000	55,000	6.1%
2029	—	—	63,000	63,000	7.0%
2030	—	—	67,000	67,000	7.5%
Thereafter	—	—	101,000	101,000	11.2%
Total	$ 258,240 (4)	$ 100,000	$ 539,820 (5)	$ 898,060	100.0%

DEBT STRUCTURE (3)





(1) Proforma includes borrowing $128,240 under our revolving line of credit to fund the $117,490 JV investment to purchase 11 assisted living/memory care communities and a mortgage loan origination of $10,750 secured by a memory care community. These communities are located in North Carolina. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. See Financing Receivables on page 5 and Mortgage Loans on page 6 for further discussion.

(2) Reflects scheduled principal payments.

(3) Excludes debt issue costs which are netted against the principal outstanding in the term loans and senior unsecured notes balance on our Consolidated Balance Sheets shown on page 24.

(4) Subsequent to December 31, 2022, in addition to the $128,240 borrowing discussed in (1) above, we borrowed an additional $34,460 primarily for investments in 2023. Accordingly, we currently have $292,700 outstanding and $107,300 available for borrowing under our revolving line of credit.

(5) Subsequent to December 31, 2022, we paid $7,000 in regular scheduled principal payments under our senior unsecured notes. Accordingly, we currently have $531,343 outstanding under our senior unsecured notes, net of debt issue costs.

FINANCIAL DATA SUMMARY

(DOLLAR AMOUNTS IN THOUSANDS)

	12/31/20	12/31/21	12/31/22	PROFORMA 12/31/22 [2]
Gross investments	$ 1,737,795	$ 1,804,435	$ 1,959,442	$ 2,090,192
Net investments	$ 1,385,414	$ 1,426,070	$ 1,562,668	$ 1,693,418
Gross asset value	$ 1,811,867	$ 1,883,190	$ 2,052,877	$ 2,183,627
Total debt [1]	$ 649,382	$ 722,719	$ 767,854	$ 896,094
Total liabilities [1]	$ 683,680	$ 759,698	$ 805,796	$ 934,036
Total equity	$ 775,806	$ 745,127	$ 850,307	$ 854,138

(1) Includes outstanding gross revolving line of credit, term loans, net of debt issue costs, and senior unsecured notes, net of debt issue costs.

(2) Proforma includes borrowing $128,240 under our revolving line of credit to fund the $117,490 JV investment to purchase 11 assisted living/memory care communities and a mortgage loan origination of $10,750 secured by a memory care community. These communities are located in North Carolina. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. See Financing Receivables on page 5 and Mortgage Loans on page 6 for further discussion.

NON-CASH REVENUE COMPONENTS

	4Q22	1Q23 [1]	2Q23 [1]	3Q23 [1]	4Q23 [1]
Straight-line rent adjustment	$ (406)	$ (469)	$ (424)	$ (468)	$ (557)
Amortization of lease incentives	(212)	(212)	(208)	(164)	(146)
Effective interest - Financing receivable	552 [2]	234	241	241	192
Effective interest - Mortgage loans receivable	1,331	1,342	1,351	1,344	1,265
Effective interest - Notes receivable	27 [3]	181	181	181	181
Total non-cash revenue components	$ 1,292	$ 1,076	$ 1,141	$ 1,134	$ 935

(1) For leases and loans in place at December 31, 2022, assuming no renewa modifications or replacements and no new investments are added to our portfolio except for the renewal of a lease covering two skilled nursing cent and the originations of a mortgage loan and financing receivable subseque to December 31, 2022. See page 12 & 13 for further information.

(2) Includes minimum rent credit on a sale-leaseback financing receivable.

(3) Includes cash flow participation payment on a mezzanine loan.

