UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report: September 15, 2003
(Date of earliest event reported)

LTC PROPERTIES, INC.
(Exact Name of Registrant as Specified in Its Charter)

MARYLAND	1-11314	71-0720518
(State of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

22917 Pacific Coast Hwy, Suite 350
Malibu, California 90265
(310) 455-6010
(Address of Principal Executive Offices and Zip Code)

ITEM 5. OTHER EVENTS

LTC Properties, Inc. (the "Company" or the "Registrant") entered into an Underwriting Agreement dated September 15, 2003, by and between the Company and Stifel, Nicolaus & Company, Incorporated, as Representative of the several Underwriters, as defined therein, relating to the offering of 2,000,000 shares of 8.5% Series E Cumulative Convertible Preferred Stock (Liquidation Preference $25 Per Share), par value $.01 per share, attached hereto as Exhibit 1.1.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

1.1	Underwriting Agreement
3.2	Articles Supplementary Classifying 8.5% Series Cumulative Convertible Preferred Stock of the Registrant
5.1	Opinion of Ballard, Spahr, Andrews & Ingersoll, LLP regarding the legality of the Series E Preferred Stock being registered
8.1	Tax Opinion of Reed Smith, LLP
23.1	Consent of Ballard, Spahr, Andrews & Ingersoll, LLP (contained in Exhibit 5.1)
23.2	Consent of Reed Smith, LLP (contained in Exhibit 8.1)
99.1	Press Release dated September 16, 2003

SIGNATURE

Pursuant to the requirements 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.

September 16, 2003

LTC PROPERTIES, INC.
("Registrant")

By: /s/ Wendy L. Simpson

Wendy L. Simpson,
Vice Chairman and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 1.1 [Conformed Copy]

LTC Properties, Inc.

2,000,000 Shares

8.5% Series E Cumulative Convertible Preferred Stock
(Liquidation Preference $25.00 Per Share)

UNDERWRITING AGREEMENT

September 15, 2003

UNDERWRITING AGREEMENT

September 15, 2003

Stifel, Nicolaus & Company, Incorporated
as Managing Underwriter
One Financial Plaza
501 N. Broadway
St. Louis, MO 63102

Ladies and Gentlemen:

LTC Properties, Inc., a corporation incorporated under the laws of the State of Maryland (the "Company"), proposes to issue and sell to the underwriters named in Schedule A annexed hereto (the "Underwriters"), for whom you are acting as representative, an aggregate of 2,000,000 shares (the "Firm Shares") of the Company's 8.5% Series E Cumulative Preferred Stock, $0.01 par value per share with a liquidation preference of $25.00 per share (the "Preferred Stock"), of the Company, which shall be convertible into shares of the Company's common stock, $0.01 par value per share (the "Common Stock") (as converted, the "Conversion Shares"). The initial price at which the Conversion Shares shall be convertible is $12.50 per Conversion Share. In addition, solely for the purpose of covering over-allotments, the Company proposes to grant to the Underwriters the option to purchase from the Company up to an additional 200,000 shares of Preferred Stock (the "Additional Shares"). The Firm Shares and the Additional Shares are hereinafter collectively sometimes referred to as the "Shares." The Shares are described in the Prospectus which is referred to below.

The Company has filed, in accordance with the provisions of the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively, the "Act"), with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (File No. 333-106555) including a basic prospectus, which incorporates by reference documents that the Company has filed, or will file, in accordance with the provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act"). Amendments to such registration statement, if necessary or appropriate, have been similarly prepared and filed with the Commission. Such registration statement, as so amended, has been declared by the Commission to be effective under the Act. The registration statement, at the time it initially was declared effective on September 5, 2003, is sometimes referred to herein as the "Original Registration Statement". The registration statement, as amended by the first post-effective amendment thereto, at the time it was declared effective on September 12, 2003 is referred to herein as the "Registration Statement." The Company will next file with the Commission pursuant to Rule 424(b) under the Act a final prospectus supplement to the basic prospectus, describing the Shares and the offering therof, in such form as has been provided to, discussed with, and approved by the Underwriters.

The term "Basic Prospectus" as used in this Agreement means the basic prospectus dated as September 12, 2003 and to be filed with the Commission pursuant to Rule 424(b) for use in connection with the offer and/or sale of Shares pursuant to this Agreement. The term "Prepricing Prospectus" as used in this Agreement means any form of preliminary prospectus used in connection with the marketing of the Shares, including the preliminary prospectus supplement dated as of September 9, 2003 and any basic prospectus (whether or not in preliminary form) used with any such preliminary prospectus supplement in connection with the marketing of the Shares. The term "Prospectus Supplement" as used in this Agreement means any final prospectus supplement specifically relating to the Shares, in the form filed with, or transmitted for filing to, the Commission pursuant to Rule 424 under the Act. The term "Prospectus" as used in this Agreement means the Basic Prospectus together with the Prospectus Supplement. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, any Prepricing Prospectus, any Prospectus Supplement or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Form S-3.

The Company and the Underwriters agree as follows:

1. Sale and Purchase. Upon the basis of the representations and warranties and subject to the terms and conditions herein set forth, the Company agrees to issue and sell to the respective Underwriters and each of the Underwriters, severally and not jointly, agrees to purchase from the Company the number of Firm Shares set forth opposite the name of such Underwriter in Schedule A attached hereto, subject to adjustment in accordance with Section 8 hereof, in each case at a purchase price of $ 24.1375 per Share. The Company is advised by you that the Underwriters intend (i) to make a public offering of their respective portions of the Firm Shares as soon after the effective date of the Registration Statement as in your judgment is advisable and (ii) initially to offer the Firm Shares upon the terms set forth in the Prospectus. You may from time to time increase or decrease the public offering price after the initial public offering to such extent as you may determine.

In addition, the Company hereby grants to the several Underwriters the option to purchase, and upon the basis of the representations and warranties and subject to the terms and conditions herein set forth, the Underwriters shall have the right to purchase, severally and not jointly, from the Company, ratably in accordance with the number of Firm Shares to be purchased by each of them, all or a portion of the Additional Shares as may be necessary to cover over-allotments made in connection with the offering of the Firm Shares, at the same purchase price per share to be paid by the Underwriters to the Company for the Firm Shares. This option may be exercised by Stifel, Nicolaus & Company, Incorporated ("Stifel Nicolaus") on behalf of the several Underwriters at any time and from time to time on or before the thirtieth day following the date of the Prospectus, by written notice to the Company. Such notice shall set forth the aggregate number of Additional Shares as to which the option is being exercised, and the date and time when the Additional Shares are to be delivered (such date and time being herein referred to as the "additional time of purchase"); provided, however, that the additional time of purchase shall not be earlier than the time of purchase (as defined below) nor earlier than the second business day after the date on which the option shall have been exercised nor later than the tenth business day after the date on which the option shall have been exercised. The number of Additional Shares to be sold to each Underwriter shall be the number which bears the

same proportion to the aggregate number of Additional Shares being purchased as the number of Firm Shares set forth opposite the name of such Underwriter on Schedule A hereto bears to the total number of Firm Shares (subject, in each case, to such adjustment as you may determine to eliminate fractional shares), subject to adjustment in accordance with Section 8 hereof.

2. Payment and Delivery. Payment of the purchase price for the Firm Shares shall be made to the Company by Federal Funds wire transfer, against delivery of the certificates for the Firm Shares to you through the facilities of The Depository Trust Company ("DTC") for the respective accounts of the Underwriters. Such payment and delivery shall be made at 10:00 A.M., New York City time, on September 19, 2003 (unless another time shall be agreed to by you and the Company or unless postponed in accordance with the provisions of Section 8 hereof). The time at which such payment and delivery are to be made is hereinafter sometimes called "the time of purchase." Electronic transfer of the Firm Shares shall be made to you at the time of purchase in such names and in such denominations as you shall specify.

Payment of the purchase price for the Additional Shares shall be made at the additional time of purchase in the same manner and at the same office as the payment for the Firm Shares. Electronic transfer of the Additional Shares shall be made to you at the additional time of purchase in such names and in such denominations as you shall specify.

Deliveries of the documents described in Section 6 hereof with respect to the purchase of the Shares shall be made at the offices of Dewey Ballantine LLP, 333 South Grand Avenue, Los Angeles, California 90071, at 9:00 A.M., New York City time, on the date of the closing of the purchase of the Firm Shares or the Additional Shares, as the case may be.

3. Representations and Warranties of the Company. The Company represents and warrants to and agrees with each of the Underwriters that:

(a) The Registration Statement has been declared effective under the Act; no stop order of the Commission preventing or suspending the use of the Basic Prospectus, any Prepricing Prospectus, the Prospectus Supplement or the Prospectus or the effectiveness of the Registration Statement has been issued and no proceedings for such purpose have been instituted or, to the Company's knowledge after due inquiry, threatened by the Commission; such registration statement meets, and the offering of the Shares complies with, the requirements of the Act; each of the Basic Prospectus, the Prepricing Prospectus, the Prospectus Supplement and the Prospectus conformed as of its date, conforms and will conform, at the time of purchase, any additional time of purchase and any time of any sales with respect to which the Prospectus is delivered, in all material respects to the requirements of the Act; each of the Basic Prospectus, the Prepricing Prospectus, the Prospectus Supplement and the Prospectus did not as of its date, does not and will not, at the time of purchase and any additional time of purchase contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; the Registration Statement, at the time it initially became effective, the time that the first post-effective amendment thereto became effective, the time of purchase and any additional time of purchase complies, complied and will comply, in all material respects with the requirements of the Act and any

statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement have been and will be so described or filed; the conditions to the use of Form S-3 have been satisfied; the Registration Statement did not, does not and will not, at the time it initially became effective, the time that the first post-effective amendment thereto became effective, the time of purchase and any additional time of purchase contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading and the Prospectus will not, as of its date and at the time of purchase and any additional time of purchase contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no warranty or representation with respect to any statement contained in the Registration Statement or the Prospectus in reliance upon and in conformity with information concerning an Underwriter and furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in the Registration Statement or the Prospectus; the documents incorporated by reference in the Registration Statement, the Basic Prospectus, the Prepricing Prospectus, the Prospectus Supplement and the Prospectus, at the time they became effective or were filed with the Commission, complied in all material respects with the requirements of the Exchange Act and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and the Company has not distributed and will not distribute any offering material in connection with the offering or sale of the Shares other than the Registration Statement, any Prepricing Prospectus, the then most recent Prospectus Supplement and the Prospectus;

(b) as of the date of this Agreement, the Company has an authorized and outstanding capitalization as set forth in the section of the Registration Statement and the Prospectus Supplement entitled “Capitalization” and, as of the time of purchase and the additional time of purchase, as the case may be, the Company shall have an authorized and outstanding capitalization as set forth in the section of the Registration Statement and the Prospectus entitled “Capitalization” (subject, in each case, to the issuance of shares of Common Stock upon exercise of stock options disclosed as outstanding in the Registration Statement and the Prospectus and grant of options under existing stock option plans described in the Registration Statement and the Prospectus); all of the issued and outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and nonassessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right;

(c) the Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Maryland, with full power and authority to own, lease and operate its properties and conduct its business as described in the Registration Statement and the Prospectus, to execute and deliver this Agreement and to issue, sell and deliver the Shares as contemplated herein;

(d) the Company is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where the ownership or leasing of its properties or the conduct of its business requires such qualification, except where the failure to be so qualified and in good standing would not, individually or in the aggregate, have a material adverse effect on the business, properties, financial condition, results of operation or prospects of the Company and the Subsidiaries (as hereinafter defined) taken as a whole (a "Material Adverse Effect");

(e) the Company has no subsidiaries (as defined in the Act) other than the entities listed in Exhibit B (collectively, the "Subsidiaries"); except as set forth in Exhibit B, the Company owns all of the issued and outstanding capital stock of each of the Subsidiaries; except as set forth in the Registration Statement and the Prospectus, other than the capital stock of the Subsidiaries, the Company does not own, directly or indirectly, any shares of stock or any other equity or long term debt securities of any corporation or have any equity interest in any firm, partnership, joint venture, association or other entity; complete and correct copies of the formation documents and the bylaws of the Company and the Subsidiaries and all amendments thereto have been delivered to you, and except as set forth in the exhibits to the Registration Statement no changes therein will be made subsequent to the date hereof and prior to the time of purchase or, if later, the additional time of purchase; each Subsidiary has been duly organized and is validly existing as a corporation, limited partnership, limited liability company, as the case may be, in good standing under the laws of the jurisdiction of its organization, with full power and authority (corporate, partnership or limited liability company, as the case may be) to own, lease and operate its properties and to conduct its business as described in the Registration Statement and the Prospectus; except as set forth on Exhibit B, each Subsidiary is duly qualified to do business as a foreign corporation, partnership or limited liability company, as the case may be, and is in good standing in each jurisdiction where the ownership or leasing of its properties or the conduct of its business requires such qualification, except where the failure to be so qualified and in good standing would not, individually or in the aggregate, have a Material Adverse Effect; all of the outstanding shares of capital stock, partnership interests or membership interests of each of the Subsidiaries have been duly authorized and validly issued, are fully paid and non-assessable and, except as set forth on Exhibit B, are owned directly or indirectly by the Company subject to no security interest, other encumbrance or adverse claims; and, except as set forth on Exhibit B, no options, warrants or other rights to purchase, agreements or other obligations to issue or other rights to convert any obligation into shares of capital stock or ownership interests in the Subsidiaries are outstanding;

(f) the Firm Shares and the Additional Shares have been duly and validly authorized and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued, fully paid and non-assessable and free of statutory and contractual preemptive rights, resale rights, rights of first refusal and similar rights (including, without limitation, the rights given to the current holder of the Company's Series C Cumulative Convertible Preferred Stock); upon issuance or exercise in accordance with the terms of the Preferred Stock, the Conversion Shares will be duly and validly issued, fully paid and non-assessable and free of statutory and contractual preemptive rights, resale rights, rights of first refusal and similar rights, with the holders

of Conversion Shares being entitled to all rights accorded to a holder of Common Stock; the Company has reserved for issuance a number of shares of Common Stock equal to the number of Conversion Shares that may be issued upon conversion of the Shares;

(g) the statements set forth in the section of the Prospectus Supplement entitled "Description of preferred stock", in the section of the Basic Prospectus entitled "Description of Our Common Stock" and in the section of the Basic Prospectus entitled "Description of Our Preferred Stock", insofar as they purport to constitute a summary of the terms of the Shares and the Common Stock, are accurate, complete and fair in all material respects; the certificates for the Shares are in due and proper form and conform in all material respects to the requirements of Maryland law and the holders of the Shares will not be subject to personal liability by reason of being such holders; the statements in the section of the Basic Prospectus entitled "Risk Factors" under the heading "Certain provisions of Maryland law and our Charter and Bylaws as well as stockholder rights plan could hinder, delay or prevent changes in control", insofar as such statements relate to the Charter or Bylaws of the Company or issues arising under the MGCL, are true and correct in all material respects;

(h) this Agreement has been duly authorized, executed and delivered by the Company;

