

EQUITY LIFESTYLE PROPERTIES INC

Form 10-K

February 23, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the Fiscal Year Ended December 31, 2015

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from _____ to _____

Commission File Number: 1-11718

EQUITY LIFESTYLE PROPERTIES, INC.

(Exact name of registrant as specified in its charter)

Maryland

(State or Other Jurisdiction of
Incorporation or Organization)

36-3857664

(I.R.S. Employer
Identification No.)

Two North Riverside Plaza,
Suite 800, Chicago, Illinois

(Address of Principal
Executive Offices)

60606

(Zip Code)

(312) 279-1400

(Registrant's Telephone Number, Including Area Code)

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

Common Stock, \$0.01 Par Value

(Title of Class)

New York Stock Exchange

(Name of exchange on which registered)

6.75% Series C Cumulative Redeemable

Perpetual Preferred Stock, \$0.01 Par Value

(Title of Class)

New York Stock Exchange

(Name of exchange on which registered)

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

None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The aggregate market value of voting stock held by non-affiliates was approximately \$4,139.9 million as of June 30, 2015 based upon the closing price of \$52.58 on such date using beneficial ownership of stock rules adopted pursuant to Section 13 of the Securities Exchange Act of 1934 to exclude voting stock owned by Directors and Officers, some of whom may not be held to be affiliates upon judicial determination.

At February 19, 2016, 84,593,728 shares of the Registrant's common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

Part III incorporates by reference portions of the Registrant's Proxy Statement relating to the Annual Meeting of Stockholders to be held on May 10, 2016.

Equity LifeStyle Properties, Inc.
TABLE OF CONTENTS

	Page
PART I.	
Item 1. Business	<u>1</u>
Item 1A. Risk Factors	<u>7</u>
Item 1B. Unresolved Staff Comments	<u>16</u>
Item 2. Properties	<u>17</u>
Item 3. Legal Proceedings	<u>29</u>
Item 4. Mine Safety Disclosure	<u>29</u>
PART II.	
Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	<u>30</u>
Item 6. Selected Financial Data	<u>31</u>
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	<u>32</u>
Item 7A. Quantitative and Qualitative Disclosures About Market Risk	<u>49</u>
Forward-Looking Statements	<u>50</u>
Item 8. Financial Statements and Supplementary Data	<u>50</u>
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	<u>50</u>
Item 9A. Controls and Procedures	<u>50</u>
Item 9B. Other Information	<u>51</u>
PART III.	
Item 10. Directors, Executive Officers and Corporate Governance	<u>52</u>
Item 11. Executive Compensation	<u>52</u>
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	<u>52</u>
Item 13. Certain Relationships and Related Transactions and Director Independence	<u>52</u>
Item 14. Principal Accountant Fees and Services	<u>52</u>
PART IV.	
Item 15. Exhibits and Financial Statement Schedules	<u>53</u>

PART I

Item 1. Business

Equity LifeStyle Properties, Inc.

General

Equity LifeStyle Properties, Inc. ("ELS"), a Maryland corporation, together with MHC Operating Limited Partnership (the "Operating Partnership") and its other consolidated subsidiaries (the "Subsidiaries"), are referred to herein as "we," "us," and "our." We elected to be taxed as a real estate investment trust ("REIT"), for U.S. federal income tax purposes, commencing with our taxable year ended December 31, 1993.

We are a fully integrated owner and operator of lifestyle-oriented properties ("Properties") consisting primarily of manufactured home ("MH") communities and recreational vehicle ("RV") resorts and campgrounds. We were formed in December 1992 to continue the property operations, business objectives and acquisition strategies of an entity that had owned and operated Properties since 1969.

We have a unique business model where we own the land and provide our customers the opportunity to place factory built homes, cottages, cabins or RVs either permanently or on a long-term or short-term basis. Our customers may lease individual developed areas ("Sites") or enter right-to-use contracts which provide them access to specific Properties for limited stays. Compared to other types of real estate companies, our business model is characterized by low maintenance costs as well as low customer turnover costs. Our portfolio is spread through highly desirable locations with a focus on both retirement and vacation destinations attracting retirees, vacationing families, and second homeowners, while providing a lower cost home ownership alternative. We have 80 Properties with lake, river or ocean frontage and more than 100 Properties within 10 miles of the coastal United States.

We are one of the nation's largest real estate networks with a portfolio, as of December 31, 2015, of 387 Properties consisting of 143,938 residential Sites located throughout the United States and Canada. These Properties are located in 32 states and British Columbia.

Our Properties are designed and improved for several home options of various sizes and designs that are produced off-site by third-party manufacturers, installed and set on designated Sites ("Site Set") within the Properties. These homes can range from 400 to over 2,000 square feet. Properties may also have Sites that can accommodate a variety of RVs. Properties generally contain centralized entrances, internal road systems and designated Sites. In addition, Properties often provide a clubhouse for social activities and recreation and other amenities, which may include swimming pools, shuffleboard courts, tennis courts, pickleball courts, golf courses, lawn bowling, restaurants, laundry facilities, cable television and internet service. Some Properties provide

utilities, including water and sewer service, through municipal or regulated utilities while others provide these services to customers from on-site facilities.

Employees and Organizational Structure

We have an annual average of approximately 4,100 full-time, part-time and seasonal employees dedicated to carrying out our operating philosophy while focusing on providing good service to our customers. The operations of each Property are coordinated by an on-site team of employees that typically includes a manager, clerical staff and maintenance workers, each of whom works to provide maintenance and care to the Properties. The on-site team at each Property also provides customer service and coordinates lifestyle-oriented activities for customers. Direct supervision of on-site management is the responsibility of our regional vice presidents and regional and district managers who have substantial experience addressing the needs of customers and creating innovative approaches to maximize value and increase cash flow from property operations. Complementing the field management staff are approximately 200 full-time corporate employees who assist in all functions related to the management of our Properties.