COMPONENTS OF RENTAL INCOME

	THREE MONTHS ENDED DECEMBER 31,			TWELVE MONTHS ENDED DECEMBER 31,		
	2022	2021	Variance	2022	2021	Variance
Cash rent	$32,027	$26,725	$ 5,302 [1]	$115,287	$107,692	$ 7,595 [1]
Operator reimbursed real estate tax revenue	3,298	3,677	(379) [2]	15,459	14,332	1,127 [2]
Straight-line rent (adjustment) income	(406)	(152)	(254) [3]	(1,369)	467	(1,836) [3]
Straight-line rent write-off	—	—	—	—	(758)	758 [4]
Amortization of lease incentives	(212)	(222)	10	(1,133)	(608)	(525) [5]
Total rental income	$34,707	$30,028	$ 4,679	$128,244	$121,125	$ 7,119

(1) QoQ: Increase primarily due to rent received from transitioned portfolios and repayment of Anthem's temporary rent reduction and rental income from acquisitions, completed development projects and annual rent escalations c property sales. YoY: Increase primarily due to QoQ explanation and a lease termination fee received in connection with the sale of a 74-unit ALF.

(2) QoQ: Decrease primarily due to property tax reassessment and properties so offset by transitioned portfolios and 2Q22 acquisitions. YoY: Increase primar to transitioned portfolios and 2Q22 acquisitions partially offset by property t reassessment and properties sold.

(3) QoQ: Decrease primarily due to normal amortization. YoY: Decrease primaril QoQ explanation, the impact of prior year's 50% reduction of 2021 rent esca for those leases accounted for on a straight-line basis, a deferred rent repay and decrease from properties sold.

(4) Represents a straight-line rent receivable write-off due to transitioning renta revenue recognition to cash basis for one lease.

(5) Increase due to a lease incentive balance write-off related to a closed prope subsequent lease termination and additional lease incentives provided for a transitioned portfolio.

(DOLLAR AMOUNTS IN THOUSANDS)

RECONCILIATION OF ANNUALIZED ADJUSTED EBITDAre AND FIXED CHARGES

	FOR THE YEAR ENDED			THREE MONTHS ENDED	THREE MONTHS ENDED
	12/31/20	12/31/21	12/31/22	12/31/22	PROFORMA 12/31/22[9]
Net income	$ 95,677	$ 56,224	$ 100,584	$ 18,198	$ 17,741
Less: Gain on sale of real estate, net	(44,117)	(7,462)	(37,830)	(21)	(21)
Less: Gain on insurance proceeds	(373) [1]	–	–	–	–
Add: Loss on unconsolidated joint ventures	758 [2]	–	–	–	–
Add: Impairment loss	3,977 [3]	–	3,422 [7]	2,136	2,136
Add: Interest expense	29,705	27,375	31,437	8,830	10,629
Add: Depreciation and amortization	39,071	38,296	37,496	9,294	9,294
EBITDAre	124,698	114,433	135,109	38,437	39,779
Add/(less): Non-recurring items	22,841 [4]	5,947 [5]	824 [8]	–	1,321 [9]
Adjusted EBITDAre	**$ 147,539**	**$ 120,380**	**$ 135,933**	**$ 38,437**	**$ 41,100**
Interest expense	$ 29,705	$ 27,375	$ 31,437	$ 8,830	$ 10,629
Add: Capitalized interest	354	–	–	–	–
Fixed charges	**$ 30,059**	**$ 27,375**	**$ 31,437**	**$ 8,830**	**$ 10,629**
Annualized Adjusted EBITDAre				$ 153,748	$ 164,400
Annualized Fixed Charges				$ 35,320	$ 42,516
Debt (net of debt issue costs)	$ 649,382	$ 722,719	$ 767,854	$ 767,854	$ 896,094
Debt to Adjusted EBITDAre	4.4x	6.0x [6]	5.6x	5.0x	5.5x
Adjusted EBITDAre to Fixed Charges[10]	4.9x	4.4x	4.3x	4.4x	3.9x