(i) neither the Company nor any of the Subsidiaries is in breach or violation of or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach or violation of, constitute a default under or give the holder of any indebtedness (or a person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a part of such indebtedness under) its respective charter or bylaws, or any indenture, mortgage, deed of trust, bank loan or credit agreement or other evidence of indebtedness, or any license, lease, contract or other agreement or instrument to which the Company or any of the Subsidiaries is a party or by which any of them or any of their properties may be bound or affected, except for any such breach, violation or default that would not result in a Material Adverse Effect; and the execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions contemplated hereby will not conflict with, result in any breach or violation of or constitute a default under (nor constitute any event which with notice, lapse of time or both would result in any breach or violation of or constitute a default under) the charter or bylaws of the Company or any of the Subsidiaries, or any indenture, mortgage, deed of trust, bank loan or credit agreement or other evidence of indebtedness, or any license, lease, contract or other agreement or instrument to which the Company or any of the Subsidiaries is a party or by which any of them or any of their respective properties may be bound or affected, or any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company or any of the Subsidiaries, except for any such breach, violation or default that would not result in a Material Adverse Effect;

(j) no approval, authorization, consent or order of or filing with any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or

the consummation by the Company of the transactions contemplated hereby other than (i) registration of the Shares under the Act, which has been or will be effected, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Underwriters, (iii) as may be required by the National Association of Securities Dealers, Inc. ("NASD") and (iv) as may be required pursuant to the listing requirements of the New York Stock Exchange ("NYSE"), except for any failure to obtain approval, authorization, consent or order that would not result in a Material Adverse Effect; the Company is entitled to the exemption afforded "shelf registrants" under the Conduct Rules of the NASD;

(k) other than rights granted to the current holder of the Company's Series C Cumulative Convertible Preferred Stock, which right have been waived with respect to the offering of the Shares, (i) no person has the right, contractual or otherwise, to cause the Company to issue or sell to it any shares of Preferred Stock or shares of any other capital stock or other equity interests of the Company and (ii) no person has any preemptive rights, resale rights, rights of first refusal or other rights to purchase any shares of Preferred Stock or shares of any other capital stock or other equity interests of the Company in the case of each of the foregoing clauses (i) and (ii), whether as a result of the filing or effectiveness of the Registration Statement or the sale of the Shares as contemplated thereby or otherwise; no person has the right, contractual or otherwise, to cause the Company to register under the Act any shares of Preferred Stock or shares of any other capital stock or other equity interests of the Company, or to include any such shares or interests in the Registration Statement or the offering contemplated thereby, whether as a result of the filing or effectiveness of the Registration Statement or the sale of the Shares as contemplated thereby or otherwise;

(l) each of the Company and the Subsidiaries has all material licenses, authorizations, consents and approvals and has made all material filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all material authorizations, consents, licenses and approvals from other persons, in order to conduct its respective business; neither the Company nor any of the Subsidiaries is in violation of, or in default under, or has received notice of any proceedings relating to revocation or modification of, any such license, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of the Subsidiaries, except where such violation, default, revocation or modification would not, individually or in the aggregate, have a Material Adverse Effect;

(m) there are no contracts or other documents including documents describing any off-balance sheet transactions required by the Act or by any regulations under the Act to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement which have not been accurately described in all material respects or filed as required;

(n) no legal or governmental proceedings are pending to which the Company or any of its Subsidiaries is a party or to which the property of the Company or any of its Subsidiaries is subject that are required to be described in the Registration Statement or the Prospectus and are not described therein, and no such proceedings have

been threatened against the Company or any of its Subsidiaries or with respect to any of their respective properties that are required to be described in the Registration Statement or the Prospectus and are not described therein;

(o) Ernst & Young LLP, whose report on the consolidated financial statements of the Company and the Subsidiaries is filed with the Commission as part of the Registration Statement and the Prospectus, are independent public accountants as required by the Act;

(p) the audited financial statements included in the Registration Statement and the Prospectus, together with the related notes and schedules, present fairly the consolidated financial position of the Company and the Subsidiaries as of the dates indicated and the consolidated results of operations and cash flows of the Company and the Subsidiaries for the periods specified and have been prepared in compliance with the requirements of the Act and in conformity with generally accepted accounting principles applied on a consistent basis during the periods involved; any pro forma financial statements or data included in the Registration Statement and the Prospectus comply with the requirements of Regulation S-X of the Act and the assumptions used in the preparation of such pro forma financial statements and data are reasonable, the pro forma adjustments used therein are appropriate to give effect to the transactions or circumstances described therein and the pro forma adjustments have been properly applied to the historical amounts in the compilation of those statements and data; the other financial and statistical data set forth in the Registration Statement and the Prospectus are accurately presented and prepared on a basis consistent with the financial statements and books and records of the Company; there are no financial statements (historical or pro forma) that are required to be included in the Registration Statement and the Prospectus that are not included as required;

(q) subsequent to the respective dates as of which information is given in the Registration Statement and the Prospectus, there has not been (i) any material adverse change, or any development involving a prospective material adverse change, in the business, properties, management, financial condition or results of operations of the Company and the Subsidiaries taken as a whole, (ii) any transaction which is material to the Company and the Subsidiaries taken as a whole, (iii) any obligation, direct or contingent (including any off-balance sheet obligations), incurred by the Company or the Subsidiaries, which is material to the Company and the Subsidiaries taken as a whole, (iv) any change in the capital stock or outstanding indebtedness of the Company or the Subsidiaries or (v) any dividend or distribution of any kind declared, paid or made on the capital stock of the Company;

(r) the Company is not and, after giving effect to the offering and sale of the Shares, will not be an “investment company” or an entity “controlled” by an “investment company,” as such terms are defined in the Investment Company Act of 1940, as amended (the “Investment Company Act”);

(s) the Company and its Subsidiaries have good and marketable title in fee simple to, or a lawful first priority mortgage or deed of trust on, each real property or

interest in real property described in the Prospectus; with respect to each such property described in the Prospectus as owned by them, the Company or a Subsidiary owns such property free and clear of all liens, encumbrances, claims, security interests, restrictions and defects except (i) such as are described in the Prospectus and (ii) such as do not materially adversely affect the value of such property or interests or interfere with the use made or proposed to be made of such property or interests by the Company and each of its Subsidiaries; each parcel of real property owned, leased or controlled by or pledged as collateral to the Company and each improvement thereon complies with all applicable codes, laws and regulations (including, without limitation, licensing codes and laws, certificate of need statutes, building and zoning codes, laws and regulations and laws relating to access to facilities located on such real property) except as otherwise disclosed in the Prospectus and except for such failures to comply that would not individually or in the aggregate have a Material Adverse Effect; and the Company has no knowledge of any pending or threatened proceeding to revoke or withdraw any facility license or certificate of need, condemnation proceeding, zoning change, or other proceeding or action that will in any manner affect the size of, use of, improvements on, construction on or access to any such real property or improvements except such proceedings or actions that would not have a Material Adverse Effect;

(t) any real property and buildings held under lease by the Company or the Subsidiaries are held by the Company or such Subsidiaries under valid, binding and enforceable leases conforming to any applicable description thereof set forth in the Registration Statement and the Prospectus, with such exceptions as do not interfere in any material respect with the use made and proposed to be made of such property and buildings by the Company, its Subsidiaries or any third party;

(u) the Company and the Subsidiaries and their properties, assets and operations are in compliance with, and hold all permits, authorizations and approvals required under, Environmental Laws (as defined below), except to the extent that failure to so comply or to hold such permits, authorizations or approvals would not, individually or in the aggregate, have a Material Adverse Effect; there are no past, present or, to the Company's knowledge after due inquiry, reasonably anticipated future events, conditions, circumstances, activities, practices, actions, omissions or plans that could reasonably be expected to give rise to any material costs or liabilities to the Company or the Subsidiaries under, or to interfere with or prevent compliance by the Company or the Subsidiaries with, Environmental Laws; except as would not, individually or in the aggregate, have a Material Adverse Effect, neither the Company nor any of the Subsidiaries (i) is the subject of any investigation, (ii) has received any notice or claim, (iii) is a party to or affected by any pending or threatened action, suit or proceeding, (iv) is bound by any judgment, decree or order or (v) has entered into any agreement, in each case relating to any alleged violation of any Environmental Law or any actual or alleged release or threatened release or cleanup at any location of any Hazardous Materials (as defined below) (as used herein, "Environmental Law" means any federal, state, local or foreign law, statute, ordinance, rule, regulation, order, decree, judgment, injunction, permit, license, authorization or other binding requirement, or common law, relating to health, safety or the protection, cleanup or restoration of the environment or natural resources, including those relating to the distribution, processing, generation, treatment,

storage, disposal, transportation, other handling or release or threatened release of Hazardous Materials, and "Hazardous Materials" means any material (including, without limitation, pollutants, contaminants, hazardous or toxic substances or wastes) that is regulated by or may give rise to liability under any Environmental Law);

(v) the Company has filed on a timely basis all federal, state, local and foreign income and franchise tax returns required to be filed through the date hereof and has paid all taxes shown as due thereon; and no tax deficiency has been asserted against the Company, nor does the Company know of any tax deficiency which is likely to be asserted against the Company which if determined adversely to the Company would result in a Material Adverse Effect; all tax liabilities are adequately provided for on the books of the Company;

(w) except as disclosed in the Prospectus, the Company maintains insurance (policies of which have been duly issued by insurers of recognized financial position and responsibility) of the types and in the amounts generally deemed adequate for its businesses and, consistent with insurance coverage maintained by similar companies in similar businesses, including, but not limited to, insurance covering real and personal property owned or leased by the Company against theft, damage, destruction, acts of vandalism and all other risks customarily insured against, and casualty and liability insurance covering the Company's operations, all of which insurance is in full force and effect;

(x) the Company and each of the Subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the principal executive officers (or their equivalents) and principal financial officers (or their equivalents) of the Company have made all certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") and any related rules and regulations promulgated by the Commission, and the statements contained in any such certification are complete and correct;

(y) the Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to the Company's Chief Executive Officer and its Chief Financial Officer by others within those entities, and such disclosure controls and procedures are effective to perform the functions for which they were established; the Company's auditors and the Audit Committee of the Board of Directors have been advised of: (i) any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize, and report financial data; and (ii) any fraud, whether or not material, that involves management or other employees who

have a role in the Company's internal controls; any material weaknesses in internal controls have been identified for the Company's auditors; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls, including any corrective actions with regard to significant deficiencies and material weaknesses;

(z) the Company has provided you true, correct, and complete copies of all documentation pertaining to any extension of credit in the form of a personal loan made, directly or indirectly, by the Company to any director or executive officer of the Company, or to any family member or affiliate of any director or executive officer of the Company; and since July 30, 2002, the Company has not, directly or indirectly, including through any subsidiary: (i) extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company; or (ii) made any material modification, including any renewal thereof, to any term of any personal loan to any director or executive officer of the Company, or any family member or affiliate of any director or executive officer, which loan was outstanding on July 30, 2002;

(aa) any statistical and market-related data included in the Registration Statement and the Prospectus are based on or derived from sources that the Company believes to be reliable and accurate, and the Company has obtained the written consent to the use of such data from such sources to the extent required;

(bb) neither the Company nor any of the Subsidiaries nor any of their respective directors, officers, affiliates or controlling persons has taken, directly or indirectly, any action designed, or which has constituted or might reasonably be expected to cause or result in, under the Exchange Act or otherwise, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares;

(cc) to the Company's knowledge after due inquiry, there are no affiliations or associations between any member of the NASD and any of the Company's officers, directors or 5% or greater securityholders, except as set forth in the Registration Statement and the Prospectus;

(dd) the Company meets the requirements for qualification and taxation as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code").

In addition, any certificate signed by any officer of the Company or any of the Subsidiaries and delivered to the Underwriters or counsel for the Underwriters in connection with the offering of the Shares shall be deemed to be a representation and warranty by the Company or Subsidiary, as the case may be, as to matters covered thereby, to each Underwriter.

4. Certain Covenants of the Company. The Company hereby agrees:

(a) to furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as you may designate and to maintain such qualifications in effect so long as you may request for the distribution of the Shares; provided that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise you of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose;

(b) to make available to the Underwriters at such location as they may designate, as soon as practicable after the Registration Statement becomes effective, and thereafter from time to time to furnish to the Underwriters, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Underwriters may request for the purposes contemplated by the Act; in case any Underwriter is required to deliver a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act in connection with the sale of the Shares, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act;

(c) if, at the time this Agreement is executed and delivered, it is necessary for the Registration Statement or any post-effective amendment thereto to be declared effective before the Shares may be sold, the Company will endeavor to cause the Registration Statement or such post-effective amendment to become effective as soon as possible and the Company will advise you promptly and, if requested by you, will confirm such advice in writing, (i) when the Registration Statement and any such post-effective amendment thereto has become effective, and (ii) if Rule 430A under the Act is used, when the Prospectus is filed with the Commission pursuant to Rule 424(b) under the Act (which the Company agrees to file in a timely manner under such Rule);

(d) to advise you promptly, confirming such advice in writing, of any request by the Commission for amendments or supplements to the Registration Statement or the Prospectus or for additional information with respect thereto, or of notice of institution of proceedings for, or the entry of a stop order, suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as promptly as possible; to advise you promptly of any proposal to amend or supplement the Registration Statement or the Prospectus, including by filing any documents that would be incorporated therein by reference, and to provide you and Underwriters' counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement to which you shall object in writing;

(e) to file the Prospectus pursuant to the applicable provisions of Rule 424(b) within the time period prescribed; promptly during any time when a prospectus relating to the Shares is required to be delivered under the Act, to (i) comply with all requirements imposed upon it by the Act and the Exchange Act and the rules and regulations promulgated thereunder to the extent necessary to permit the continuance of sales of or dealings in the Shares in accordance with the provisions hereof and of the Prospectus, as then amended or supplemented, and (ii) not file with the Commission the Prospectus, any amendment or supplement to the Prospectus, or any amendment to the Registration Statement, of which you shall not previously have been advised and furnished with a copy a reasonable period of time prior to the proposed filing and as to which filing you shall not have given their consent promptly after receiving notice thereof, of the time when the Prospectus has been filed with the Commission and any amendment to the Registration Statement has been filed or declared effective or any amendment or supplement to the Prospectus has been filed and provide evidence satisfactory to of each such filing or effectiveness;

(f) if necessary or appropriate, to file a registration statement pursuant to Rule 462(b) under the Act;

(g) to advise you, promptly after receiving notice thereof, of the time when (i) the Prospectus has been filed with the Commission and (ii) any amendment to the Registration Statement has been filed or declared effective or any amendment or supplement to the Prospectus has been filed and to provide evidence satisfactory to you of each such filing or effectiveness;

(h) the Company will timely file such reports pursuant to the Exchange Act as are necessary in order to make generally available to its security holders and to you as soon as practicable an earnings statement for the purposes of, and to provide the benefits contemplated by, the last paragraph of Section 11 (a) of the Act.