Our Formation

Our operations are conducted primarily through our Operating Partnership. We contributed the proceeds from our initial public offering in 1993 and subsequent offerings to our Operating Partnership for a general partnership interest. The financial results of our Operating Partnership and our Subsidiaries are consolidated in our consolidated financial statements, which can be found beginning on page F-1 of this Form 10-K. In addition, since certain activities, if performed by us, may not be qualifying REIT activities under the Internal Revenue Code of 1986, as amended (the "Code"), we have formed taxable REIT Subsidiaries, as defined in the Code, to engage in such activities.

Realty Systems, Inc. ("RSI") is a wholly owned taxable REIT subsidiary of ours which is engaged in the business of purchasing, selling or leasing Site Set homes that are located in Properties owned and managed by us. RSI also provides brokerage services to residents at such Properties who move from a Property but do not relocate their homes. RSI may provide brokerage services, in competition with other local brokers, by seeking buyers for the Site Set homes. Subsidiaries of RSI also operate ancillary activities at certain Properties, such as golf courses, pro shops, stores and restaurants. Several Properties are also wholly owned by our taxable REIT Subsidiaries.

Business Objectives and Operating Strategies

Our primary business objective is to maximize both current and long-term income growth. Our operating strategy is to own and operate the highest quality Properties in sought-after locations near retirement and vacation destinations and urban areas across the United States.

We focus on Properties that have strong cash flow and plan to hold such Properties for long-term investment and capital appreciation. In determining cash flow potential, we evaluate our ability to attract high quality customers to our Properties and retain these customers who take pride in the Property and in their homes. Our operating, investment and financing strategies include:

- Consistently providing high levels of services and amenities in attractive surroundings to foster a strong sense of community and pride of home ownership;
- Efficiently managing the Properties to increase operating margins by increasing occupancy, maintaining competitive market rents and controlling expenses;
- Increasing income and property values by strategic expansion and, where appropriate, renovation of the Properties;
- Utilizing technology to evaluate potential acquisitions, identify and track competing properties and monitor existing and prospective customer satisfaction;
- Selectively acquiring properties that have potential for long-term cash flow growth and creating property concentrations in and around retirement or vacation destinations and major metropolitan areas to capitalize on operating synergies and incremental efficiencies;
- Managing our debt balances in order to maintain financial flexibility, minimize exposure to interest rate fluctuations and maintain an appropriate degree of leverage to maximize return on capital; and
- Developing and maintaining relationships with various capital providers.

These business objectives and their implementation are consistent with business strategies determined by our Board of Directors and may be changed at any time.

Acquisitions and Dispositions

Over the last decade we have continued to increase the number of Properties in our portfolio (including owned or partly owned Properties), from 285 Properties with over 106,300 Sites to 387 Properties with over 143,900 Sites. During the year ended December 31, 2015, we acquired three Properties (two RV resorts and one MH community) with a total of approximately 700 Sites. We continually review the Properties in our portfolio to ensure they fit our business objectives. Over the last five years, we redeployed capital to properties in markets we believe have greater long-term potential by acquiring 92 Properties primarily located in retirement and vacation destinations and selling 12 Properties that were not aligned with our long-term goals.

We believe that opportunities for property acquisitions are still available. Based on industry reports, we estimate there are approximately 50,000 manufactured home properties and approximately 8,750 RV resorts (excluding government owned properties) in North America. Most of these properties are not operated by large owner/operators, and approximately 3,600 of the MH properties and 1,300 of the RV resorts contain 200 Sites or more. We believe that this relatively high degree of fragmentation provides us, as a national organization with experienced management and substantial financial resources, the opportunity to purchase additional properties. We believe we have a competitive advantage in the acquisition of additional properties due to our experienced management, significant presence in major real estate markets and access to capital resources. We are actively seeking to acquire and are engaged at any time in various stages of negotiations relating to the possible acquisition of additional properties, which may include outstanding contracts to acquire properties that are subject to the satisfactory completion of our due diligence review. We anticipate that new acquisitions will generally be located in the United States, although we may consider other geographic locations provided they meet our acquisition criteria. We utilize market information systems to identify and evaluate acquisition opportunities, including the use of a market database to review the primary economic indicators of the various locations in which we expect to expand our operations.

Acquisitions will be financed from the most appropriate available sources of capital, which may include undistributed funds from operations, issuance of additional equity securities, sales of investments, collateralized and uncollateralized borrowings and issuance of debt securities. In addition, we have and expect to acquire properties in transactions that include the issuance of limited partnership interests in our Operating Partnership ("OP Units") as consideration for the acquired properties. We believe that an ownership structure that includes our Operating Partnership has and will permit us to acquire additional properties in transactions that may defer all or a portion of the sellers' tax consequences.

When evaluating potential acquisitions, we consider, among others, the following factors:

- Current and projected cash flow of the property and the potential for increased cash flow;
- Geographic area and the type of property;
- Replacement cost of the property, including land values, entitlements and zoning;
- Location, construction quality, condition and design of the property;
- Potential for capital appreciation of the property;
- Terms of tenant leases or usage rights, including the potential for rent increases;
- Potential for economic growth and the tax and regulatory environment of the community in which the property is located;
- Potential for expansion, including increasing the number of Sites;
- Occupancy and demand by customers for properties of a similar type in the vicinity and the customers' profiles;
- Prospects for liquidity through sale, financing or refinancing of the property;
- Competition from existing properties and the potential for the construction of new properties in the area; and
- Working capital demands.