(1) Represents the gain from insurance proceeds related to previously sold properties.
(2) Represents a loss of $758 from the sale of properties comprising an unconsolidated joint venture.
(3) Represents an impairment loss relating to a 48-unit memory care in Colorado and a 61-unit assisted living community in Florida which was sold in 1Q21.
(4) Represents the $23,029 straight-line rent receivable write-off related to Senior Lifestyle, Genesis and another operator and the Senior Lifestyle lease incentives write-off of $185 offset by the gain from insurance proceeds ($373).
(5) Represents the Senior Care settlement payment ($3,895), the straight-line rent receivable write-off ($758), the provision for credit losses on mortgage loan originations ($869), and the 50% reduction of 2021 rent and interest escalations ($425).
(6) Increase due to additional borrowings for investments.
(7) Represents an impairment loss relating to a 60-unit memory care community in Kentucky, a 70-unit assisted living community in Florida, and a 48-unit memory care in Colorado.
(8) Represents a lease incentive balance write-off of $173 related to a closed property, a $1,332 provision for credit losses reserve related to the origination of a financing receivable, two mortgage loans and a mezzanine loan, and a lease termination fee of $500 paid to a former operator of 12 assisted living communities in exchange for cooperation and assistance in facilitating an orderly transition of the communities to another operator partially offset by lease termination fee income of $1,181 received in connection with the sale of an assisted living community.
(9) Proforma includes anticipated income from our 2023 investment in 12 assisted living/memory care communities located in North Carolina and the anticipated expense from the $128,240 borrowing under our revolving line of credit for this investment. Our investment is comprised of an investment in a JV that acquired 11 assisted living/memory care communities and a mortgage loan origination secured by a memory care community. We will consolidate the communities acquired by the JV and the acquisition will be accounted for as a financing receivable. The increase in non-recurring items is due to the loan loss reserve estimate equal to 1% of the financing receivable and mortgage loan balance upon origination. This reserve is amortized as the loan principal is paid down. See Financing Receivables on page 5 and Mortgage Loans on page 6 for further discussion.
(10) Given we do not have preferred stock, our fixed charge coverage ratio and interest coverage ratio are the same.

CONSOLIDATED STATEMENTS OF INCOME

(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	THREE MONTHS ENDED DECEMBER 31,		TWELVE MONTHS ENDED DECEMBER 31,	
	2022	2021	2022	2021
Revenues	*(unaudited)*		*(audited)*	
Rental income	$ 34,707	$ 30,028	$ 128,244	$ 121,125
Interest income from financing receivable[1]	1,405	—	1,762	—
Interest income from mortgage loans	10,488	9,032	40,600	32,811
Interest and other income	1,239	381	4,547	1,386
Total revenues	47,839	39,441	175,153	155,322
Expenses				
Interest expense	8,830	6,933	31,437	27,375
Depreciation and amortization	9,294	9,449	37,496	38,296
Impairment loss	2,136	—	3,422	—
Provision for credit losses	74	962	1,528	1,021
Transaction costs	100	162	828	4,433
Property tax expense	3,306	3,679	15,486	15,392
General and administrative expenses	6,299	5,772	23,706	21,460
Total expenses	30,039	26,957	113,903	107,977
Other Operating Income				
Gain on sale of real estate, net	21	70	37,830	7,462
Operating Income	17,821	12,554	99,080	54,807
Income from unconsolidated joint ventures	377	376	1,504	1,417
Net Income	18,198	12,930	100,584	56,224
Income allocated to non-controlling interests	(259)	(92)	(560)	(363)
Net income attributable to LTC Properties, Inc.	17,939	12,838	100,024	55,861
Income allocated to participating securities	(130)	(112)	(580)	(458)
Net income available to common stockholders	$ 17,809	$ 12,726	$ 99,444	$ 55,403
Earnings per common share:				
Basic	$0.44	$0.32	$2.49	$1.41
Diluted	$0.44	$0.32	$2.48	$1.41
Weighted average shares used to calculate earnings per common share:				
Basic	40,596	39,177	39,894	39,156
Diluted	40,769	39,177	40,067	39,156
Dividends declared and paid per common share	$0.57	$0.57	$2.28	$2.28