(i) to furnish to its shareholders as soon as practicable after the end of each fiscal year an annual report (including a consolidated balance sheet and statements of income, shareholders' equity and cash flow of the Company and the Subsidiaries for such fiscal year, accompanied by a copy of the certificate or report thereon of nationally recognized independent certified public accountants);

(j) to furnish to you one copy of the Registration Statement with original signatures, as initially filed with the Commission, and of all amendments thereto (including all exhibits thereto and documents incorporated by reference therein) and sufficient copies of the foregoing (other than exhibits) for distribution of a copy to each of the other Underwriters;

(k) during a period of five years from the effective date of the Registration Statement to furnish to the Underwriters copies of all reports or other communications (financial or other) furnished to stockholders and not publicly available on the Commission's EDGAR system, and to deliver to the Underwriters (i) as soon as they are available, copies of any reports and financial statements furnished to or filed

with the Commission or any national securities exchange on which any class of securities of the Company is listed unless such reports or financial statements are publicly available on the Commission's EDGAR system; and (ii) such additional information concerning the business and financial condition of the Company as the Underwriters may from time to time reasonably request (such financial statements to be on a consolidated basis to the extent the accounts of the Company and its subsidiaries are consolidated in reports furnished to its stockholders generally or to the Commission);

(l) to apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus;

(m) to pay all costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Prepricing Prospectus, the Prospectus, and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Underwriters and to dealers (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares to the Underwriters, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Underwriters and (except closing documents) to dealers (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state or foreign laws and the determination of their eligibility for investment under state or foreign law as aforesaid (including the legal fees and filing fees and other disbursements of counsel for the Underwriters) and the printing and furnishing of copies of any blue sky surveys or legal investment surveys to the Underwriters and to dealers, (v) any listing of the Shares on any securities exchange or qualification of the Shares for quotation on the New York Stock Exchange and any registration thereof under the Exchange Act, (vi) any filing for review of the public offering of the Shares by the NASD, including the legal fees and filing fees and other disbursements of counsel to the Underwriters, (vii) the fees and disbursements of any transfer agent or registrar for the Shares, (viii) the costs and expenses of the Company relating to presentations or meetings undertaken in connection with the marketing of the offering and sale of the Shares to prospective investors and the Underwriters' sales forces, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations, travel, lodging and other expenses incurred by the officers of the Company and any such consultants, and the cost of any aircraft chartered in connection with the road show and (ix) the performance of the Company's other obligations hereunder;

(n) to use its best efforts to cause the Preferred Stock to be listed on the New York Stock Exchange;

(o) to maintain a transfer agent and, if necessary under the jurisdiction of incorporation of the Company, a registrar for the Preferred Stock;

(p) to use its best efforts to continue to qualify as a REIT under Sections 856 through 860 of the Code; and

(q) to take all action necessary to at all times have authorized, and reserved for the purpose of issuance, no less than 100% of the number of shares of Common Stock needed to provide for the issuance of the Conversion Shares.

5. Reimbursement of Underwriters' Expenses. If the Shares are not delivered for any reason other than the termination of this Agreement pursuant to the fifth paragraph of Section 8 hereof or the default by one or more of the Underwriters in its or their respective obligations hereunder, the Company shall, in addition to paying the amounts described in Section 4(n) hereof, reimburse the Underwriters for all of their out of pocket expenses, including the fees and disbursements of their counsel.

6. Conditions of Underwriters' Obligations. The several obligations of the Underwriters hereunder are subject to the accuracy of the representations and warranties on the part of the Company on the date hereof, at the time of purchase and, if applicable, at the additional time of purchase, the performance by the Company of its obligations hereunder and to the following additional conditions precedent:

(a) The Company shall furnish to you at the time of purchase and, if applicable, at the additional time of purchase, a written opinion of (i) Reed Smith, LLP, counsel for the Company, as to the matters set forth in Exhibit C hereto, (ii) Ballard Spahr Andrews & Ingersoll, LLP, special Maryland counsel for the Company, as to the matters set forth in Exhibit D hereto, and (iii) of counsel or local counsel to the Company with respect to those Subsidiaries designated by Stifel Nicolaus as to the matters set forth in Exhibit E hereto; in each case addressed to the Underwriters, and dated the time of purchase or the additional time of purchase, as the case may be, with reproduced copies for each of the other Underwriters and in form and substance satisfactory to Dewey Ballantine LLP, counsel for the Underwriters.

In addition, Reed Smith, LLP shall state that such counsel has participated in conferences with officers and other representatives of the Company, representatives of the independent public accountants of the Company and representatives of the Underwriters at which the contents of the Registration Statement and the Prospectus were discussed and, although such counsel is not passing upon and does not assume responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus, on the basis of the foregoing nothing has come to the attention of such counsel that causes them to believe that the Registration Statement or any amendment thereto at the time such Registration Statement or amendment became effective contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus or any supplement thereto at the date of such Prospectus or such supplement, and at the time of purchase or the additional time of purchase, as the case may be, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (it

being understood that such counsel need express no opinion with respect to the financial statements and schedules and other financial data included in the Registration Statement or the Prospectus).

(b) You shall have received from Ernst & Young LLP letters dated, respectively, the date of this Agreement, the time of purchase and, if applicable, the additional time of purchase, and addressed to the Underwriters (with reproduced copies for each of the Underwriters) in the forms heretofore approved by Stifel Nicolaus.

(c) You shall have received at the time of purchase and, if applicable, at the additional time of purchase, the favorable opinion of Dewey Ballantine LLP, counsel for the Underwriters, dated the time of purchase or the additional time of purchase, as the case may be, as to such matters as you may reasonably request.

(d) No Prospectus or amendment or supplement to the Registration Statement or the Prospectus, including documents deemed to be incorporated by reference therein, shall have been filed to which you object in writing.

(e) The Registration Statement shall become effective not later than 5:30 P.M. New York City time, on the date of this Agreement and, if Rule 430A under the Act is used, the Prospectus shall have been filed with the Commission pursuant to Rule 424(b) under the Act at or before 5:30 P.M., New York City time, on the second full business day after the date of this Agreement and any registration statement pursuant to Rule 462(b) under the Act required in connection with the offering and sale of the Shares shall have been filed and become effective no later than 10:00 p.m., New York City time, on the date of this Agreement.

(f) Prior to the time of purchase, and, if applicable, the additional time of purchase, no stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act;

(g) The Company will, at the time of purchase and, if applicable, at the additional time of purchase, deliver to you a certificate of its Chief Executive Officer and its Chief Financial Officer in the form attached as Exhibit A hereto.

(h) The Company shall have furnished to you such other documents and certificates as to the accuracy and completeness of any statement in the Registration Statement and the Prospectus as of the time of purchase and, if applicable, the additional time of purchase, as you may reasonably request.

(i) The Shares shall have been approved for listing on the New York Exchange, subject only to notice of issuance at or prior to the time of purchase or the additional time of purchase, as the case may be.

7. Effective Date of Agreement; Termination. This Agreement shall become effective (i) if Rule 430A under the Act is not used, when you shall have received notification of the effectiveness of the Registration Statement, or (ii) if Rule 430A under the Act is used, when the parties hereto have executed and delivered this Agreement.

The obligations of the several Underwriters hereunder shall be subject to termination in the absolute discretion of Stifel Nicolaus, if (x) since the time of execution of this Agreement or the earlier respective dates as of which information is given in the Registration Statement and the Prospectus, there has been any material adverse change or any development involving a prospective material adverse change in the business, properties, management, financial condition or results of operations of the Company and the Subsidiaries taken as a whole, which would, in Stifel Nicolaus' judgment, make it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares on the terms and in the manner contemplated in the Registration Statement and the Prospectus, or (y) since of execution of this Agreement, there shall have occurred: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange, the American Stock Exchange or the NASDAQ; (ii) a suspension or material limitation in trading in the Company's securities on the New York Stock Exchange; (iii) a general moratorium on commercial banking activities declared by either federal or New York State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) an outbreak or escalation of hostilities or acts of terrorism involving the United States or a declaration by the United States of a national emergency or war; or (v) any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in Stifel Nicolaus' judgment makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares on the terms and in the manner contemplated in the Registration Statement and the Prospectus, or (z) since the time of execution of this Agreement, there shall have occurred any downgrading, or any notice or announcement shall have been given or made of (i) any intended or potential downgrading or (ii) any watch, review or possible change that does not indicate an affirmation or improvement in the rating accorded any securities of or guaranteed by the Company by any "nationally recognized statistical rating organization," as that term is defined in Rule 436(g)(2) under the Act.

If Stifel Nicolaus elects to terminate this Agreement as provided in this Section 7, the Company and each other Underwriter shall be notified promptly in writing.

If the sale to the Underwriters of the Shares, as contemplated by this Agreement, is not carried out by the Underwriters for any reason permitted under this Agreement or if such sale is not carried out because the Company shall be unable to comply with any of the terms of this Agreement, the Company shall not be under any obligation or liability under this Agreement (except to the extent provided in Sections 4(n), 5 and 9 hereof), and the Underwriters shall be under no obligation or liability to the Company under this Agreement (except to the extent provided in Section 9 hereof) or to one another hereunder.

8. Increase in Underwriters' Commitments. Subject to Sections 6 and 7 hereof, if any Underwriter shall default in its obligation to take up and pay for the Firm Shares to be purchased by it hereunder (otherwise than for a failure of a condition set forth in Section 6 hereof or a reason sufficient to justify the termination of this Agreement under the provisions of Section 7 hereof) and if the number of Firm Shares which all Underwriters so defaulting shall have agreed but failed to take up and pay for does not exceed 10% of the total number of Firm Shares, the non defaulting Underwriters shall take up and pay for (in addition to the aggregate number of Firm Shares they are obligated to purchase pursuant to Section 1 hereof) the number of Firm Shares agreed to be purchased by all such defaulting Underwriters, as hereinafter provided. Such Shares shall be taken up and paid for by such non-defaulting Underwriters in such amount or amounts as you may designate with the consent of each Underwriter so designated or, in the event no such designation is made, such Shares shall be taken up and paid for by all non-defaulting Underwriters pro rata in proportion to the aggregate number of Firm Shares set opposite the names of such non-defaulting Underwriters in Schedule A.

Without relieving any defaulting Underwriter from its obligations hereunder, the Company agrees with the non-defaulting Underwriters that it will not sell any Firm Shares hereunder unless all of the Firm Shares are purchased by the Underwriters (or by substituted Underwriters selected by you with the approval of the Company or selected by the Company with your approval).

If a new Underwriter or Underwriters are substituted by the Underwriters or by the Company for a defaulting Underwriter or Underwriters in accordance with the foregoing provision, the Company or you shall have the right to postpone the time of purchase for a period not exceeding five business days in order that any necessary changes in the Registration Statement and the Prospectus and other documents may be effected.

The term Underwriter as used in this Agreement shall refer to and include any Underwriter substituted under this Section 8 with like effect as if such substituted Underwriter had originally been named in Schedule A.

If the aggregate number of Firm Shares which the defaulting Underwriter or Underwriters agreed to purchase exceeds 10% of the total number of Firm Shares which all Underwriters agreed to purchase hereunder, and if neither the non-defaulting Underwriters nor the Company shall make arrangements within the five business day period stated above for the purchase of all the Firm Shares which the defaulting Underwriter or Underwriters agreed to purchase hereunder, this Agreement shall terminate without further act or deed and without any liability on the part of the Company to any non-defaulting Underwriter and without any liability on the part of any non-defaulting Underwriter to the Company. Nothing in this paragraph, and no action taken hereunder, shall relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

9. Indemnity and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless each Underwriter, its partners, directors and officers, and any person who controls any Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the

successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, any such Underwriter or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in the Original Registration Statement, the Registration Statement (or in the Registration Statement as amended by any further post effective amendment thereof by the Company) or in a Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, any Prepricing Prospectus, the Prospectus Supplement and the Prospectus as amended or supplemented by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated in either the Original Registration Statement, such Registration Statement or such Prospectus or necessary to make the statements made therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in and in conformity with information concerning such Underwriter furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in such Registration Statement or such Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in connection with such information required to be stated in such Registration Statement or such Prospectus or necessary to make such information not misleading; provided, however, that the indemnity described in this paragraph as it relates to any Prepricing Prospectus or Prospectus shall not inure to the benefit of any Underwriter or any person controlling such Underwriter if: (i) the person asserting any such loss, damage, expense, liability or claim purchased Shares from such Underwriter or person controlling such Underwriter, (ii) a copy of the Prospectus (as then amended or supplemented if the Company furnished to the Underwriter any amendments or supplements thereto in a manner timely enough in order for the Underwriter to satisfy its delivery requirements) was not sent to or given by or on behalf of such Underwriter to such person if required by law so to have been delivered, at or prior to the written confirmation of the sale of the Shares to such person; and (iii) if the Prospectus (as so amended or supplemented) would have cured the defect giving rise to such losses, claim, damages or liabilities.

If any action, suit or proceeding (each, a "Proceeding") is brought against an Underwriter or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, such Underwriter or such person shall promptly notify the Company in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to any Underwriter or any such person or otherwise. Such Underwriter or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of such Underwriter or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company

shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless any Underwriter and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the indemnifying party agrees that, unless the indemnifying party states in writing at a reasonable time in advance of settlement that the claim is not covered by the indemnity provided hereunder, it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall not have fully reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault, culpability or a failure to act, by or on behalf of such indemnified party.

(b) Each Underwriter severally agrees to indemnify, defend and hold harmless the Company, its directors and officers, and any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in and in conformity with information concerning such Underwriter furnished in writing by or on behalf of such Underwriter through you to the Company expressly for use in the Registration Statement (as amended by the initial and any subsequent post effective amendment thereof by the Company) or in a Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in connection with such information required to be stated in the Registration Statement (as amended by the initial and any subsequent post effective amendment thereof by the Company) or such Prospectus or necessary to make such information not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against any Underwriter pursuant to the foregoing paragraph, the Company or such person shall promptly notify such Underwriter in writing of the institution of such Proceeding and such Underwriter shall assume the defense of such Proceeding, including

the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify such Underwriter shall not relieve such Underwriter from any liability which such Underwriter may have to the Company or any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company or such person unless the employment of such counsel shall have been authorized in writing by such Underwriter in connection with the defense of such Proceeding or such Underwriter shall not have, within a reasonable period of time in light of the circumstances, employed counsel to defend such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to such Underwriter (in which case such Underwriter shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but such Underwriter may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of such Underwriter), in any of which events such fees and expenses shall be borne by such Underwriter and paid as incurred (it being understood, however, that such Underwriter shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). No Underwriter shall be liable for any settlement of any such Proceeding effected without the written consent of such Underwriter but if settled with the written consent of such Underwriter, such Underwriter agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the indemnifying party agrees that, unless the indemnifying party states at a reasonable time in advance of settlement in writing that the claim is not covered by the indemnity provided hereunder, it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in

such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Underwriters on the other in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same respective proportions as the total proceeds from the offering (net of underwriting discounts and commissions but before deducting expenses) received by the Company and the total underwriting discounts and commissions received by the Underwriters, bear to the aggregate public offering price of the Shares. The relative fault of the Company on the one hand and of the Underwriters on the other shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 9 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by such Underwriter and distributed to the public were offered to the public exceeds the amount of any damage which such Underwriter has otherwise been required to pay by reason of such untrue statement or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this Section 9 are several in proportion to their respective underwriting commitments and not joint.