When evaluating potential dispositions, we consider, among others, the following factors:

- Whether the Property meets our current investment criteria;
- Our desire to exit certain non-core markets and recycle the capital into core markets; and
- Our ability to sell the Property at a price that we believe will provide an appropriate return for our stockholders.

When investing capital, we consider all potential uses of the capital, including returning capital to our stockholders. Our Board of Directors continues to review the conditions under which we may repurchase our stock. These

conditions include, but are not limited to, market price, balance sheet flexibility, other opportunities and capital requirements.

Property Expansions

Several of our Properties have land available for expanding the number of Sites. Development of these Sites ("Expansion Sites") is evaluated based on the following factors: local market conditions; ability to subdivide; accessibility within the Property

and externally; infrastructure needs including utility needs and access as well as additional common area amenities; zoning and entitlement; costs and uses of working capital; topography; and ability to market new Sites. When justified, development of Expansion Sites allows us to leverage existing facilities and amenities to increase the income generated from the Properties. Our acquisition philosophy includes owning Properties with potential for Expansion Site development. Approximately 85 of our Properties have expansion potential, with up to approximately 5,300 acres available for expansion. Refer to Item 2. Properties, which includes detail regarding the developable acres available at each property.

Leases or Usage Rights

At our Properties, a typical lease for the rental of a Site between us and the owner or renter of a home is month-to-month or for a one-year term, renewable upon the consent of both parties or, in some instances, as provided by statute. These leases are cancelable, depending on applicable law, for non-payment of rent, violation of Property rules and regulations or other specified defaults. Long-term leases that are non-cancelable by the tenant are in effect at approximately 7,400 Sites in 39 of our Properties. Some of these leases are subject to rental rate increases based on the Consumer Price Index ("CPI"), in some instances allowing for pass-throughs of certain items such as real estate taxes, utility expenses and capital expenditures. Generally, adjustments to our market rates, if appropriate, are made on an annual basis.

In Florida, in connection with offering a Site in a MH community for rent, the MH community owner must deliver to the prospective resident a Prospectus required by Florida Statutes Chapter 723.001, et. seq., which must be approved by the applicable regulatory agency. The Prospectus contains certain required disclosures regarding the community, the rights and obligations of the MH community owner and residents, and a copy of the lease agreement. A Prospectus may contain limitations on the rights of the MH community owner to increase rental rates. However, in the absence of such limitations, the MH community owner may increase rental rates to market, subject to certain advance notice requirements and a statutory requirement that the rental rates be reasonable. See further discussion below related to rent control legislation.

At Properties zoned for RV use, we have long-term relationships with many of our customers who typically enter into short-term rental agreements. Many resort customers also leave deposits to reserve a Site for the following year. Generally, these customers cannot live full time on the Property. At resort Properties operated under the Thousand Trails brand designated for use by customers who have entered a right-to-use or membership contract, the contract generally grants the customer access to designated Properties on a continuous basis of up to 14 days in exchange for annual dues payments. The customer may make a nonrefundable upfront payment to upgrade the contract which increases usage rights during the contract term. We may finance the nonrefundable upfront payment. Most of the contracts provide for an annual dues increase, usually based on increases in the CPI. Approximately 31% of current customers are not subject to annual dues increases in accordance with the terms of their contracts, generally because the customers are over 61 years old or meet certain other specified restriction criteria.

Regulations and Insurance

General. Our Properties are subject to a variety of laws, ordinances and regulations, including regulations relating to recreational facilities such as swimming pools, clubhouses and other common areas, regulations relating to providing utility services, such as electricity, and regulations relating to operating water and wastewater treatment facilities at certain of our Properties. We believe that each Property has all material permits and approvals necessary to operate. We renew these permits and approvals in the ordinary course of business.

Insurance. The Properties are insured against risks that may cause property damage and business interruption including events such as fire, flood, earthquake, or windstorm. The relevant insurance policies contain deductible requirements, coverage limits and particular exclusions. Our current property and casualty insurance policies, which we plan to renew, expire on April 1, 2016. We have a \$100 million loss limit with respect to our all-risk property insurance program including named windstorms, which include, for example, hurricanes. This loss limit is subject to additional sub-limits as set forth in the policy form, including, among others, a \$25 million aggregate loss limit for earthquakes in California. Policy deductibles primarily range from a \$125,000 minimum to 5% per unit of insurance for most catastrophic events. A deductible indicates our maximum exposure, subject to policy limits and sub-limits, in the event of a loss.

Rent Control Legislation. At certain of our Properties, principally in California, state and local rent control laws limit our ability to increase rents and to recover increases in operating expenses and the costs of capital improvements. Enactment of such laws has been considered at various times in other jurisdictions. We presently expect to continue to maintain Properties, and may purchase additional properties, in markets that are either subject to rent control or in which rent-limiting legislation exists or may be enacted. For example, Florida law requires that rental increases be reasonable, and Delaware law requires rental increases greater than the change in the consumer price index to be justified. Also, certain jurisdictions in California in which we own Properties limit rent increases to changes in the CPI or some percentage of CPI. As part of our effort to realize the value of Properties

subject to restrictive regulation, we have initiated lawsuits at various times against various municipalities imposing such regulations in an attempt to balance the interests of our stockholders with the interests of our customers. (See Item 3. Legal proceedings).

Membership Properties. Many states also have consumer protection laws regulating right-to-use or campground membership sales and the financing of such sales. Some states have laws requiring us to register with a state agency and obtain a permit to market (see Item 1A. Risk Factors). At certain of our Properties primarily used as membership campgrounds, state statutes limit our ability to close a Property unless a reasonable substitute Property is made available for members' use.