(1) Represents rental income from three skilled nursing centers acquired through a sale-leaseback transaction, subject to a lease which contains a purchase option. In accordance with GAAP, the properties are required to be presented as a financing receivable on our *Consolidated Balance Sheets* and the rental income to be presented as *Interest income from financing receivable* on our *Consolidated Statements of Income.*

CONSOLIDATED BALANCE SHEETS

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

	DECEMBER 31, 2022	DECEMBER 31, 2021
ASSETS		
Investments:		
Land	$ 124,665	$ 123,239
Buildings and improvements	1,273,025	1,285,318
Accumulated depreciation and amortization	(389,182)	(374,606)
Operating real estate property, net	1,008,508	1,033,951
Properties held-for-sale, net of accumulated depreciation: 2022—$2,305; 2021—$0	10,710	—
Real property investments, net	1,019,218	1,033,951
Financing receivable,[(1)] net of loan loss reserve: 2022—$768; 2021—$0	75,999	—
Mortgage loans receivable, net of loan loss reserve: 2022—$3,930; 2021—$3,473	389,728	344,442
Real estate investments, net	1,484,945	1,378,393
Notes receivable, net of loan loss reserve: 2022—$589; 2021—$286	58,383	28,337
Investments in unconsolidated joint ventures	19,340	19,340
Investments, net	1,562,668	1,426,070
Other assets:		
Cash and cash equivalents	10,379	5,161
Debt issue costs related to revolving line of credit	2,321	3,057
Interest receivable	46,000	39,522
Straight-line rent receivable	21,847	24,146
Lease incentives	1,789	2,678
Prepaid expenses and other assets	11,099	4,191
Total assets	$ 1,656,103	$ 1,504,825
LIABILITIES		
Revolving line of credit	$ 130,000	$ 110,900
Term loans, net of debt issue costs: 2022—$489; 2021—$637	99,511	99,363
Senior unsecured notes, net of debt issue costs: 2022—$1,477; 2021—$524	538,343	512,456
Accrued interest	5,234	3,745
Accrued expenses and other liabilities	32,708	33,234
Total liabilities	805,796	759,698
EQUITY		
Stockholders' equity:		
Common stock: $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2022—41,262; 2021—39,374	412	394
Capital in excess of par value	931,124	856,895
Cumulative net income	1,544,660	1,444,636
Accumulated other comprehensive income (loss)	8,719	(172)
Cumulative distributions	(1,656,548)	(1,565,039)
Total LTC Properties, Inc. stockholders' equity	828,367	736,714
Non-controlling interests	21,940	8,413
Total equity	850,307	745,127
Total liabilities and equity	$ 1,656,103	$ 1,504,825

(1) Represents three skilled nursing centers acquired through a sale-leaseback transaction, subject to a lease which contains a purchase option. In accordance with GAAP, the properties are required to be presented as a financing receivable on our *Consolidated Balance Sheets*.

FUNDS FROM OPERATIONS – RECONCILIATION OF FFO AND FAD

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

	THREE MONTHS ENDED DECEMBER 31,		TWELVE MONTHS ENDED DECEMBER 31,	
	2022	2021	2022	2021
GAAP net income available to common stockholders	$ 17,809	$ 12,726	$ 99,444	$ 55,403
Add: Impairment loss	2,136	—	3,422	—
Add: Depreciation and amortization	9,294	9,449	37,496	38,296
Less: Gain on sale of real estate, net	(21)	(70)	(37,830)	(7,462)
NAREIT FFO attributable to common stockholders	$ 29,218	$ 22,105	$ 102,532	$ 86,237
NAREIT Diluted FFO attributable to common stockholders per share	$0.72	$0.56	$2.56	$2.20
NAREIT FFO attributable to common stockholders	$ 29,218	$ 22,105	$ 102,532	$ 86,237
Add: Non-recurring items	—	869 [2]	824 [3]	5,947 [6]
FFO attributable to common stockholders, excluding non-recurring items	$ 29,218	$ 22,974	$ 103,356	$ 92,184
NAREIT FFO attributable to common stockholders	$ 29,218	$ 22,105	$ 102,532	$ 86,237
Non-cash income:				
Add (Less): Straight-line rental adjustment (income)	406	152	1,369	(467)
Add: Amortization of lease incentives	212	222	1,133 [4]	608
Add: Other non-cash expense	—	—	—	758 [7]
Less: Effective interest income from mortgage loans	(1,910) [1]	(1,393)	(6,461) [1]	(6,093)
Net non-cash income	(1,292)	(1,019)	(3,959)	(5,194)
Non-cash expense:				
Add: Non-cash compensation charges	2,013	1,975	7,964	7,760
Add: Provision for credit losses	74	962	1,528	1,021
Net non-cash expense	2,087	2,937	9,492	8,781
Funds available for distribution (FAD)	30,013	24,023	108,065	89,824
(Less) Add: Non-recurring income	—	—	(681) [5]	5,232 [8]
Funds available for distribution (FAD), excluding non-recurring items	$ 30,013	$ 24,023	$ 107,384	$ 95,056