(e) The indemnity and contribution agreements contained in this Section 9 and the covenants, warranties and representations of the Company contained in this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of any Underwriter, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls any Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares. The Company and each Underwriter agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement or the Prospectus.

10. Information Furnished by the Underwriters. The statements set forth in the second, third, ninth, tenth, eleventh and thirteenth and (insofar as such statements relate to over-allotment and stabilization) fourth paragraphs under the caption "Underwriting" in the Prospectus constitute the only information furnished by or on behalf of the Underwriters as such information is referred to in Sections 3 and 9 hereof.

11. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements shall be in writing and, if to the Underwriters, shall be sufficient in all respects if delivered or sent by facsimile to 203-719-0495 or by certified mail to Stifel, Nicolaus & Company, Incorporated, One Financial Plaza, 501 N. Broadway, St. Louis, MO 63102, Attention: General Counsel, and, if to the Company, shall be sufficient in all respects if delivered or sent to the Company by facsimile to 805-981-8663 or by certified mail to the Company at 22917 Pacific Coast Highway, Suite 350, Malibu, CA 90265, Attention: Chief Financial Officer.

12. Governing Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the laws of the State of New York. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

13. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against Stifel Nicolaus or any indemnified party. Each of Stifel Nicolaus and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts to the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

14. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Underwriters and the Company and to the extent provided in Section 9 hereof the controlling persons, partners, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from any of the Underwriters) shall acquire or have any right under or by virtue of this Agreement.

15. Counterparts. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties.

16. Successors and Assigns. This Agreement shall be binding upon the Underwriters and the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and any of the Underwriters' respective businesses and/or assets.

If the foregoing correctly sets forth the understanding between the Company and the several Underwriters, please so indicate in the space provided below for that purpose, whereupon this agreement and your acceptance shall constitute a binding agreement between the Company and the Underwriters, severally.

Very truly yours,

LTC Properties, Inc.

By: /s/ Andre Dimitriadis

Title: Chairman, Chief Executive Officer
and President

Accepted and agreed to as of the
date first above written, on
behalf of itself
and the other several Underwriters
named in Schedule A

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By: /s/ T. Richard Kendrick

Title: Sr. Vice President

By: /s/ Mark Koster

Title: Vice President

SCHEDULE A

Underwriter	Number of Firm Shares
Stifel, Nicolaus & Company, Incorporated	1,300,000
McDonald Investments Inc.	400,000
Harris Nesbitt Corp.	300,000
Total	2,000,000

Exhibit A

Officers' Certificate

1. I have reviewed the Registration Statement and the Prospectus.
2. The representations and warranties of the Company as set forth in this Agreement are true and correct as of the time of purchase and, if applicable, the additional time of purchase.
3. The Company has performed all of its obligations under this Agreement as are to be performed at or before the time of purchase and at or before the additional time of purchase, as the case may be.
4. The conditions set forth in paragraph (f) of Section 6 of this Agreement have been met.

Exhibit B

LTC Properties, Inc.

List of All Subsidiaries

COMPANY	STATE OF ORGANIZATION
Bakersfield-LTC, Inc.	Delaware
BV Holding-LTC, Inc.	Delaware
Coronado Corporation	Delaware
East New Mexico, Inc.	Delaware
Education Property Investors, Inc.	Nevada
Florida-LTC, Inc.	Nevada
Kansas-LTC Corporation	Delaware
LTC GP I, Inc.	Delaware
LTC GP II, Inc.	Delaware
LTC GP III, Inc.	Delaware
LTC GP IV, Inc.	Delaware
LTC GP V, Inc.	Delaware
LTC GP VI, Inc.	Delaware
LTC Partners I, L.P. (1)	Delaware

(1) As the sole general partner, LTC GP I, Inc. manages and controls the assets, business and affairs of the limited partnership. The limited partner(s) has certain rights to distributions of the limited partnership.

LTC Partners II, L.P. (2)	Delaware
LTC Partners III, L.P. (2)	Delaware
LTC Partners IV, L.P. (2)	Delaware
LTC Partners IX, L.P. (3)	Delaware
LTC Partners V, L.P. (4)	Delaware
LTC Partners VI, L.P. (5)	Delaware
LTC Partners VII, L.P. (6)	Delaware
LTC Partners VIII, L.P. (7)	Delaware
LTC REMIC Corporation	Delaware
LTC REMIC IV Corporation	Delaware
LTC West, Inc.	Nevada
LTC-BBCO, Inc.	Delaware
LTC-Dearfield, Inc.	Nevada
LTC-DS, Inc.	Delaware
LTC-Fort Valley, Inc.	Delaware
LTC-Gardner, Inc.	Delaware
LTC-Griffin, Inc.	Nevada
LTC-Jessup, Inc.	Delaware

(2) As the sole general partner, LTC GP I, Inc. manages and controls the assets, business and affairs of the limited partnership. The limited partner(s) has certain rights to distributions of the limited partnership.

(3) As the sole general partner, LTC GP VI, Inc. manages and controls the assets, business and affairs of the limited partnership. The limited partners have certain rights to distributions of the limited partnership.

(4) As the sole general partner, LTC GP II, Inc. manages and controls the assets, business and affairs of the limited partnership. The limited partners have certain rights to distributions of the limited partnership.

(5) As the sole general partner, LTC GP III, Inc. manages and controls the assets, business and affairs of the limited partnership. The limited partners have certain rights to distributions of the limited partnership.

(6) As the sole general partner, LTC GP IV, Inc. manages and controls the assets, business and affairs of the limited partnership. The limited partners have certain rights to distributions of the limited partnership.

(7) As the sole general partner, LTC GP V, Inc. manages and controls the assets, business and affairs of the limited partnership. The limited partners have certain rights to distributions of the limited partnership.

LTC-Jonesboro, Inc.	Nevada
LTC-K1 Inc.	Delaware
LTC-K2 Limited Partnership	Delaware
LTC-K2 LP, Inc.	Delaware
LTC-K2, Inc.	Delaware
LTC-Lake Forest, Inc.	Delaware
LTC-New Mexico, Inc.	Nevada
LTC-Ohio, Inc.	Delaware
LTC-Richmond, Inc.	Nevada
LTC-Tampa, Inc.	Nevada
L-Tex GP, Inc.	Delaware
L-Tex L.P. Corporation	Delaware
Missouri River Corporation	Delaware
North Carolina Real Estate Investments, LLC	North Carolina
Park Villa Corporation	Delaware
Texas-LTC Limited Partnership	Texas
Texas-LTC Woodridge Limited Partnership	Delaware
University Park Convalescent Center, Inc.	Florida
Vacaville-LTC, Inc.	Delaware
Virginia-LTC, Inc.	Nevada
Western Healthcare Funding, Inc.	Nevada

Exhibit C

1. Based solely on certificates of public officials, we confirm that the Company is duly licensed or qualified to transact business as a foreign corporation and is in good standing in the States of _____, _____ and _____.

2. The securities of each of the Subsidiaries set forth in Exhibit B to the Agreement that have been issued to the Company, to the best of our knowledge, based solely on certificates of authorized officers of the Company, are owned beneficially by the Company free and clear of any security interests, liens, encumbrances, equities or claims.

3. Assuming the due authorization, execution and delivery of the Underwriting Agreement by the Company and the Underwriters: (a) the execution, delivery and performance of the Underwriting Agreement by the Company will not violate any California, New York or federal law or any provision of any material contract filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2002 or the Company's Quarterly Reports on Form 10-Q for the periods ended March 31, 2003 and June 30, 2003, as filed with the Commission (collectively, the "Material Agreements") or to our knowledge, result in a breach of or constitute (upon notice or lapse of time or both) a default under any of the Material Agreements and (b) the Underwriting Agreement is a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms.

4. Except for permits and similar authorizations required under state securities or Blue Sky laws, as to which we express no opinion, to our knowledge no consent, approval, license, authorization or other order of any California, New York or federal court, regulatory body, administrative agency or other governmental body, which has not been obtained by the Company, is required in connection with the issuance and delivery of the Shares.

5. The issuance, sale and delivery of the Shares does not conflict with, or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any of the Material Agreements, or any California, New York or federal order, decree, judgment, statute, law, rule or regulation (other than federal or state securities laws, which are specifically addressed elsewhere herein) to which the Company or any of its property or assets is subject and of which we have knowledge. No opinion is expressed in this paragraph 6 as to any antifraud laws which may be applicable.

6. The Registration Statement is effective under the Act; any required filing of the Prospectus pursuant to Rule 424(b) has been made in the manner and within the time period required by Rule 424(b); and, to the best of our knowledge, no stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto and no order directed at any document incorporated by reference in the Registration Statement or the Prospectus or any amendment or supplement thereto, has been issued, nor, to the best of our knowledge, has any proceeding for the purpose been instituted or threatened by the Commission.

7. The Registration Statement and the Prospectus (including the documents incorporated by reference therein) comply as to form in all material respects with the applicable

requirements of the Act, the Exchange Act and the respective rules and regulations of the Commission thereunder with respect to the offering of the Shares; it being understood, however, that we express no opinion with respect to the financial statements and other financial, numerical, statistical and accounting information contained therein, incorporated by reference therein or omitted therefrom. In passing upon the compliance as to form of the Registration Statement and the Prospectus, we have assumed that the statements made therein are correct and complete. We express no opinion with respect to any securities covered under the Registration Statement other than the Shares.

8. To the best of our knowledge, based solely on certificates of authorized officers of the Company, and with the additional understanding that we have made no independent review or searches of any dockets or records or made inquiries of any court, administrative agency or governmental authority or otherwise conducted any independent investigation, no legal or governmental proceedings are pending to which the Company, or any of the Subsidiaries, is a party or to which the property of the Company is subject that are required to be described in the Registration Statement or the Prospectus and are not described therein.

9. The Company is not and, after giving effect to the offering and sale of the Shares, will not be an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act.

In addition, in the course of the preparation of the Registration Statement and the Prospectus, we have participated in conferences with officers and other representatives of the Company, with representatives of the Company's independent auditors and with representatives of and counsel for the Underwriters, at which conferences the contents of the Registration Statement and the Prospectus and related matters were discussed. Although we are not passing upon, and do not assume any responsibility for, the accuracy, completeness or fairness of the statements contained in the Registration Statement and the Prospectus and have not made any independent check or verification thereof, during the course of such participation (relying as to the factual matters underlying the determination of materiality to a large extent upon the statements of officers or other representatives of the Company), no facts came to our attention that caused us to believe that the Registration Statement, at the time Post-Effective Amendment No. 1 thereto became effective, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus, as of its date and the date hereof, contained or contains any untrue statement of a material fact required to be stated therein or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; it being understood that we express no belief with respect to the financial statements, the notes thereto and related schedules and other financial, numerical, statistical and accounting data included in, incorporated by reference in, or omitted from, the Registration Statement or Prospectus.

Exhibit D

1. The Company is a corporation duly organized and validly existing in good standing under the laws of the State of Maryland.

2. The Company has the requisite corporate power and authority to own or lease its properties and conduct its business as described in the Prospectus, and the Company has the requisite corporate power and authority to enter into the Underwriting Agreement and to carry out all the terms and provisions of the Underwriting Agreement to be carried out by it.

3. The authorized capital stock of the Company is as set forth in the Prospectus Supplement in the first paragraph contained under the heading "Description of Our Capital Stock", subheading "General".

4. The Shares have been duly authorized for issuance and sale pursuant to the Underwriting Agreement by all necessary corporate action of the Company under the Charter and Bylaws of the Company and the Maryland General Corporation Law (the "MGCL"), and when issued and delivered by the Company against payment of the agreed consideration therefor in accordance with the provisions of the Underwriting Agreement and the Directors' Resolutions, the Shares will be validly issued, fully paid and non-assessable.

5. No holders of outstanding shares of capital stock of the Company are entitled as such to any preemptive or other similar rights under the MGCL or under the Charter or Bylaws of the Company to subscribe for or purchase any of the Shares.

6. The execution and delivery of the Underwriting Agreement have been duly authorized by all necessary corporate action on the part of the Company under its Charter and Bylaws and the MGCL.

7. The execution and delivery by the Company of the Underwriting Agreement, and the issuance and sale of the Shares, do not and will not conflict with or result in a violation of the provisions of the Charter or Bylaws of the Company or the MGCL.

8. The Shares conform in all material respects to the description of the Series E Preferred Stock of the Company contained on pages S-14 through and including the caption "Conversion price adjustments" on page S-21 of the Prospectus Supplement, insofar as such description relates to the Charter or Bylaws of the Company or issues arising under the MGCL.

9. The form of Specimen Stock Certificate relating to shares of Series E Preferred Stock complies in all material respects with applicable statutory provisions of the MGCL and with any applicable requirements of the Charter and Bylaws of the Company.

10. The statements in the section of the Basic Prospectus entitled "Risk Factors" under the heading "Certain provisions of Maryland law and our Charter and Bylaws as well as stockholder rights plan could hinder, delay or prevent changes in control", insofar as such statements relate to the Charter or Bylaws of the Company or issues arising under the MGCL, are true and correct in all material respects.

11. The shares of common stock, par value $.01 per share (the "Common Stock") of the Company, conform in all material respects to the description of the Common Stock of the Company set forth under the subheading "General" in the section of the Basic Prospectus entitled "Description of Our Common Stock", insofar as such description relates to the Charter or Bylaws of the Company or issues arising under the MGCL.

12. The Series A Preferred Shares conform in all material respects to the description of the Series A Preferred Stock contained under the caption "Description of Series A Preferred Stock" through and including the subcaption "Conversion", in the Preliminary Prospectus Supplement dated February 20, 1997 which is incorporated by reference into the Company's Exchange Act Registration Statement, insofar as such description relates to the Charter or Bylaws of the Company or issues arising under the MGCL.

13. The Series B Preferred Shares conform in all material respects to the description of the Series B Preferred Stock contained under the caption "Description of Preferred Stock" through and including the subcaption "Conversion", in the Preliminary Prospectus Supplement dated December 3, 1997 which is incorporated by reference into the Company's Exchange Act Registration Statement, insofar as such description relates to the Charter or Bylaws of the Company or issues arising under the MGCL.

14. The Series C Preferred Shares conform in all materials respects to the description of the Series C Preferred Stock of the Company contained under the caption "Series C Convertible Preferred Stock" on pages S-13 and S-14 of the Prospectus, insofar as the reference in such description to the Series E Preferred Stock relates to the description of the Series E Preferred Stock referenced in Paragraph 8 of this opinion, and insofar as such description relates to the Charter or Bylaws of the Company or issues arising under the MGCL.