Industry

We believe that our Properties and our business model provide an opportunity for increased cash flows and appreciation in value. These may be achieved through increases in occupancy rates and rents, as well as expense controls, expansion of existing Properties and opportunistic acquisitions, for the following reasons:

Barriers to Entry: We believe that the supply of new properties in locations we target will be constrained by barriers to entry. The most significant barrier has been the difficulty of securing zoning permits from local authorities. This has been the result of (i) the public's perception of manufactured housing, and (ii) the fact that MH communities and RV resorts generate less tax revenue than conventional housing properties because the homes are treated as personal property (a benefit to the homeowner) rather than real property. Further, the length of time between investment in a property's development and the attainment of stabilized occupancy and the generation of revenues is significant. The initial development of the infrastructure may take up to two or three years and once a property is ready for occupancy, it may be difficult to attract customers to an empty property. Substantial occupancy levels may take several years to achieve.

Customer Base: We believe that properties tend to achieve and maintain a stable rate of occupancy due to the following factors: (i) customers typically own their own homes, (ii) properties tend to foster a sense of community as a result of amenities such as clubhouses and recreational and social activities, (iii) customers often sell their homes in-place (similar to site-built residential housing) with no interruption of rental payments to us, and (iv) moving a Site Set home from one property to another involves substantial cost and effort.

Lifestyle Choice: According to the Recreational Vehicle Industry Association ("RVIA"), nearly one in eleven U.S. households owns an RV and there are currently 9.0 million RV owners. The 77 million people born from 1946 to 1964 or "baby boomers" make up the fastest growing segment of this market. According to Pew Research Center, every day 10,000 Americans turn 65. We believe that this population segment, seeking an active lifestyle, will provide opportunities for our future cash flow growth. As RV owners age and move beyond the more active RV lifestyle, they will often seek more permanent retirement or vacation establishments. Site Set housing has become an increasingly popular housing alternative for retirement, second-home, and "empty-nest" living. According to Pew Research Center, the baby-boom generation is expected to grow 28% within the next 15 years.

We believe that the housing choices in our Properties are especially attractive to such individuals throughout this lifestyle cycle. Our Properties offer an appealing amenity package, close proximity to local services, social activities, low maintenance and a secure environment. In fact, many of our Properties allow for this cycle to occur within a single Property.

Construction Quality: The Department of Housing and Urban Development's ("HUD") standards for Site Set housing construction quality are the only federal standards governing housing quality of any type in the United States. Site Set homes produced since 1976 have received a "red and silver" government seal certifying that they were built in compliance with the federal code. The code regulates Site Set home design and construction, strength and durability, fire resistance and energy efficiency, and the installation and performance of heating, plumbing, air conditioning, thermal and electrical systems. In newer homes, top grade lumber and dry wall materials are common. Also, manufacturers are required to follow the same fire codes as builders of site-built structures. Although resort cottages, which are generally smaller homes, do not come under the same regulations, the resort cottages are built and certified in accordance with NFPA 1192-15 and ANSI A119.5-09 consensus standards for park model recreational vehicles and have many of the same quality features.

Comparability to Site-Built Homes: Since inception, the Site Set housing industry has experienced a trend toward multi-section homes. Current Site Set homes are up to 80 feet long and 30 feet wide and approximately 1,438 square feet. Many such homes have nine-foot ceilings or vaulted ceilings, fireplaces and as many as four bedrooms, and closely resemble single-family ranch-style site-built homes. At our Properties, there is an active resale or rental market for these larger homes. According to the 2014 U.S. Census American Community Survey, manufactured homes represent 9.3% of total housing units.

Second Home and Vacation Home Demographics: According to 2015 National Association of Realtors ("NAR") reports, sales of second homes in 2014 accounted for 40% of residential transactions, or 2.2 million second-home sales in 2014. There were approximately 8.0 million vacation homes in 2014. The typical vacation-home buyer is 43 years old and

earned \$94,400 in 2014. According to 2014 NAR reports, approximately 46% of vacation homes were purchased in the south; 25% were purchased in the west; 15% were purchased in the northeast; and 14% were purchased in the Midwest. Looking ahead, NAR believes that baby boomers are still in their peak earning years, and the leading edge of their generation is approaching retirement. As they continue to have the financial means to purchase a second home as a vacation property, investment opportunity, or perhaps as a retirement retreat, those baby boomers will continue to drive the market for second homes. We believe it is likely that over the next decade we will continue to see high levels of second-home sales, and resort homes and cottages in our Properties will continue to provide a viable second-home alternative to site-built homes.

Notwithstanding our belief that the industry information highlighted above provides us with significant long-term growth opportunities, our short-term growth opportunities could be disrupted by the following:

Shipments—According to statistics compiled by the U.S. Census Bureau, shipments of new manufactured homes declined from 2005 through 2009. Since then, manufactured home shipments have increased each year and are on pace for a seventh straight year of growth. Although new manufactured home shipments continue to be below historical levels, shipments in 2015 increased about 9.6% to 70,500 units as compared to shipments in 2014 of 64,300 units. According to the RVIA, wholesale shipments of RVs increased 4.9% in 2015 to approximately 374,100 units as compared to 2014, which continued a positive trend in RV shipments that started in late 2009. Certain industry experts have predicted that 2016 RV shipments will increase by about 2% as compared to 2015.