(1) Includes effective interest from three skilled nursing centers a through a sale-leaseback transaction, subject to a lease contains a purchase option. In accordance with GAAP, the pr are required to be presented as a financing receivable *Consolidated Balance Sheets* and the rental income to be pr as *Interest income from financing receivable* on our *Cons Statements of Income.*

(2) Represents provision for credit losses related to the origin mortgage loans totaling $86,933 during 4Q21.

(3) Represents (4) from below, $1,332 of provision for credit reserve related to the origination of the financing receivable (1) above, two mortgage loans and a mezzanine loan, and termination fee of $500 paid to a former operator of 12 living communities in exchange for cooperation and assist facilitating an orderly transition of the communities to operator partially offset by a lease termination fee of received in connection with the sale of an assisted living comm

(4) Includes a lease incentive balance write-off of $173 relat closed property and subsequent lease termination.

(5) Represents the lease termination fee of $1,181 rece connection with the sale of an assisted living community offse lease termination fee of $500 paid to a former operato assisted living communities in exchange for cooperati assistance in facilitating an orderly transition of the commu another operator.

(6) Represents (2) from above, (7) from below, the Senior Care Health settlement payment ($3,895) in accordance with a set agreement approved by the United States Bankruptcy Court GAAP impact of the 50% reduction of 2021 rent and escalation ($425).

(7) Represents a straight-line rent receivable write-off ($758) transitioning rental revenue recognition to cash basis.

(8) Represents the Senior Care and Abri Health settlement p ($3,895) in accordance with a settlement agreement approve United States Bankruptcy Court and the cash impact of t reduction of 2021 rent and interest escalations ($1,337).

FUNDS FROM OPERATIONS – RECONCILIATION OF FFO PER SHARE

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

	FFO		FAD	
FOR THE THREE MONTHS ENDED DECEMBER 31,	**2022**	**2021**	**2022**	**2021**
FFO/FAD attributable to common stockholders	$ 29,218	$ 22,105	$ 30,013	$ 24,023
Non-recurring one-time items	–	869 (1)	–	–
FFO/FAD attributable to common stockholders excluding non-recurring items	29,218	22,974	30,013	24,023
Effect of dilutive securities:				
Participating securities	130	112	130	112
Diluted FFO/FAD excluding non-recurring items	$ 29,348	$ 23,086	$ 30,143	$ 24,135
Shares for basic FFO/FAD per share	40,596	39,177	40,596	39,177
Effect of dilutive securities:				
Performance-based stock units	173	–	173	–
Participating securities	229	197	229	197
Shares for diluted FFO/FAD per share	40,998	39,374	40,998	39,374

	FFO		FAD	
FOR THE TWELVE MONTHS ENDED DECEMBER 31,	**2022**	**2021**	**2022**	**2021**
FFO/FAD attributable to common stockholders	$ 102,532	$ 86,237	$ 108,065	$ 89,824
Non-recurring one-time items	824 (2)	5,947 (3)	(681) (4)	5,232 (5)
FFO/FAD attributable to common stockholders excluding non-recurring items	103,356	92,184	107,384	95,056
Effect of dilutive securities:				
Participating securities	580	458	580	458
Diluted FFO/FAD	$ 103,936	$ 92,642	$ 107,964	$ 95,514
Shares for basic FFO/FAD per share	39,894	39,156	39,894	39,156
Effect of dilutive securities:				
Performance based stock units	173	–	173	–
Participating securities	229	197	229	197
Shares for diluted FFO/FAD per share	40,296	39,353	40,296	39,353

(1) Represents provision for credit losses related to the origina mortgage loans totaling $86,933 during 4Q21.