15. The Series D Preferred Shares conform in all material respects to the description of the Series D Preferred Stock of the Company contained in the May 11, 2000 Articles Supplementary which are incorporated by reference into the Company's Exchange Act Registration Statement, insofar as such description relates to the Charter or Bylaws of the Company or issued arising under the MGCL

16. Four million four hundred thousand (4,400,000) shares (the "Conversion Shares") of the Common Stock of the Company have been duly authorized and reserved for issuance upon conversion of the Shares by all necessary corporate action of the Company under the Charter and Bylaws of the Company and the MGCL, and when issued and delivered by the Company upon conversion of duly authorized, validly issued and fully paid and non-assessable Shares in accordance with and subject to the terms and conditions set forth in the Series E Articles Supplementary, the Conversion Shares will be validly issued fully paid and non-assessable.

Exhibit E

1. [Subsidiary], a _____ organized under the laws of _____, has been duly organized and is validly existing and in good standing under the laws of such State. Based solely on certificates of public officials, we confirm that [Subsidiary] is duly licensed or qualified to transact business in the States of _____, _____ and _____.

2. [Subsidiary] has the power and authority to own its respective properties and conduct its business as described in the Registration Statement and the Prospectus.

3. The [describe securities] of [Subsidiary] issued to the Company have been duly authorized and validly issued, are fully paid and nonassessable.

Exhibit 3.2

LTC PROPERTIES, INC.
ARTICLES SUPPLEMENTARY CLASSIFYING
2,200,000 SHARES OF
8.5% SERIES E CUMULATIVE CONVERTIBLE PREFERRED STOCK

LTC Properties, Inc., a Maryland corporation (the "Company"), certifies to the Maryland State Department of Assessments and Taxation (the "Department") that:

FIRST: Pursuant to the authority expressly vested in the Board of Directors of the Company by Article SEVENTH of the Company's Articles of Amendment and Restatement filed with the Department on August 3, 1992, as amended and supplemented (the "Charter"), and Section 2-105 of the Maryland General Corporation Law ("MGCL"), the Board of Directors has, by unanimous written consents dated June 24, 2003 and September 8, 2003, adopted resolutions classifying and designating a separate series of authorized but unissued Preferred Stock (as defined in the Charter), setting certain of the preferences, conversion and other rights, voting powers, restrictions, qualifications and terms and conditions of redemption of such separate series of Preferred Stock, providing for the issuance of a maximum of 2,200,000 shares of such series of Preferred Stock and, pursuant to the powers contained in the bylaws of the Company (the "Bylaws") and the MGCL, appointing a committee (the "Preferred Stock Terms Committee") of the Board of Directors and delegating to the Preferred Stock Terms Committee, to the fullest extent permitted by Maryland law and the Charter and Bylaws of the Company, all powers of the Board of Directors with respect to designating and setting of the preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications and terms and conditions of redemption of such series of Preferred Stock and determining the number of shares of such series of Preferred Stock (not in excess of the aforesaid maximum number) to be issued and the price and other terms and conditions upon which shares of such series of Preferred Stock are to be offered, sold and issued.

SECOND: Pursuant to the authority conferred upon the Preferred Stock Terms Committee as aforesaid, the Preferred Stock Terms Committee has, by unanimous written consent, duly adopted resolutions designating the aforesaid series of Preferred Stock as "8.5% Series E Cumulative Convertible Preferred Stock", setting the preferences, conversion and other rights, voting powers, restrictions and limitations as to dividends, qualifications and terms and conditions of redemption of such 8.5% Series E Cumulative Convertible Preferred Stock (to the extent not set by the Board of Directors in the resolutions referred to in Article FIRST of these Articles Supplementary) and authorizing the issuance of up to 2,200,000 shares of 8.5% Series E Cumulative Convertible Preferred Stock.

THIRD: The series of Preferred Stock of the Company created by the resolutions duly adopted by the Board of Directors of the Company and by the Preferred Stock Terms Committee and referred to in Articles FIRST and SECOND of these Articles Supplementary shall have the following designation, number of shares, preferences, conversion and other rights, voting powers, restrictions and limitations as to dividends, qualifications, terms and conditions of redemption and other terms and conditions which, upon any restatement of the Charter, shall be made a part of Article SEVENTH of the Charter, with any necessary or appropriate changes to the enumeration or lettering of sections or subsections thereof:

1. Designation and Number. A series of Preferred Stock, designated the "8.5% Series E Cumulative Convertible Preferred Stock" (the "Series E Preferred Stock"), is hereby established. The number of shares of the Series E Preferred Stock shall be 2,200,000.

2. Maturity. The Series E Preferred Stock has no stated maturity and will not be subject to any sinking fund or mandatory redemption.

3. Rank. The Series E Preferred Stock will, with respect to dividend rights and rights upon liquidation, dissolution or winding up of the Company, rank (i) senior to all classes or series of Common Stock of the Company, the Series D Junior Participating Preferred Stock and to all equity securities ranking junior to the Series E Preferred Stock with respect to dividend rights or rights upon liquidation, dissolution or winding up of the Company; (ii) on a parity with the 9.5% Series A Cumulative Preferred Stock ("Series A Preferred Stock"), the 9.0% Series B Cumulative Preferred Stock ("Series B Preferred Stock"), the 8.5% Series C Cumulative Convertible Preferred Stock ("Series C Preferred Stock") and with all equity securities issued by the Company the terms of which specifically provide that such equity securities rank on a parity with the Series E Preferred Stock with respect to dividend rights or rights upon liquidation, dissolution or winding up of the Company; and (iii) junior to all existing and future indebtedness of the Company. The term "equity securities" does not include convertible debt securities, which will rank senior to the Series E Preferred Stock prior to conversion.

4. Dividends.

(a) Holders of shares of the Series E Preferred Stock are entitled to receive, when and as declared by the Board of Directors, out of funds legally available for the payment of dividends, preferential cumulative cash dividends at the rate of 8.5% per annum of the Liquidation Preference (as defined below) per share (equivalent to a fixed annual amount of $2.125 per share). Dividends on the Series E Preferred Stock shall be cumulative from the date of original issue and shall be payable quarterly in arrears on or before the 15th day of January, April, July and October of each year, or, if not a business day, the next succeeding business day (each, a "Dividend Payment Date"). The first dividend, which will be paid on October 15, 2003, will be for less than a full quarter. Such dividend and any dividend payable on the Series E Preferred Stock for any partial dividend period will be computed on the basis of a 360-day year consisting of twelve 30-day months. Dividends will be payable to holders of record as they appear in the stock records of the Company at the close of business on the applicable record date, which shall be the last day of the calendar month first preceding the applicable Dividend Payment Date, or on such other date designated by the Board of Directors of the Company for the payment of dividends that is not more than 30 nor less than 10 days prior to such Dividend Payment Date (each, a "Dividend Record Date"). Notwithstanding any provision to the contrary contained herein, each outstanding share of Series E Preferred Stock shall be entitled to receive, and shall receive, a dividend with respect to each Dividend Record Date equal to the dividend paid with respect to each other share of Series E Preferred Stock which is outstanding on such Dividend Record Date.

(b) No dividends on shares of Series E Preferred Stock shall be declared by the Board of Directors or paid or set apart for payment by the Company at such time as the terms and provisions of any agreement of the Company, including any agreement relating to its indebtedness, prohibits such declaration, payment or setting apart for payment or provides that such declaration, payment or setting apart for payment would constitute a breach thereof or a default thereunder, or if such declaration or payment shall be restricted or prohibited by law.

(c) Notwithstanding the foregoing, dividends on the Series E Preferred Stock will accrue whether or not the Company has earnings, whether or not there are funds legally available for the payment of such dividends and whether or not such dividends are declared. Accrued but unpaid dividends on the Series E Preferred Stock will not bear interest and holders of the Series E Preferred Stock will not be entitled to any distributions in excess of full cumulative distributions described above. Except as set forth in the next sentence, no dividends will be declared or paid or set apart for payment on any capital stock of the Company or any other series of Preferred Stock ranking, as to dividends, on a parity with or junior to the Series E Preferred Stock (other than a dividend in shares of the Company's Common Stock or in shares of any other class of stock ranking junior to the Series E Preferred Stock as to dividends and upon liquidation) for any period unless full cumulative dividends have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is set apart for such payment on the Series E Preferred Stock for all dividend periods ending prior to or on the most recent past Dividend Payment Date. When dividends are not paid in full for all such dividend periods (or a sum sufficient for such full payment is not so set apart) upon the Series E Preferred Stock and the shares of any other series of Preferred Stock ranking on a parity as to dividends with the Series E Preferred Stock, all dividends declared upon the Series E Preferred Stock and any other series of Preferred Stock ranking on a parity as to dividends with the Series E Preferred Stock shall be declared pro rata so that the amount of dividends declared per share of Series E Preferred Stock and such other series of Preferred Stock shall in all cases bear to each other the same ratio that accrued dividends per share on the Series E Preferred Stock and such other series of Preferred Stock (which shall not include any accrual in respect of unpaid dividends for prior dividend periods if such Preferred Stock does not have a cumulative dividend) bear to each other.

(d) Except as provided in the immediately preceding paragraph, unless full cumulative dividends on the Series E Preferred Stock have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is set apart for payment for all dividend periods ending prior to or on the most recent past Dividend Payment Date, no dividends (other than in shares of Common Stock or other shares of capital stock ranking junior to the Series E Preferred Stock as to dividends and upon liquidation) shall be declared or paid or set aside for payment nor shall any other distribution be declared or made upon the Common Stock, or any other capital stock of the Company ranking junior to or on a parity with the Series E Preferred Stock as to dividends or upon liquidation, nor shall any shares of Common Stock, or any other shares of capital stock of the Company ranking junior to or on a parity with the Series E Preferred Stock as to dividends or upon liquidation be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any such shares) by the Company (except by conversion into or exchange for other capital stock of the Company ranking junior to the Series E Preferred Stock as to dividends and upon liquidation or redemptions for the purpose of preserving the Company's qualification as a REIT). Holders of shares of the Series E Preferred Stock shall not be entitled to any dividend, whether payable in cash, property or stock, in excess of full cumulative dividends on the Series E Preferred Stock as provided above. Any dividend payment made on shares of the Series E Preferred Stock shall first be credited against the earliest accrued but unpaid dividend due with respect to such shares which remains payable.

5. Liquidation Preference. Upon any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, the holders of shares of Series E Preferred Stock are entitled to be paid out of the assets of the Company legally available for distribution to its stockholders a liquidation preference of $25 per share (the "Liquidation Preference"), plus an amount

equal to any accrued and unpaid dividends to the date of payment, but without interest, before any distribution of assets is made to holders of Common Stock or any other class or series of capital stock of the Company that ranks junior to the Series E Preferred Stock as to liquidation rights. The Company will promptly provide to the holders of Series E Preferred Stock written notice of any event triggering the right to receive such Liquidation Preference. After payment of the full amount of the Liquidation Preference, plus any accrued and unpaid dividends to which they are entitled, the holders of Series E Preferred Stock will have no right or claim to any of the remaining assets of the Company. The consolidation or merger of the Company with or into any other corporation, trust or entity or of any other corporation with or into the Company, or the sale, lease or conveyance of all or substantially all of the property or business of the Company, shall not be deemed to constitute a liquidation, dissolution or winding up of the Company.

In determining whether a distribution (other than upon voluntary or involuntary liquidation) by dividend, redemption or other acquisition of shares of stock of the Company or otherwise is permitted under the MGCL, no effect shall be given to amounts that would be needed if the Company would be dissolved at the time of the distribution, to satisfy the preferential rights upon distribution of holders of shares of stock of the Company whose preferential rights upon distribution are superior to those receiving the distribution.

6. Redemption.

(a) The Series E Preferred Stock is not redeemable prior to September 19, 2006. On and after September 19, 2006 and before September 19, 2008, the Company, at its option upon not less than 30 nor more than 60 days' written notice, may redeem shares of the Series E Preferred Stock, in whole or in part, at any time or from time to time, if such notice is given within 15 trading days of the end of any 30 day period in which the closing price of the Common Stock of the Company on the New York Stock Exchange, Inc. equals or exceeds 125% of the applicable Conversion Price (as defined in Section 8 below) for 20 out of 30 consecutive trading days, for cash at a redemption price of $25 per share, plus accrued and unpaid dividends (except with respect to Excess Shares (as defined in the Charter)), without interest. After September 19, 2008, the Company, at its option upon not less than 30 nor more than 60 days' written notice, may redeem shares of the Series E Preferred Stock, in whole or in part, at any time or from time to time, for cash at a redemption price of $25 per share, plus all accrued and unpaid dividends thereon to the date fixed for redemption (except with respect to Excess Shares), without interest. Holders of Series E Preferred Stock to be redeemed shall surrender such Series E Preferred Stock at the place designated in such notice and shall be entitled to the redemption price and any accrued and unpaid dividends payable upon such redemption following such surrender. If notice of redemption of any shares of Series E Preferred Stock has been given and if the funds necessary for such redemption have been set aside by the Company in trust for the benefit of the holders of any shares of Series E Preferred Stock so called for redemption, then from and after the redemption date dividends will cease to accrue on such shares of Series E Preferred Stock, such shares of Series E Preferred Stock shall no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price. If less than all of the outstanding Series E Preferred Stock is to be redeemed, the Series E Preferred Stock to be redeemed shall be selected pro rata (as nearly as may be practicable without creating fractional shares) or by any other equitable method determined by the Company.

(b) Unless full cumulative dividends on all shares of Series E Preferred Stock shall have been or contemporaneously are declared and paid or declared and a sum sufficient for the

payment thereof set apart for payment for all dividend periods ending prior to or on the most recent past Dividend Payment Date, no shares of Series E Preferred Stock shall be redeemed unless all outstanding shares of Series E Preferred Stock are simultaneously redeemed and the Company shall not purchase or otherwise acquire directly or indirectly any shares of Series E Preferred Stock (except by exchange for capital stock of the Company ranking junior to the Series E Preferred Stock as to dividends and upon liquidation); provided, however, that the foregoing shall not prevent the purchase by the Company of Excess Shares in order to ensure that the Company continues to meet the requirements for qualification as a REIT, or the purchase or acquisition of shares of Series E Preferred Stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of Series E Preferred Stock. So long as no dividends are in arrears, the Company shall be entitled at any time and from time to time to repurchase shares of Series E Preferred Stock in open-market transactions duly authorized by the Board of Directors and effected in compliance with applicable laws.

(c) Notice of redemption will be given by publication in a newspaper of general circulation in the City of New York, such publication to be made once a week for two successive weeks commencing not less than 30 nor more than 60 days prior to the redemption date. A similar notice will be mailed by the Company, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date, addressed to the respective holders of record of the Series E Preferred Stock to be redeemed at their respective addresses as they appear on the stock transfer records of the Company. No failure to give such notice or any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of any shares of Series E Preferred Stock except as to the holder to whom notice was defective or not given. Each notice shall state: (i) the redemption date; (ii) the redemption price; (iii) the number of shares of Series E Preferred Stock to be redeemed; (iv) the place or places where the Series E Preferred Stock is to be surrendered for payment of the redemption price; and (v) that dividends on the shares to be redeemed will cease to accrue on such redemption date. If less than all of the Series E Preferred Stock held by any holder is to be redeemed, the notice mailed to such holder shall also specify the number of shares of Series E Preferred Stock held by such holder to be redeemed.