1. U.S. Census: Manufactured Homes Survey

2. Source: RVIA

Sales: Retail sales of RVs totaled approximately 305,800 in 2015, a 18.1% increase from 2014 RV sales of 259,000 and a 24.9% increase from 2013 RV sales of 244,800. We believe that consumers remain concerned about the current economy, and by prospects that the economy might remain sluggish in the years ahead. However, the enduring appeal of the RV lifestyle has translated into continued strength in RV sales despite the economic turmoil. According to RVIA, RV ownership has reached record levels: 9.0 million American households now own an RV, the highest level ever recorded, which constitutes an increase of 13.9% since 2005. RV sales could continue to benefit as aging baby-boomers continue to enter the age range in which RV ownership is highest. RV dealers typically have relationships with third party lenders who provide financing for the purchase of an RV.

Availability of financing: Since 2008 only a few sources of financing have been available for manufactured home and RV manufacturers. In addition, the economic and legislative environment has made it difficult for purchasers of manufactured homes and RVs to obtain financing. Legislation enacted in 2010 known as the SAFE Act (Safe Mortgage Licensing Act) requires community owners interested in providing financing for customer purchases of manufactured homes to register as a mortgage loan originator in states where they engage in such financing. In comparison to financing available to

purchasers of site-built homes, the few third party financing sources available to purchasers of manufactured homes offer financing with higher down payments, higher rates and shorter maturities, and loan approval is subject to more stringent underwriting criteria. During 2013 we entered into an agreement with an unaffiliated third party home manufacturer to create a joint venture, ECHO Financing, LLC, to buy and sell homes and purchase loans made by an unaffiliated lender to residents at our Properties.

Please see our risk factors in Item 1A - Risk Factors and financial statements and related notes beginning on page F-1 of this Form 10-K for more detailed information.

Available Information

We file reports electronically with the Securities and Exchange Commission ("SEC"). The public may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains reports, proxy information and statements and other information regarding issuers that file electronically with the SEC at <http://www.sec.gov>. We maintain an Internet site with information about us and hyperlinks to our filings with the SEC at <http://www.equitylifestyle.com>, free of charge. Requests for copies of our filings with the SEC and other investor inquiries should be directed to:

Investor Relations Department

Equity LifeStyle Properties, Inc.

Two North Riverside Plaza

Chicago, Illinois 60606

Phone: 1-800-247-5279

e-mail: investor_relations@equitylifestyle.com

Item 1A. Risk Factors

Our business faces many risks. The risks described below may not be the only risks we face but are the risks we know or that we believe may be material at this time. Additional risks that we do not yet know of, or that we currently think are immaterial, may also impair our business operations or financial results. This Item 1A. also includes forward-looking statements. You should refer to our discussion of the qualifications and limitations on forward-looking statements included in Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Risks Relating to Our Operations and Real Estate Investments

Adverse Economic Conditions and Other Factors Could Adversely Affect the Value of our Properties and our Cash Flow.

Several factors may adversely affect the economic performance and value of our Properties. These factors include:

- changes in the national, regional and/or local economic climate;
- fluctuation in the exchange rate of the U.S. dollar to other currencies and its impact on foreign customers of our northern and southern Properties;
- the attractiveness of our Properties to customers, competition from manufactured home communities and other lifestyle-oriented properties and alternative forms of housing (such as apartment buildings and site-built single family homes);
- the ability of manufactured home and RV manufacturers to adapt to changes in the economic climate and the availability of units from these manufacturers;
- the ability of our potential customers to sell or lease their existing site-built residences in order to purchase resort homes or cottages at our Properties, and heightened price sensitivity for seasonal and second homebuyers;
- the possible reduced ability of our potential customers to obtain financing on the purchase of resort homes, resort cottages or RVs;
- the ability of our potential customers to obtain affordable chattel financing from MH lenders;
- government stimulus intended to primarily benefit purchasers of site-built housing;
- our ability to collect rent, annual payments and principal and interest from customers and pay or control maintenance, insurance and other operating costs (including real estate taxes), which could increase over time;
- unfavorable weather conditions, especially on holiday weekends in the summer, could reduce the economic performance at our resort Properties;

the failure of our assets to generate income sufficient to pay our expenses, service our debt and maintain our Properties, which may adversely affect our ability to make expected distributions to our stockholders or may result in claims including, but not limited to, foreclosure by a lender in the event of our inability to service our debt; changes in laws and governmental regulations (including rent control laws and regulations governing usage, zoning and taxes and chattel financing), which may adversely affect our financial condition;

7

changes in laws and governmental regulations related to proposed minimum wage increases may adversely affect our financial condition; and

our ability to attract customers to enter new or upgraded right-to-use contracts and to retain customers who have previously entered right-to-use contracts.

Economic Downturn in the States or Markets with a Large Concentration of Our Properties May Adversely Affect Our Cash Flows, Financial Condition and Ability to Make Distributions.

Our success is dependent upon economic conditions in the U.S. generally and in the geographic areas in which a substantial number of our Properties are located. Adverse changes in national economic conditions and in the economic conditions of the regions in which we conduct substantial business may have an adverse effect on the real estate values of our Properties, our financial performance and the market price of our common stock. As we have a large concentration of properties in certain markets, most notably Florida, California, and Arizona, adverse market and economic conditions in these areas of high concentration, which significantly affect such factors as occupancy and rental rates, could have a significant impact on our revenues, cash flows, financial condition and ability to make distributions. In a recession or under other adverse economic conditions, non-earning assets and write-downs are likely to increase as debtors fail to meet their payment obligations. Although we maintain reserves for credit losses and an allowance for doubtful accounts in amounts that we believe should be sufficient to provide adequate protection against potential write-downs in our portfolio, these amounts could prove to be insufficient.

Certain of Our Properties, Primarily our RV Resorts, are Subject to Seasonality and Cyclicity.