(2) Represents a lease incentive balance write-off of $173 relat closed property and subsequent lease termination, a $1, provision for credit losses reserve related to the originatio financing receivable, two mortgage loans and a mezzanine loa a lease termination fee of $500 paid to a former operator assisted living communities in exchange for cooperatio assistance in facilitating an orderly transition of the commun another operator partially offset by a lease termination fee of received in connection with the sale of an assisted living comm

(3) Represents (1) above, a straight-line rent receivable write-off due to transitioning rental revenue recognition to cash basis, a Senior Care and Abri Health settlement payment ($3,8 accordance with a settlement agreement approved by the States Bankruptcy Court and the GAAP impact of the 50% redu 2021 rent and interest escalation ($425).

(4) Represents the lease termination fee of $1,181 recei connection with the sale of an assisted living community offse lease termination fee of $500 paid to a former operator assisted living communities in exchange for cooperatio assistance in facilitating an orderly transition of the commun another operator.

(5) Represents the Senior Care and Abri Health settlement p ($3,895) in accordance with a settlement agreement approved United States Bankruptcy Court and the cash impact of th reduction of 2021 rent and interest escalations ($1,337).

ESG JOURNEY

PEOPLE. PLANET. INTEGRITY.

Implementing corporate stewardship through socially responsible and sustainable practices.

2020

Committed to ESG Initiative

Appointed Cornelia Cheng as new Board member

2021

Board established an ESG committee to oversee practices and performance

Created and published an Environmental Sustainability Commitm and Human Capital Management and Labor Rights Guidelines

2022

Enhanced our disclosures to highlight ESG initiatives

Aligning with the Sustainability Accounting Standards Board (SASB) reporting framework and adopting select United Natio Sustainable Development Goals (SDGs) in guiding us to provi shareholders with relevant information on our environmental impact

Visit our website to learn more about our ESG initiatives. www.ltcreit.com/esg

Annualized Actual Cash Income: Represents annualized cash rental income includes cash rent and excludes real estate tax reimbursement, interest income from financing receivables, mortgage loans, mezzanine loans and working capital notes, and income from unconsolidated joint ventures received for the month of December 2022 for investments as of December 31, 2022.

Annualized Contractual Cash Income: Represents annualized contractual cash rental income prior to abatements & deferred rent repayment and excludes real estate tax reimbursement, interest income from financing receivables, mortgage loans, mezzanine loans and working capital notes, and income from unconsolidated joint ventures for the month of December 2022 for investments as of December 31, 2022.

Annualized GAAP Income: Represents annualized GAAP rent which includes contractual cash rent, straight-line rent and amortization of lease incentives and excludes real estate tax reimbursement, GAAP interest income from financing receivables, mortgage loans, mezzanine loans and working capital notes, and income from unconsolidated joint ventures for the month of December 2022 for investments as of December 31, 2022.

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.

Coronavirus Stimulus Funds ("CSF"): CSF includes funding from various state and federal programs to support healthcare providers in dealing with the challenges of the coronavirus pandemic. Included in CSF are state-specific payments identified by operators as well as federal payments connected to the Paycheck Protection Program and the Provider Relief Fund. CSF is self-reported by operators in unaudited financial statements provided to LTC. Specifically excluded from CSF are the suspension of the Medicare sequestration cut, and increases to the Federal Medical Assistance Percentages (FMAP), both of which are reflected in reported coverage both including and excluding CSF.