(d) Immediately prior to any redemption of Series E Preferred Stock, the Company shall pay, in cash, any accumulated and unpaid dividends through the redemption date, unless a redemption date falls after a Dividend Record Date and prior to the corresponding Dividend Payment Date, in which case each holder of Series E Preferred Stock at the close of business on such Dividend Record Date shall be entitled to the dividend payable on such shares on the corresponding Dividend Payment Date notwithstanding the redemption of such shares before such Dividend Payment Date.

(e) Excess Shares may be redeemed, in whole or in part, at any time when outstanding shares of Series E Preferred Stock are being redeemed, for cash at a redemption price of $25 per share, but excluding accrued and unpaid dividends on such Excess Shares, without interest. Such Excess Shares shall be redeemed in such proportion and in accordance with such procedures as shares of Series E Preferred Stock are being redeemed.

7. Voting Rights.

(a) Holders of the Series E Preferred Stock will not have any voting rights, except as set forth below.

(b) Whenever (i) dividends on any shares of Series E Preferred Stock shall be in arrears for six or more quarterly periods, or (ii) dividends on any shares of Series A Preferred Stock or Series B Preferred Stock shall be in arrears for eighteen or more months (each of (i) and (ii) are hereinafter referred to as a "Preferred Dividend Default"), the number of directors then constituting the Board of Directors shall be increased by two (if not already increased by reason of a similar arrearage with respect to any Parity Preferred (as hereinafter defined)). The holders of shares of Series E Preferred Stock (voting separately as a class with all other series of Preferred Stock ranking on a parity with the Series E Preferred Stock as to dividends or upon liquidation including, but not limited to, the Series A Preferred Stock and the Series B Preferred Stock ("Parity Preferred") upon which like voting rights have been conferred and are exercisable) will be entitled to vote separately as a class, in order to fill the vacancies thereby created, for the election of a total of two additional directors of the Company (the "Preferred Stock Directors") at a special meeting called by the holders of record of at least 20% of the Series E Preferred Stock or the holders of record of at least 20% of any series of Parity Preferred so in arrears (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the stockholders) or at the next annual meeting of stockholders, and at each subsequent annual meeting until all dividends accumulated on such shares of Series E Preferred Stock, Series A Preferred Stock and Series B Preferred Stock for the past dividend periods and the dividend for the then current dividend period shall have been fully paid or declared and a sum sufficient for the payment thereof set aside for payment. In the event the directors of the Company are divided into classes, each such vacancy shall be apportioned among the classes of directors to prevent stacking in any one class and to insure that the number of directors in each of the classes of directors, are as equal as possible. Each Preferred Stock Director, as a qualification for election as such (and regardless of how elected) shall submit to the Board of Directors of the Company a duly executed, valid, binding and enforceable letter of resignation from the Board of Directors, to be effective upon the date upon which all dividends accumulated on such shares of Series E Preferred Stock and Parity Preferred for the past dividend periods and the dividend for the then current dividend period shall have been fully paid or declared and a sum sufficient for the payment thereof set aside for payment, whereupon the terms of office of all persons elected as Preferred Stock Directors by the holders of the Series E Preferred Stock and any Parity Preferred shall, upon the effectiveness of their respective letters of resignation, forthwith terminate, and the number of directors then constituting the Board of Directors shall be reduced accordingly. A quorum for any such meeting shall exist if at least a majority of the outstanding shares of Series E Preferred Stock and shares of Parity Preferred upon which like voting rights have been conferred and are exercisable are represented in person or by proxy at such meeting. Such Preferred Stock Directors shall be elected upon the affirmative vote of a plurality of the shares of Series E Preferred Stock and such Parity Preferred present and voting in person or by proxy at a duly called and held meeting at which a quorum is present. If and when all accumulated dividends and the dividend for the then current dividend period on the Series E Preferred Stock, Series A Preferred Stock and Series B Preferred Stock shall have been paid in full or declared and set aside for payment in full, the holders of shares of Series E Preferred Stock shall be divested of the foregoing voting rights (subject to revesting in the event of each and every Preferred Dividend Default) and, if all accumulated dividends and the dividend for the current dividend period have been paid in full or set aside for payment in full on all series of Parity Preferred upon which like voting rights have been conferred and are exercisable, the term of office of each Preferred Stock Director so elected shall terminate. Any Preferred Stock Director may be removed at any time with or without cause by, and shall not be removed otherwise than by the vote of the holders of record of a majority of the outstanding shares of the Series E Preferred Stock when they have the voting rights described above (voting separately as a class with all series of Parity Preferred upon which like voting rights have been conferred and are exercisable). So long as a Preferred Dividend Default shall continue, any

vacancy in the office of a Preferred Stock Director may be filled by written consent of the Preferred Stock Director remaining in office, or if none remains in office, by a vote of the holders of record of a majority of the outstanding shares of Series E Preferred Stock when they have the voting rights described above (voting separately as a class with all series of Parity Preferred upon which like voting rights have been conferred and are exercisable). The Preferred Stock Directors shall each be entitled to one vote per director on any matter.

(c) So long as any shares of Series E Preferred Stock remain outstanding, the Company will not, without the affirmative vote or consent of the holders of at least two-thirds of the shares of the Series E Preferred Stock outstanding at the time, given in person or by proxy, either in writing or at a meeting (voting separately as a class), amend, alter or repeal the provisions of the Charter or the Articles Supplementary, whether by merger, consolidation or otherwise (an "Event"), so as to materially and adversely affect any right, preference, privilege or voting power of the Series E Preferred Stock or the holders thereof; provided, however, that with respect to the occurrence of any Event set forth above, so long as the Series E Preferred Stock (or any equivalent class or series of stock issued by the surviving corporation in any merger or consolidation to which the Company became a party) remains outstanding with the terms thereof materially unchanged, the occurrence of any such Event shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting power of holders of the Series E Preferred Stock and provided, further that (i) any increase in the amount of the authorized Preferred Stock or the creation or issuance of any other series of Preferred Stock, or (ii) any increase in the amount of authorized shares of such series, in each case ranking on a parity with or junior to the Series E Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up, shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers.

(d) The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding shares of Series E Preferred Stock shall have been redeemed or called for redemption upon proper notice and sufficient funds shall have been deposited in trust to effect such redemption.

(e) Except as expressly stated in these Articles Supplementary, the Series E Preferred Stock shall not have any relative, participating, optional or other special voting rights and powers and the consent of the holders thereof shall not be required for the taking of any corporate action, including but not limited to, any merger or consolidation involving the Company or a sale of all or substantially all of the assets of the Company, irrespective of the effect that such merger, consolidation or sale may have upon the rights, preferences or voting power of the holders of the Series E Preferred Stock.

8. Conversion. The holders of Series E Preferred Stock shall have optional conversion rights as follows:

(a) Subject to and upon compliance with the provisions of this Section 8, the holder of any shares of Series E Preferred Stock shall have the right, at the holder's option, at any time, to convert the shares into a number of fully paid and non-assessable shares of Common Stock (calculated as to each conversion to the nearest l/100th of a share) equal to the aggregate Liquidation Preference (as defined in Section 5 above) of all of the shares surrendered for conversion divided by the Conversion Price (as defined in Section 8(d) below) by surrendering the shares to be converted, in the manner provided in Section 8(b) below; provided, however, that the conversion rights set forth

in this Section 8 shall not apply to shares of Series E Preferred Stock which have converted into Excess Shares pursuant to Section 9 below and Article NINTH of the Charter.

(b) (i) In order to exercise the conversion privilege, the holder of each share of Series E Preferred Stock to be converted shall surrender the certificate representing such share to the conversion agent for the Series E Preferred Stock appointed for such purpose by the Company, with a written notice of conversion duly executed, at the principal office of the conversion agent. Unless the shares issuable on conversion are to be issued in the same name as the name in which the share of Series E Preferred Stock is registered, each share surrendered for conversion shall be accompanied by instruments of transfer, in form satisfactory to the Company, duly executed by the holder or his duly authorized attorney and by funds in an amount sufficient to pay any transfer or similar tax.

(ii) The holders of shares of Series E Preferred Stock who convert and whose conversion is deemed effective before the close of business on a Dividend Record Date shall not be entitled to receive any portion of the dividend payable on those shares of Series E Preferred Stock on the corresponding Dividend Payment Date notwithstanding the conversion of the shares on the Dividend Record Date and prior to such Dividend Payment Date but will, however, be entitled to receive the entire corresponding dividend payable, if any, on the shares of Common Stock issuable upon conversion provided that any conversion of Series E Preferred Stock becomes effective prior to the close of business on the record date for such dividend payable on such shares of Common Stock. The holders of shares of Series E Preferred Stock on a Dividend Record Date who (or whose transferees) convert any of those shares after the Dividend Record Date will receive the dividend payable by the Company on those shares of Series E Preferred Stock on the Dividend Payment Date. Except as provided above, the Company shall make no payment or adjustment for accrued and unpaid dividends on shares of Series E Preferred Stock, whether or not in arrears, on conversion of those shares or for dividends on the shares of Common Stock issued upon the conversion.

(iii) As promptly as practicable after the surrender by a holder of the certificates for shares of Series E Preferred Stock in accordance with this Section 8(b), the Company shall issue and shall deliver at the office of the conversion agent to the holder, or on his written order, a certificate or certificates for the number of full shares of Common Stock issuable upon the conversion of those shares in accordance with the provisions of this Section 8, and any fractional interest in respect of a share of Common Stock arising upon the conversion shall be settled as provided in Section 8(c) below.

(iv) Each conversion shall be deemed to have been effected immediately prior to the close of business on the date on which all of the conditions specified in Section 8(b)(i) above shall have been satisfied, and, the person or persons in whose name or names any certificate or certificates for shares of Common Stock shall be issuable upon such conversion shall be deemed to have become the holder or holders of record of the shares of Common Stock represented by those certificates at such time on such date and such conversion shall be at the Conversion Price (as defined in Section 8(d) below) in effect at such time on such date, unless the stock transfer books of the Company shall be closed on the date, in which event such person or persons shall be deemed to have become such holder or holders of record at the close of business on the next succeeding day on which such stock transfer books are open, but such conversion shall be at the Conversion Price in effect on the date upon which all of the conditions specified in Section 8(b)(i) above shall have been satisfied. All shares of Common Stock delivered upon conversion of the Series E Preferred Stock will upon delivery be duly and validly issued and fully paid and non-

assessable, free of all liens and charges created by or through the Company or any of its subsidiaries and not subject to any preemptive rights. Upon the surrender of certificates representing shares of Series E Preferred Stock to be converted, the shares shall no longer be deemed to be outstanding and all rights of a holder with respect to the shares surrendered for conversion shall immediately terminate except the right to receive the Common Stock or other securities, cash or other assets as herein provided.

(v) If any holder of Series E Preferred Stock exercises such holder's conversion rights under this Section 8 with respect to any shares of Series E Preferred Stock subsequent to the Company issuing a notice of redemption pursuant to Section 6 above with respect to such shares, such conversion must be deemed effective as provided in Section 8(b)(iv) above at least 10 days prior to the redemption date set forth in the Company's notice of redemption, or such exercise will be of no effect and the shares in question will be redeemed pursuant to the notice of redemption.

(c) No fractional shares or securities representing fractional shares of Common Stock shall be issued upon conversion of Series E Preferred Stock. Any fractional interest in a share of Common Stock resulting from conversion of a share of Series E Preferred Stock shall be paid in cash (computed to the nearest cent) based on the Current Market Price (as defined in Section 8(d)(iv) below) of the Common Stock on the Trading Day (as defined in Section 8(d)(iv) below) next preceding the day of conversion. If more than one share shall be surrendered for conversion at one time by the same holder, the number of full shares of Common Stock issuable upon the conversion shall be computed on the basis of the aggregate Liquidation Preference of the shares of Series E Preferred Stock so surrendered.

(d) The "Conversion Price" per share of Common Stock shall be $12.50, subject to adjustment from time to time as follows:

(i) In case the Company shall (A) pay a dividend or make a distribution on its Common Stock in shares of its Common Stock, (B) subdivide its outstanding Common Stock into a greater number of shares, or (C) combine its outstanding Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such event shall be adjusted so that the holder of any share of Series E Preferred Stock thereafter surrendered for conversion shall be entitled to receive the number of shares of Common Stock of the Company which he would have owned or have been entitled to receive after the happening of such event had the share been converted immediately prior to the happening of such event. An adjustment made pursuant to this Section 8(d)(i) shall become effective immediately after the record date in the case of a dividend or distribution except as provided in Section 8(d)(vii) below, and shall become effective immediately after the effective date in the case of subdivision or combination. If any dividend or distribution is not paid or made, the Conversion Price then in effect shall be appropriately readjusted.

(ii) In case the Company shall issue rights or warrants to all or substantially all holders of its Common Stock entitling them (for a period expiring within 45 days after the record date mentioned below) to subscribe for or purchase Common Stock at a price per share less than the Current Market Price (as defined in Section 8(d)(iv) below) of the Common Stock at the record date for the determination of stockholders entitled to receive the rights or warrants, the Conversion Price in effect immediately prior to the issuance of such rights or warrants shall be adjusted so that it shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the date of issuance of the rights or warrants by a fraction of which the

numerator shall be the number of shares of Common Stock outstanding on the date of issuance of the rights or warrants plus the number of shares of Common Stock which the aggregate offering price of the total number of shares of Common Stock so offered for subscription or purchase would purchase at the Current Market Price at that record date, and of which the denominator shall be the number of shares of Common Stock outstanding on the date of issuance of the rights or warrants plus the number of additional shares of Common Stock offered for subscription or purchase. The adjustment provided for in this Section 8(d)(ii) shall be made successively whenever any such rights or warrants are issued, and shall become effective immediately, except as provided in Section 8(d)(vii) below after such record date. In determining whether any rights or warrants entitle the holders of the Common Stock to subscribe for or purchase shares of Common Stock at less than the Current Market Price, and in determining the aggregate offering price of the shares of Common Stock so offered, there shall be taken into account any consideration received by the Company for such rights or warrants, the value of such consideration, if other than cash, to be determined by the Board of Directors (whose determination, if made in good faith, shall be conclusive). If any or all of such rights or warrants are not so issued or expired or terminate without having been exercised, the Conversion Price then effect shall be appropriately readjusted.

(iii) In case the Company shall distribute to all or substantially all holders of its Common Stock, cash, any shares of capital stock of the Company (other than Common Stock) or evidences of indebtedness or assets (including securities, but excluding those dividends, rights, warrants and distributions covered by Sections 8(d)(i) and (ii) above and excluding Permitted Common Stock Cash Distributions (as defined below)) or rights or warrants to subscribe for or purchase any of its securities (excluding those referred to in Section 8(d)(ii) above) then, in each such case, the Conversion Price shall be adjusted so that it shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the date of the distribution by a fraction of which the numerator shall be the Current Market Price of the Common Stock on the record date mentioned below less the then fair market value (as determined by the Board of Directors, whose determination, if made in good faith, shall be conclusive) of the proportion of the capital stock or assets or evidences of indebtedness so distributed, or of, the rights or warrants so distributed, with respect to one share of Common Stock, and of which the denominator shall be the Current Market Price of the Common Stock on the record date. If any such distribution is not made or if any or all of such rights or warrants expire or terminate without having been exercised, the Conversion Price then in effect shall be appropriately readjusted. “Permitted Common Stock Cash Distributions” means cash dividends and distributions paid with respect to the Common Stock in the ordinary course of the Company’s business as determined by the Board of Directors in good faith and not in excess of the stockholders’ equity of the Company.