Some of our RV Resorts are used primarily by vacationers and campers. These Properties experience seasonal demand, which generally increases in the spring and summer months and decreases in the fall and winter months. As such, results for a certain quarter may not be indicative of the results of future quarters. In addition, as our RV Resorts are primarily used by campers and vacationers, economic cyclicity resulting in a downturn that affects discretionary spending and disposable income for leisure-time activities, as well as unfavorable weather conditions during the spring and summer months, could adversely affect our cash flows.

Competition for Acquisitions May Result in Increased Prices for Properties and Associated Costs and Increased Costs of Financing.

We expect that other real estate investors with significant capital will compete with us for attractive investment opportunities. These competitors may include other publicly traded REITs, private REITs, individuals, corporations, and other types of real estate investors. Such competition increases prices for Properties and can also result in increased fixed costs, such as real estate taxes. To the extent we are unable to effectively compete or acquire properties at a lower purchase price, our business may be adversely affected. Further, we expect to acquire Properties with cash from sources including but not limited to secured or unsecured financings, proceeds from offerings of equity or debt, offerings of OP Units, undistributed funds from operations and sales of investments. We may not be in a position or have the opportunity in the future to make suitable Property acquisitions on favorable terms. Increased competition can cause difficulties obtaining new financing or securing favorable financing terms.

New Acquisitions May Fail to Perform as Expected and the Intended Benefits of Our Acquisitions May Not Be Realized, Which Could Have a Negative Impact on Our Operations and the Market Price of Our Common Stock.

We intend to continue to acquire Properties. However, newly acquired Properties may fail to perform as expected and could pose risks for our ongoing operations including the following

integration may prove costly or time-consuming and may divert senior management's attention from the management of daily operations;

difficulties or inability to access capital or increases in financing costs;

we may incur costs and expenses associated with any undisclosed or potential liabilities;

development and expansion projects may include long planning and involve complex and costly activities;

unforeseen difficulties may arise in integrating an acquisition into our portfolio;

we may acquire properties in new markets where we face risks associated with lack of market knowledge such as: understanding of the local economy, the local governmental and/or local permit procedures.

As a result of the foregoing, we may underestimate the costs necessary to bring an acquired Property up to standards established for our intended market position. As such, we cannot assure you that any acquisitions that we make will be

accretive to us in the near term or at all. Furthermore, if we fail to realize the intended benefits of an acquisition, the market price of our common stock could decline to the extent that the market price reflects those benefits.

Because Real Estate Investments Are Illiquid, We May Not be Able to Sell Properties When Appropriate.

Real estate investments generally cannot be sold quickly. We may not be able to vary our portfolio promptly in response to economic or other conditions, forcing us to accept lower than market value. This inability to respond promptly to changes in the performance of our investments could adversely affect our financial condition and ability to service debt and make distributions to our stockholders.

Our Inability to Sell or Rent Manufactured Homes Could Adversely Affect Our Cash Flows.

Selling and renting homes is a primary part of our business. Our ability to sell or rent manufactured homes could be adversely affected by any of the following factors:

- downturns in economic conditions disrupting the single family housing market;
- local conditions, such as an oversupply of lifestyle-oriented properties or a reduction in demand for lifestyle-oriented properties;
- the ability of customers to obtain affordable financing; and
- demographics, such as the retirement of the "baby boomers", and their demand for access to our lifestyle-oriented Properties.

Our Investments in Joint Ventures Could be Adversely Affected by Our Lack of Sole Decision-Making Authority Regarding Major Decisions, Our Reliance on Our Joint Venture Partners' Financial Condition, Any Disputes that may Arise Between Us and Our Joint Venture Partners and Our Exposure to Potential Losses from the Actions of Our Joint Venture Partners.

We have joint ventures with other investors. We currently and may continue in the future to acquire properties or make investments in joint ventures with other persons or entities when we believe circumstances warrant the use of such structures. Joint venture investments involve risks not present with respect to our wholly owned properties, including the following:

our joint venture partners might experience financial distress, become bankrupt or fail to fund their share of required capital contributions, which may delay construction or development of a property or increase our financial commitment to the joint venture;

our joint venture partners may have business interests or goals with respect to a property that conflict with our business interests and goals, which could increase the likelihood of disputes regarding the ownership, management or disposition of the property; and

- we may be unable to take actions that are opposed by our joint venture partners under arrangements that require us to share decision-making authority over major decisions affecting the ownership or operation of the joint venture and any property owned by the joint venture, such as the sale or financing of the property or the making of additional capital contributions for the benefit of the venture.

At times we have entered into agreements providing for joint and several liability with our partners. Frequently, we and our partners may each have the right to trigger a buy-sell arrangement, which could cause us to sell our interest, or acquire our partners' interest, at a time when we otherwise would not have initiated such a transaction. Any of these risks could materially and adversely affect our ability to generate and recognize attractive returns on our joint venture investments, which could have a material adverse effect on our results of operations, financial condition and distributions to our stockholders.

Risks Relating to Governmental Regulation and Potential Litigation

Risks of Governmental Action and of Litigation.

We own Properties in certain areas of the country where the rental rates in our Properties have not increased as fast as the real estate values either because of locally imposed rent control or long term leases. In such areas, certain local government entities have at times investigated the possibility of seeking to take our Properties by eminent domain at values below the value of the underlying land. While no such eminent domain proceeding has been commenced, and we would exercise all of our rights in connection with any such proceeding, successful condemnation proceedings by municipalities could adversely affect our financial condition. Moreover, certain of our Properties located in California are subject to rent control ordinances, some of which not only severely restrict ongoing rent increases but also prohibit us from increasing rents upon turnover. Such regulations allow customers to sell their homes for a premium representing the value of the future rent discounts resulting from rent-controlled rents.