Earnings Before Interest, Tax, Depreciation and Amortization for Real Estate ("EBITDA*re*"): As defined by the National Association of Real Estate Investment Trusts ("NAREIT"), EBITDA*re* 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.

Financing Receivable: Properties acquired through a sale-leaseback transaction with an operating entity being the same before and after the sale-leaseback, subject to a lease contract that contains a purchase option. In accordance with GAAP, the purchased assets are required to be presented as *Financing Receivable* on our *Consolidated Balance Sheets* and the rental income to be presented as *Interest income from financing receivable* on our *Consolidated Statements of Income*.

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

Funds From Operations ("FFO"): As defined by NAREIT, net income available to common stockholders (comp accordance with U.S. GAAP) excluding gains or losses on the sale of real estate and impairment write-downs of deprecia estate plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships a 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 term. GAAP rent recorded in the early years of a lease is higher than the cash rent received and during the later the lease, the cash rent received is higher than GAAP rent recognized. GAAP rent is commonly referred to as stra rental income.

Gross Asset Value: The carrying amount of total assets after adding back accumulated depreciation and l 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 dep 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 service, such as laundry, housekeeping, dining options/meal plans, exercise and wellness programs, transportatio cultural and recreational activities, on-site security and emergency response programs. Many offer on-site conv like beauty/barber shops, fitness facilities, game rooms, libraries and activity centers. ILFs are also known as re 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 hou long-term care properties. Licensed beds and/or units may differ from the number of beds and/or units in servic given time.

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

Metropolitan Statistical Areas ("MSA"): Based on the U.S. Census Bureau, MSA is a geographic entity defined Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and pu Federal statistics. A metro area contains a core urban area of 50,000 or more population. MSAs 1 to 31 population of 19.8M – 2.2M. MSAs 32 to 100 have a population of 2.2M – 0.6M. MSAs greater than 100 population of 0.6M – 59K. Cities in a Micro-SA have a population of 223K – 12K. Cities not in a MSA has popula less than 100K.

GLOSSARY

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, value-add opportunities on existing operational properties, partnership buy-outs and recapitalization of equity. We seek market-based, risk-adjusted rates of return typically between 9% to 14% with the loan term typically between three to 10 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 Medic Medicare recipient. Statistics represent LTC's rental revenues times operators' underlying payor source revenue per Underlying payor source revenue percentage is calculated from property level operator financial statements w 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 betweer participants at the measurement date. An orderly transaction is a transaction that assumes exposure to the mar period prior to the measurement date to allow for marketing activities that are usual and customary for tran involving such assets; it is not a forced transaction (for example, a forced liquidation or distress sale).

Real Estate Investments: Represents our investments in real property and mortgage loan receivables.

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 a consistent population of LTC's leased property portfolio and the Prestige Healthcare mortgage loan portfolio. Our comprised of stabilized properties occupied and operated throughout the duration of the quarter-over-quarter com periods presented (excluding assets sold and assets held-for-sale). Accordingly, a property must be occupied and st for a minimum of 15 months to be included in our SPP. Each property transitioned to a new operator has been e from SPP and will be added back to SPP for the SPP reporting period ending 15 months after the date of the transitic

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

Stabilized: Properties are generally considered stabilized upon the earlier of achieving certain occupancy thresh 80% for SNFs and 90% for ALFs) and, as applicable, 12 months from the date of acquisition/lease transition or, in t of a de novo development, redevelopment, major renovations or addition, 24 months from the date the propert placed in or returned to service, or properties acquired in lease-up.

Trailing Twelve Months Revenues: For the owned portfolio, rental income includes cash rent, straight-line re amortization of lease incentives and excludes real estate tax reimbursement and rental income from properties sold the trailing twelve months. Financing receivables revenues include cash interest income and effective intere financing receivables during the trailing twelve months. Mortgage loans revenues include cash interest incon effective interest from mortgage loans and construction loans during the trailing twelve months. Notes receivable re include cash interest income and effective interest from mezzanine loans and working capital notes during the twelve months.

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