(iv) For the purpose of any computation under Sections 8(d)(ii) and 8(d)(iii) above, the “Current Market Price” of the Common Stock at any date shall be the average of the last reported sale prices per share for the ten consecutive Trading Days (as defined below) preceding the date of such computation. The last reported sale price for each day shall be (A) if the Common Stock is listed or admitted for trading on any national securities exchange, the last sale price, or the closing bid price if no sale occurred that day, of the Common Stock on the principal securities exchange on which the Common Stock is listed, or (B) the last reported sale price of the Common Stock on the Nasdaq Stock Market’s National Market (the “Nasdaq National Market”), or any similar system of automated dissemination of quotations of securities prices then in common use, if so quoted, or (C) if not listed or quoted as described in clauses (A) or (B), the mean between the high bid and low asked quotations for the Common Stock as reported by the National Quotation Bureau Incorporated if at least two securities dealers have inserted both bid and asked quotations for

the Common Stock on at least five of the ten preceding days. If the Common Stock is quoted on a national securities or central market system, in lieu of a market or quotation system described above, the last reported sale price shall be determined in the manner set forth in clause (C) of the preceding sentence if bid and asked quotations are reported but actual transactions are not, and in the manner set forth in clause (A) of the preceding sentence if actual transactions are reported. If none of the conditions set forth above are met, the last reported sale price of the Common Stock on any day or the average of such last reported sale prices for any period shall be the fair market value of such class of stock as determined by a member firm of the New York Stock Exchange, Inc. selected by the Company. As used herein the term "Trading Days" means (x) if the Common Stock is listed or admitted for trading on any national securities exchange, days on which such national securities exchange is open for business, (y) if the Common Stock is quoted on the Nasdaq National Market or any similar system of automated dissemination of quotations of securities prices, days on which trades may be made on such system, or (z) if not quoted as described in clauses (x) or (y), days on which quotations are reported by the National Quotation Bureau Incorporated.

(v) No adjustment in the Conversion Price shall be required unless such adjustment would require a change of at least 1% in the Conversion Price; provided, however, that any adjustments which by reason of this Section 8(d)(v) are not required to be made shall be carried forward and take into account in any subsequent adjustment; and provided, further, that adjustment shall be required and made in accordance with the provisions of this Section 8 (other than this Section 8(d)(v)) not later than such time as may be required in order to preserve the tax free nature of a distribution to the holders of shares of Common Stock which would otherwise require an adjustment to be made pursuant this Section 8(d). All calculations under this Section 8 shall be made to the nearest cent or to the nearest one hundredth of a share, as the case may be. Anything in this Section 8(d) to the contrary notwithstanding, the Company shall be entitled to (but under no obligation to) make such reductions in the Conversion Price, in addition to those required by this Section 8(d), as it in its discretion shall determine to be advisable in order that any stock dividend, subdivision or combination of shares, distribution of capital stock or rights or warrants to purchase stock or securities, or distributions of evidences of indebtedness or assets (other than cash dividends or distributions paid from retained earnings) hereinafter made by the Company to its stockholders shall be a tax free distribution for federal income tax purposes.

(vi) Whenever the Conversion Price is adjusted, as herein provided, the Company shall promptly file with the conversion agent an officers' certificate setting forth the Conversion Price after the adjustment and setting forth a brief statement of the facts requiring the adjustment, which certificate shall be conclusive evidence of the correctness of the adjustment. Promptly after delivery of the certificate, the Company shall prepare a notice of the adjustment of the Conversion Price setting forth the adjusted Conversion Price and the date on which the adjustment becomes effective and shall mail the notice of such adjustment of the Conversion Price to the holder of each share of Series E Preferred Stock at his last address as shown on the stock books of the Company.

(vii) In any case in which this Section 8(d) provides that an adjustment shall become effective immediately after a record date for an event, the Company may defer until the occurrence of the event (i) issuing to the holder of any share of Series E Preferred Stock converted after the record date and before the occurrence of the event the additional shares of Common Stock issuable upon the conversion by reason of the adjustment required by the event over and above the Common Stock issuable upon such conversion before giving effect to the adjustment

and (ii) paying to the holder any amount in cash in lieu of any fractional share pursuant to Section 8(c) above.

(e) If:

(i) the Company shall declare a dividend (or any other distribution) on the Common Stock (other than in the ordinary course of business (as determined by the Board of Directors in good faith) and in excess of the stockholders' equity of the Company); or

(ii) the Company shall authorize the granting to all of the holders of the Common Stock of rights or warrants to subscribe for or purchase any shares of any class or any other rights or warrants; or

(iii) there shall be any reclassification of the Common Stock (other than a subdivision or combination of the outstanding Common Stock and other than a change in the par value, or from par value to no par value, or from no par value to par value), or any consolidation, merger, or statutory share exchange to which the Company is a party and for which approval of any stockholders of the Company is required, or any sale or transfer of all or substantially all the assets of the Company; or

(iv) there shall be a voluntary or an involuntary dissolution, liquidation or winding up of the Company;

then, the Company shall cause to be filed with the conversion agent, and shall cause to be mailed to the holders of shares of the Series E Preferred Stock at their addresses as shown on the stock books of the Company, at least 15 days prior to the applicable date hereinafter specified in (A) or (B) below as applicable, a notice stating (A) the date on which a record is to be taken for the purpose of the dividend distribution or rights or warrants, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to the dividend, distribution or rights or warrants are to be determined or (B) the date on which the reclassification, consolidation, merger, statutory share exchange, sale, transfer, dissolution, liquidation or winding up is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon the reclassification, consolidation, merger, statutory share exchange, sale, transfer, dissolution, liquidation or winding up. Failure to give any such notice or any defect in the notice shall not affect the legality or validity of the proceedings described in this Section 8(e).

(f) (i) The Company covenants that it will at all times reserve and keep available, free from preemptive rights, out of the aggregate of its authorized but unissued shares of Common Stock for the purpose of effecting conversions of the Series E Preferred Stock, the full number of shares of Common Stock deliverable upon the conversion of all outstanding shares of Series E Preferred Stock not theretofore converted. For purposes of this Section 8(f), the number of shares of Common Stock which shall be deliverable upon the conversion of all outstanding shares of Series E Preferred Stock shall be computed as if at the time of computation all the outstanding shares were held by a single holder.

(ii) Before taking any action which would cause an adjustment reducing the Conversion Price below the then par value (if any) of the shares of Common Stock deliverable upon conversion of the Series E Preferred Stock, the Company will take any Company

action which may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock at the adjusted Conversion Price.

(iii) The Company will list the shares of Common Stock required to be delivered upon conversion of the Series E Preferred Stock, prior to the delivery, upon each national securities exchange, the Nasdaq National Market or any similar system of automated dissemination of securities prices, if any, upon which the outstanding Common Stock is listed or accepted for quotation at the time of delivery.

(iv) Prior to the delivery of any securities which the Company shall be obligated to deliver upon conversion of the Series E Preferred Stock, the Company will endeavor, in good faith and as expeditiously as possible, to comply with all federal and state laws and regulations thereunder requiring the registration of those securities with, or any approval of or consent to the delivery thereof by, any governmental authority.

(g) The Company will pay any and all documentary stamp or similar issue or transfer taxes payable in respect of the issue or delivery of shares of Common Stock on conversion of the Series E Preferred Stock pursuant hereto provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue or delivery of shares of Common Stock in a name other than that of the holder of the Series E Preferred Stock to be converted and no such issue or delivery shall be made unless and until the person requesting the issue or delivery has paid to the Company the amount of any such tax or has established, to the satisfaction of the Company, that the tax has been paid.

(h) In the event the Company shall (x) effect any capital reorganization or reclassification of its shares or (y) consolidate or merge with or into any other company (other than a consolidation or merger in which the Company is the surviving Company and each share of Common Stock outstanding immediately prior to such consolidation or merger is to remain outstanding immediately after such consolidation or merger) or (z) sell, lease or transfer substantially all of its assets to any other person or entity for a consideration consisting in whole or in part of equity securities of such other Company, the holders of shares of Series E Preferred Stock shall, receive upon conversion thereof, in lieu of each share of Common Stock into which the Series E Preferred Stock would have been convertible prior to such transaction, the same kind and amount of stock and other securities, cash or property as such holder would have been entitled to receive upon such transaction if such holder had held the Common Stock issuable upon conversion of the Series E Preferred Stock immediately prior to such transaction. The Company may not become a party to any such transaction unless the terms thereof are consistent with the foregoing.

9. Limit on Ownership of Series E Preferred Stock; Excess Preferred Shares. Shares of Series E Preferred Stock shall be subject to the applicable Limit (as defined in the Charter) and other provisions of Article NINTH of the Charter of the Company and to the following additional provisions set forth herein. Subject to the authority of the Board of Directors set forth in said Article NINTH, the Limit applicable to shares of the Series E Preferred Stock shall be the number of shares of Series E Preferred Stock that is equal to 9.8% of the then outstanding shares of Series E Preferred Stock or, if fewer, the number of shares of Series E Preferred Stock that, if then converted by the holder into shares of Common Stock as provided in Section 8, would make such holder or any other person the owner of a number of shares of Common Stock that would exceed the Limit applicable to Common Stock as set forth in Section 9.3.2.1 of the Charter of the Company.

FOURTH: The Series E Preferred Stock has been classified and designated by the Board of Directors of the Company under the authority contained in the Charter.

FIFTH: These Articles Supplementary have been approved by the Board of Directors in the manner and by the vote required by law.

SIXTH: The undersigned Chairman of the Board, President and Chief Executive Officer of the Company acknowledges these Articles Supplementary to be the corporate act of the Company and, as to all matters or facts required to be verified under oath, the undersigned Chairman of the Board, President and Chief Executive Officer of the Company acknowledges that to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties of perjury.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused these Articles Supplementary to be executed under seal in its name and on its behalf by its Chairman of the Board, President and Chief Executive Officer and attested to by its Corporate Secretary on this 16th day of September, 2003.

ATTEST:

By: /s/ Alex J. Chavez

Name: Alex J. Chavez
Title: Corporate Secretary

LTC PROPERTIES, INC.

By: /s/ Andre C. Dimitriadis

Name: Andre C. Dimitriadis
Title: Chairman of the Board, President and Chief Executive Officer

Exhibit 5.1

[LETTERHEAD OF BALLARD SPAHR ANDREWS & INGERSOLL, LLP]

September 16, 2003

LTC Properties, Inc.
Suite 350
22917 Pacific Coast Highway
Malibu, California 90265

Re: LTC Properties, Inc., a Maryland corporation (the "Company") – Registration Statement on Form S-3, pertaining to Two Million Two Hundred Thousand (2,200,000) shares (the "Preferred Shares") of the 8.5% Series E Cumulative Convertible Preferred Stock of the Company, par value one cent ($.01) per share, and an indeterminate number of shares (the "Conversion Shares") of common stock of the Company, par value one cent ($.01) per share ("Common Stock"), issuable upon conversion of the Preferred Shares

Ladies and Gentlemen:

We have acted as special Maryland corporate counsel to the Company in connection with the registration of the Preferred Shares and the Conversion Shares under the Securities Act of 1933, as amended (the "Act"), pursuant to a Registration Statement (Registration No. 333-106555), which was filed with the Securities and Exchange Commission (the "Commission") on June 27, 2003 and amended on July 10, 2003, August 29, 2003 and September 9, 2003 (the "Registration Statement"). You have requested our opinion with respect to the matters set forth below.

In our capacity as special Maryland corporate counsel to the Company and for the purposes of this opinion, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents (collectively, the "Documents"):

(i) the corporate charter of the Company (the "Charter") represented by Articles of Incorporation filed with the State Department of Assessments and Taxation of Maryland (the "Department") on May 12, 1992, Articles of Amendment and Restatement filed with the Department on August 3,

1992, Articles Supplementary filed with the Department on March 7, 1997, Articles of Amendment filed with the Department on June 26, 1997, Articles Supplementary filed with the Department on December 17, 1997, Articles Supplementary filed with the Department on September 2, 1998, Articles Supplementary filed with the Department on May 11, 2000, Articles Supplementary filed with the Department on June 24, 2003 and Articles Supplementary filed with the Department on September 16, 2003 (the "Series E Articles Supplementary");

(ii) the Bylaws of the Company as adopted on May 15, 1992, ratified on or as of May 19, 1992, and amended on or as of October 17, 1995, September 1, 1998, May 2, 2000 and August 28, 2003, and in full force and effect on the date hereof (the "Bylaws");

(iii) the minutes of the organizational action of the Board of Directors of the Company, dated as of May 19, 1992 (the "Organizational Minutes");

(iv) resolutions adopted by the Board of Directors of the Company, or a committee thereof, on June 23, 2003, June 24, 2003, August 29, 2003, September 8, 2003 and September 15, 2003 (collectively, the "Directors' Resolutions");

(v) the Registration Statement, including all amendments thereto, filed by the Company with the Commission under the Act and the final base prospectus, dated September 12, 2003, and the related final prospectus supplement, dated September 15, 2003;

(vi) a status certificate of the Department, dated September 16, 2003, to the effect that the Company is duly incorporated and existing under the laws of the State of Maryland and is duly authorized to transact business in the State of Maryland;

(vii) a certificate of Alex J. Chavez, Senior Vice President, Corporate Secretary and Treasurer of the Company, dated as of the date hereof (the "Officer's Certificate"), to the effect that, among other things, the Charter, the Bylaws, the Organizational Minutes and the Directors' Resolutions are true, correct and complete, have not been rescinded or modified and are in full force and effect on the date of the Officer's Certificate; and

(viii) such other documents and matters as we have deemed necessary and appropriate to render the opinions set forth in this letter, subject to the limitations, assumptions, and qualifications noted below.