Tenant groups have filed lawsuits against us seeking to limit rent increases and/or seeking large damage awards for our alleged failure to properly maintain certain Properties or other tenant related matters, such as the case currently pending in the California Court of Appeal, Sixth Appellate District, Case No. H041913, involving our California Hawaiian manufactured home property. (See Note 18 to the Consolidated Financial Statements for additional detail regarding our current litigation matters).

Laws and Regulations Relating to Campground Membership Sales and Properties Could Adversely Affect the Value of Certain Properties and Our Cash Flow.

Many of the states in which we do business have laws regulating right-to-use or campground membership sales. These laws generally require comprehensive disclosure to prospective purchasers, and usually give purchasers the right to rescind their purchase between three to five days after the date of sale. Some states have laws requiring us to register with a state agency and obtain a permit to market. We are subject to changes, from time to time, in the application or interpretation of such laws that can affect our business or the rights of our members.

In some states, including California, Oregon and Washington, laws place limitations on the ability of the owner of a campground property to close the property unless the customers at the property receive access to a comparable property. The impact of the rights of customers under these laws is uncertain and could adversely affect the availability or timing of sale opportunities or our ability to realize recoveries from Property sales.

The government authorities regulating our activities have broad discretionary power to enforce and interpret the statutes and regulations that they administer, including the power to enjoin or suspend sales activities, require or restrict construction of additional facilities and revoke licenses and permits relating to business activities. We monitor our sales and marketing programs and debt collection activities to control practices that might violate consumer protection laws and regulations or give rise to consumer complaints.

Certain consumer rights and defenses that vary from jurisdiction to jurisdiction may affect our portfolio of contracts receivable. Examples of such laws include state and federal consumer credit and truth-in-lending laws requiring the disclosure of finance charges, and usury and retail installment sales laws regulating permissible finance charges.

In certain states, as a result of government regulations and provisions in certain of the right-to-use or campground membership agreements, we are prohibited from selling more than ten memberships per site. At the present time, these restrictions do not preclude us from selling memberships in any state. However, these restrictions may limit our ability to utilize Properties for public usage and/or our ability to convert Sites to more profitable or predictable uses, such as annual rentals.

Environmental Risks

Changes in Oil and Gasoline Prices May Have an Adverse Impact on Our Properties and the RV Industry.

In the event the cost to power recreational vehicles increases, customers may reduce the amount of time spent traveling in their RVs. This may negatively impact revenues at our Properties that target these customers.

We have Properties located in geographic areas that are dependent on the energy industry for jobs. In the event the local economies in these areas are negatively impacted by declining oil prices, we may experience reduced property occupancy or be unable to increase rental rates at such Properties.

Environmental and Utility-Related Problems are Possible and Can be Costly.

Federal, state and local laws and regulations relating to the protection of the environment may require a current or previous owner or operator of real property to investigate and clean up hazardous or toxic substances or petroleum product releases at such property. The owner or operator may have to pay a governmental entity or third parties for property damage and for investigation and clean-up costs incurred by such parties in connection with the contamination. Such laws typically impose clean-up responsibility and liability without regard to whether the owner or operator knew of or caused the presence of the contaminants. Even if more than one person may have been responsible for the contamination, each person covered by the environmental laws may be held responsible for all of the clean-up costs incurred. In addition, third parties may sue the owner or operator of a site for damages and costs resulting from environmental contamination emanating from that site.

Environmental laws also govern the presence, maintenance and removal of asbestos. Such laws require that owners or operators of property containing asbestos properly manage and maintain the asbestos, that they notify and train those who may come into contact with asbestos and that they undertake special precautions, including removal or other abatement, if asbestos would be disturbed during renovation or demolition of a building. Such laws may impose fines and penalties on real property owners or operators who fail to comply with these requirements and may allow third parties to seek recovery from owners or operators for personal injury associated with exposure to asbestos fibers.

We Have a Significant Concentration of Properties in Florida and California, and Natural Disasters or Other Catastrophic Events in These or Other States Could Adversely Affect the Value of Our Properties and Our Cash Flow. As of December 31, 2015, we owned or had an ownership interest in 387 Properties located in 32 states and British Columbia, including 122 Properties located in Florida and 49 Properties located in California. The occurrence of a natural disaster or other catastrophic event in any of these areas may cause a sudden decrease in the value of our Properties. While we have obtained insurance policies providing certain coverage against damage from fire, flood, property damage, earthquake, soil erosion, wind storm and business interruption, these insurance policies contain coverage limits, limits on covered property and various deductible amounts that we must pay before insurance proceeds are available. Such insurance may therefore be insufficient to restore our economic position with respect to damage or destruction to our Properties caused by such occurrences. Moreover, each of these coverages must be renewed every year and there is the possibility that all or some of the coverages may not be available at a reasonable cost. In addition, in the event of such a natural disaster or other catastrophic event, the process of obtaining reimbursement for covered losses, including the lag between expenditures we incurred and reimbursements received from the insurance providers, could adversely affect our economic performance.

We Face Possible Risks Associated With the Physical Effects of Climate Change.

We cannot predict with certainty whether climate change is occurring and, if so, at what rate. However, the physical effects of climate change could have a material adverse effect on our Properties, operations and business. For example, many of our properties are located in the southeast and southwest regions of the United States, particularly in Florida, California and Arizona. To the extent climate change causes changes in weather patterns, our markets could experience increases in storm intensity and rising sea-levels. Over time, these conditions could result in declining demand for space in our Properties or our inability to operate them. Climate change may also have indirect effects on our business by increasing the cost of (or making unavailable) property insurance on terms we find acceptable, increasing the cost of energy and increasing the cost of snow removal or related costs at our Properties. Proposed legislation to address climate change could increase utility and other costs of operating our Properties which, if not offset by rising rental income, would reduce our net income. There can be no assurance that climate change will not have a material adverse effect on our Properties, operations or business.