In reaching the opinions set forth below, we have assumed the following:

(a) each person executing any of the Documents on behalf of any party (other than the Company) is duly authorized to do so;

(b) each natural person executing any of the Documents is legally competent to do so;

(c) any of the Documents submitted to us as originals are authentic; the form and content of any Documents submitted to us as unexecuted drafts do not differ in any respect relevant to this opinion from the form and content of such documents as executed and delivered; any of the Documents submitted to us as certified, facsimile or photostatic copies conform to the original document; all signatures on all of the Documents are genuine; all public records reviewed or relied upon by us or on our behalf are true and complete; all statements and information contained in the Documents are true and complete; there has been no modification of, or amendment to, any of the Documents, and there has been no waiver of any provision of any of the Documents by action or omission of the parties or otherwise;

(d) between the date hereof and the date of issuance of the Conversion Shares upon the conversion of the Preferred Shares, the Company will not take any other action, including, but not limited to, the issuance of additional shares of Common Stock, which will cause the total number of shares of Common Stock of the Company issued and outstanding, after giving effect to the issuance of the Conversion Shares, to exceed the total number of shares of Common Stock that the Company is authorized to issue under the Charter;

(e) none of the Preferred Shares will be issued or transferred in violation of the provisions of Article Ninth of the Charter of the Company captioned “Limitations on Ownership”; and

(f) none of the Conversion Shares issued upon the conversion of the Preferred Shares subsequent to the date hereof will be issued or transferred in violation of the provisions of Article Ninth of the Charter of the Company captioned “Limitations on Ownership”;

(g) the issuance and delivery of the Preferred Shares will not constitute a Business Combination with an Interested Stockholder or an Affiliate

thereof (all as defined in Subtitle 6 of Title 3 of the Maryland General Corporation Law (the "MGCL")); and

(h) the issuance and delivery of the Conversion Shares upon the conversion of the Preferred Shares subsequent to the date hereof will not constitute a Business Combination with an Interested Stockholder or an Affiliate thereof (all as defined in Subtitle 6 of Title 3 of the MGCL).

Based on our review of the foregoing and subject to the assumptions and qualifications set forth herein, it is our opinion that, as of the date of this letter:

(1) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Maryland.

(2) The issuance of the Preferred Shares has been duly authorized by all necessary corporate action on the part of the Company and when such Preferred Shares are issued and delivered by the Company in exchange for the consideration therefor as provided in the Directors' Resolutions, such Preferred Shares will be validly issued, fully paid and non-assessable.

(3) The Conversion Shares have been duly authorized and reserved for issuance upon conversion of the Preferred Shares by all necessary corporate action on the part of the Company, and when issued and delivered by the Company upon conversion of duly authorized, validly issued and fully paid and non-assessable Preferred Shares in accordance with and subject to the terms and conditions set forth in the Series E Articles Supplementary, the Conversion Shares will be validly issued, fully paid and non-assessable

The foregoing opinion is limited to the laws of the State of Maryland, and we do not express any opinion herein concerning any other law. We express no opinion as to the applicability or effect of any federal or state securities laws, including the securities laws of the State of Maryland, or as to federal or state laws regarding fraudulent transfers. To the extent that any matter as to which our opinion is expressed herein would be governed by any jurisdiction other than the State of Maryland, we do not express any opinion on such matter.

This opinion letter is issued as of the date hereof and is necessarily limited to laws now in effect and facts and circumstances presently existing and brought to our attention. We assume no obligation to supplement this opinion letter if any applicable laws change after the date hereof, or if we become aware of any facts or circumstances that now exist or that occur or arise in the future and may change the opinions expressed herein after the date hereof.

We consent to your filing this opinion as an exhibit to the Registration Statement and further consent to the filing of this opinion as an exhibit to the applications to securities commissioners for the various states of the United States for registration of the Shares. We also consent to the identification of our firm as Maryland counsel to the Company in the section of the Registration Statement entitled "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Act.

Very truly yours,

/s/ Ballard Spahr Andrews & Ingersoll, LLP

Exhibit 8.1

[Letterhead of Reed Smith LLP]

September 16, 2003

LTC Properties, Inc.
22917 Pacific Coast Highway, Suite 350
Malibu, California 90265

Re: **Federal Income Tax Considerations**

Ladies and Gentlemen:

This opinion is furnished to you at the request of LTC Properties, Inc., a Maryland corporation (the "Company"), in connection with the registration of 2,200,000 shares of Series E Cumulative Convertible Preferred Stock of the Company (the "Shares") pursuant to the Company's prospectus dated September 15, 2003 (the "Prospectus") included in the Company's Registration Statement on Form S-3, as amended by Post-effective Amendment No. 1 to such Registration Statement (as so amended, the "Registration Statement"), filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended.

You have requested our opinion concerning certain of the federal income tax consequences to the Company and the purchasers of the Shares in connection with the registration described above. This opinion is based on various facts and assumptions, including the facts set forth in the Registration Statement and the Prospectus concerning the business, properties and governing documents of the Company. We have also been furnished with, and with your consent have relied upon, certain representations made by the Company with respect to certain factual matters. The Company's representation letter is attached to this opinion as an Exhibit.

In our capacity as counsel to the Company, we have made such legal and factual examinations and inquiries, including an examination of originals or copies certified or otherwise identified to our satisfaction of such documents, corporate records and other instruments as we have deemed necessary or appropriate for purposes of this opinion. In our examination, we have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures thereon, the legal capacity of natural persons executing such documents and the conformity to authentic original documents of all documents submitted to us as copies.

We are opining herein as to the effect on the subject transaction only of the federal income tax laws of the United States and we express no opinion with respect to the applicability thereto, or the effect thereon, of other federal laws, the laws of any state or other jurisdiction or as to any matters of municipal law or the laws of any other local agencies within any state.

Based on such facts, assumptions and representations and subject to qualifications set forth below, it is our opinion that:

1. Commencing with the Company's taxable year ending December 31, 1992, the Company has been organized in conformity with the requirements for qualification as a "real estate investment trust," and its proposed method of operation, as described in the representations by the Company will enable the Company to satisfy the requirements for qualification and taxation as a "real estate investment trust" under the Internal Revenue Code of 1986 (the "Code").

2. The statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2002 set forth under the caption "Taxation of Our Company" and in the Prospectus under the captions "Additional federal income tax considerations" and "Certain US Federal Income Tax Considerations" to the extent such information constitutes matters of law, summaries of legal matters, or legal conclusions, have been reviewed by us and are accurate in all material respects.

No opinion is expressed as to any matter not discussed herein.

This opinion is based on various statutory provisions, regulations promulgated thereunder and interpretations thereof by the Internal Revenue Service and the courts having jurisdiction over such matters, all of which are subject to change either prospectively or retroactively. Also, any variation or difference in the facts from those set forth in the Registration Statement, the Company's Annual Report on Form 10-K for the year ended December 31, 2002, or the Company's representations may affect the conclusions stated herein. Moreover, the Company's qualification and taxation as a real estate investment trust depends upon the Company's ability to satisfy, through actual annual operating results, distribution levels and diversity of stock ownership, the various qualification tests imposed under the Code, the results of which have not been and will not be reviewed by us. Accordingly, no assurance can be given that the actual results of the Company's operation for any one taxable year will satisfy such requirements.

This opinion is rendered only to you, and is solely for your use in connection with the issuance of the Shares pursuant to the Registration Statement and the Prospectus. This opinion may not be relied upon by you for any other purpose, or furnished to, quoted to, or relied upon by any other person, firm or corporation, for any purpose, without our prior written consent. We undertake no obligation to update this opinion if applicable laws change after the date hereof or if we become aware after the date hereof of any facts that may change the opinions expressed herein. We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of our name under the caption "Legal Matters" in the Registration Statement and the Prospectus .

Very truly yours,

/s/ Reed Smith LLP

REED SMITH LLP

SWR/

[Letterhead of LTC Properties, Inc.]

September 16, 2003

Reed Smith LLP
435 Sixth Avenue
Pittsburgh, PA 15219

Ladies and Gentlemen:

In connection with the opinion to be delivered in connection with the registration of 2,000,000 shares of Series E Cumulative Convertible Preferred Stock. Pursuant to a post-effective amendment to the Company's Registration Statement on Form S-3, as amended (the "Registration Statement") filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, on August 29, 2003 and for the purpose of rendering your opinion as to the Federal income tax consequences of the purchase and ownership of the shares of the Company, the Company hereby makes the following representations and warranties, after due inquiry and investigation, upon which you are entitled to rely in rendering your opinion (all terms not defined herein have the same meaning as ascribed thereto in the Prospectus):

1. All previously filed Registration Statements, and Exhibits thereto contain a true accurate and complete description of the existing and proposed business and activities of the Company.
2. The Registration Statement, Prospectus and Exhibits thereto in the form to be submitted therewith contain a true, accurate and complete description of the Offering, all persons connected therewith, and the existing and proposed business and activities of the Company.
3. The Company was formed on May 11, 1992 as a Maryland corporation. We believe that the Company has been and will continue to be organized and operated at all times during its existence in accordance with the provisions of its Corporate Charter and Bylaws, the description of its organization and operation contained in the Prospectus, and all applicable state statutes pertaining to a REIT.
4. The Company is managed by its Directors, who have complete discretion in the management and control of the Company and its wholly-owned subsidiaries and its controlled partnerships, as described in the Prospectus.
5. Other than restrictions on the acquisition or transfer of Company shares which are necessary to prevent disqualification of the Company as a REIT, the Company shares are freely transferable.
6. The Company will not modify its operations so that it becomes either (i) a financial institution as defined under Section 582(c)(2) of the Internal Revenue

Code of 1986, as amended (the "Code") or (ii) an insurance company to which Subchapter L of the Code applies.

7. The Company has (and has had since the original public offering) at least 100 shareholders at all times.

8. At no time since the original public offering have five or fewer individuals and/or organizations owned directly or indirectly more than 50% of the value of the Company shares.

9. The Company has elected to be treated as a REIT and has filed Form 1120-REIT, U.S. Income Tax Return for Real Estate Investment Trusts, for each year since its incorporation. The Company has not elected and anticipates that it will not elect to be treated as an S Corporation, a real estate mortgage investment conduit, a regulated investment company, or any entity other than a real estate investment trust (REIT) for Federal income tax purposes. The Company intends to satisfy all relevant filings and other administrative requirements established by the Internal Revenue Service that must be met in order to elect and to maintain its REIT status.

10. Seventy-five percent (75%) or more of the Company's total assets consist of real estate assets, cash, and cash items (including receivables arising in the ordinary course of the Company's REIT business) and government securities. The Company's assets include assets held by qualified REIT subsidiaries and the Company's share of the assets held by controlled partnerships.

11. Not more than 20% of the value of the Company's total assets are represented by securities of one or more taxable REIT subsidiaries.

12. Not more than 5% of the Company's total assets are represented by securities of any one issuer (other than those of a taxable REIT subsidiary).

13. The Company does not own directly or indirectly securities possessing more than 10% of the total voting power of the outstanding securities of any one issuer (other than those of a taxable REIT subsidiary or qualified REIT subsidiary).

14. With the exception of "Straight Debt" as allowed under Sec. 856(c)(7), the Company does not own directly or indirectly securities having a value of more than 10% of the total value of the outstanding securities of any one issuer (other than those of a taxable REIT subsidiary or qualified REIT subsidiary).

15. At least seventy-five percent (75%) of the Company's gross income (excluding gross income from prohibited transactions) is derived from the following sources:

    - rents from real property;
    - interest on obligations secured by mortgages on real property or on interests in real property;

- gain on the sale or disposition of real property (including interests in real property and interests in mortgages in real property) that is not income from the sale or other disposition of property held primarily for sale to customers in the ordinary course of business, as defined in Code Section 1221(a)(1);
- dividends or other distributions on shares of other qualified REITs, and gain from the sale or other disposition of shares of other qualified REITS;
- abatements and refunds of taxes on real property;
- income and gain derived from foreclosure property;
- commitment fees;
- gains from the sale or other disposition of real estate assets that are not prohibited transactions by reason of Code Section 857(b)(6); and/or
- qualified temporary investment income.

The Company's gross income includes the gross income of qualified REIT subsidiaries and the Company's share of the gross income of controlled partnerships.

16. At least ninety-five percent (95%) of the Company's gross income (excluding gross income from prohibited transactions) is derived from the following sources:
    - sources satisfying the 75% income test (see Representation #15);
    - dividends;
    - interest; and/or
    - gain from the sale or other disposition of stocks or securities.

17. The sum of the Company's declaration for dividends paid (computed without regard to capital gain dividends) and dividends "carried back" under a Sec. 858 election for each taxable year since formation has equated or exceeded:

    (A) The sum of:

        (i) 90% (95% in taxable years ending prior to January 1, 2001) of real estate investment trust taxable income (REITTI) computed without regard to distributions and excluding net capital gain, and

        (ii) 90% (95% in taxable years ending prior to January 1, 2001) of the excess of the net income from foreclosure property over the tax or such income; minus

    (B) Any excess non-cash income.

18. The Company has used and will continue to use a calendar year for Federal income tax purposes.

19. The Company, its wholly-owned subsidiaries and controlled partnerships have filed on a timely basis all known required federal, state, local and foreign income and franchise tax returns through the date hereof, if any such returns are required

to be filed, and have paid all taxes as shown as due thereon. No material tax deficiency has been asserted against any such entity, nor does any such entity know of any tax deficiency which is likely to be asserted against any such entity which, if determined adversely to any such entity, could have a material adverse effect on the assets, operations, business or condition (financial or otherwise) of any such entity, respectively.

20. The representations, views and beliefs of the Company expressed in the statements under the caption "Certain U.S. Federal Income Tax Considerations" and elsewhere in the Registration Statement and the Prospectus and under the caption "Taxation of Our Company" in the its Annual Report Form 10-K for the year ended December 31, 2002 and elsewhere in the Annual Report Form 10-K are true and complete.

21. The undersigned is authorized to make all the representations and warranties set forth herein on behalf of the Company, its wholly-owned subsidiaries and controlled partnerships.

22. The foregoing representations and warranties shall survive the issuance of the securities and the filing of the Registration Statement. This letter is being furnished to you solely for your benefit and for use in rendering your opinion and is not to be disclosed, used, circulated, quoted, or otherwise referred to for any purpose without the express written consent of the Company, except that you may refer in your opinion to the fact that you are relying on the representations and warranties set forth herein with respect to the factual matters covered by such representations and warranties.

Very truly yours,

LTC PROPERTIES, INC.

By /s/ Peter Lyew

Name: Peter Lyew
Title: Vice President and Director of Tax

Exhibit 99.1

[GRAPHIC APPEARS HERE]

FOR IMMEDIATE RELEASE

Contact: Andre C. Dimitriadis, Chairman & CEO
Wendy L. Simpson, Vice Chairman & CFO
(310) 455-6010

LTC PROPERTIES ANNOUNCES SALE OF 2 MILLION SHARES OF 8.5% CONVERTIBLE PREFERRED STOCK

MALIBU, CALIFORNIA, September 16, 2003 — LTC Properties, Inc. (NYSE:LTC) announced today that it has priced a public offering of 2 million shares of 8.5% Series E Cumulative Convertible Preferred Stock, with a liquidation preference of $25 per share. Each share of Series E Preferred Stock will be convertible at any time into shares of Common Stock, at a conversion price of $12.50 per share of Common Stock, subject to adjustment under certain circumstances. It is anticipated that closing and delivery will occur on or about September 19, 2003.

The transaction was managed by Stifel, Nicolaus & Company, Incorporated, McDonald Investments Inc. and Harris Nesbitt.

Net proceeds from the offering will be used, together with cash on hand to pay in full amounts outstanding under the Company's Senior Secured Revolving Line of Credit.

The Company is a self-administered real estate investment trust which invests in long-term care and other healthcare related facilities through mortgage loans, facility lease transactions and other investments.

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. All forward-looking statements included in this press release are based on information available to the Company on the date hereof, and the Company 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.

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