Risks Relating to Debt and the Financial Markets

Debt Payments Could Adversely Affect Our Financial Condition.

Our business is subject to risks normally associated with debt financing. The total principal amount of our outstanding indebtedness was approximately \$2.1 billion as of December 31, 2015, of which approximately \$138.2 million, or 6.4%, matures in 2016 and 2017. Our substantial indebtedness and the cash flow associated with serving our indebtedness could have important consequences, including the risks that:

our cash flow could be insufficient to pay distributions at expected levels and meet required payments of principal and interest;

we might be required to use a substantial portion of our cash flow from operations to pay our indebtedness, thereby reducing the availability of our cash flow to fund the implementation of our business strategy, acquisitions, capital expenditures and other general corporate purposes;

our debt service obligations could limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

we may not be able to refinance existing indebtedness (which requires substantial principal payments at maturity) and, if we can, the terms of such refinancing might not be as favorable as the terms of existing indebtedness;

if principal payments due at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, our cash flow will not be sufficient in all years to repay all maturing debt; and

if prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make commercial real estate loans) result in higher interest rates, increased interest expense would adversely affect net income, cash flow and our ability to service debt and make distributions to stockholders; and

to the extent that any Property is cross-collateralized with any other Properties, any default under the mortgage note relating to one Property will result in a default under the financing arrangements relating to other Properties that also

provide security for that mortgage note or are cross-collateralized with such mortgage note.

Ability To Obtain Mortgage Financing Or To Refinance Maturing Mortgages May Adversely Affect Our Financial Condition.

Lenders' demands on borrowers as to the quality of the collateral and related cash flows may make it challenging to secure financing on attractive terms or at all. If terms are no longer attractive or if financing proceeds are no longer available for any reason, these factors may adversely affect cash flow and our ability to service debt and make distributions to stockholders.

Financial Covenants Could Adversely Affect Our Financial Condition.

If a Property is mortgaged to secure payment of indebtedness, and we are unable to meet mortgage payments, the mortgagee could foreclose on the Property, resulting in loss of income and asset value. The mortgages on our Properties contain customary negative covenants, which among other things limit our ability, without the prior consent of the lender, to further mortgage the Property and to discontinue insurance coverage. In addition, our unsecured credit facilities contain certain customary restrictions, requirements and other limitations on our ability to incur indebtedness, including total debt-to-assets ratios, debt service coverage ratios and minimum ratios of unencumbered assets to unsecured debt. Foreclosure on mortgaged Properties or an inability to refinance existing indebtedness would likely have a negative impact on our financial condition and results of operations.

Our Degree of Leverage Could Limit Our Ability to Obtain Additional Financing.

Our debt-to-market-capitalization ratio (total debt as a percentage of total debt plus the market value of the outstanding common stock and OP Units held by parties other than us) was approximately 26% as of December 31, 2015. The degree of leverage could have important consequences to stockholders, including an adverse effect on our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, development or other general corporate purposes, and makes us more vulnerable to a downturn in business or the economy generally.

We May Be Able To Incur Substantially More Debt, Which Would Increase The Risks Associated With Our Substantial Leverage.

Despite our current indebtedness levels, we may still be able to incur substantially more debt in the future. If new debt is added to our current debt levels, an even greater portion of our cash flow will be needed to satisfy our debt service obligations. As a result, the related risks that we now face could intensify and increase the risk of a default on our indebtedness.

Risks Related to Our Company Ownership

Provisions of Our Charter and Bylaws Could Inhibit Changes of Control.

Certain provisions of our charter and bylaws may delay or prevent a change of control or other transactions that could provide our stockholders with a premium over the then-prevailing market price of their common stock or Series C Preferred Stock or which might otherwise be in the best interest of our stockholders. These include the Ownership Limit described below. Also, any future series of preferred stock may have certain voting provisions that could delay or prevent a change of control or other transaction that might involve a premium price or otherwise be beneficial to our stockholders.

Maryland Law Imposes Certain Limitations on Changes of Control.

Certain provisions of Maryland law prohibit "business combinations" (including certain issuances of equity securities) with any person who beneficially owns 10% or more of the voting power of our outstanding common stock, or with an affiliate of ours, who, at any time within the two-year period prior to the date in question, was the owner of 10% or more of the voting power of our outstanding voting stock (an "Interested Stockholder"), or with an affiliate of an Interested Stockholder. These prohibitions last for five years after the most recent date on which the Interested Stockholder became an Interested Stockholder. After the five-year period, a business combination with an Interested Stockholder must be approved by two super-majority stockholder votes unless, among other conditions, our common stockholders receive a minimum price for their shares and the consideration is received in cash or in the same form as previously paid by the Interested Stockholder for shares of our common stock. The Board of Directors has exempted from these provisions under the Maryland law any business combination with Samuel Zell, who is our Chairman of the Board, certain holders of OP Units who received them at the time of our initial public offering, and our officers who acquired common stock at the time we were formed and each and every affiliate of theirs.

Conflicts of Interest Could Influence Our Decisions.

Certain stockholders could exercise influence in a manner inconsistent with stockholders' best interests. As of December 31, 2015, Mr. Samuel Zell and certain affiliated holders beneficially owned approximately 9.0% of our outstanding common stock (in each case including common stock issuable upon the exercise of stock options and the exchange of OP Units). Mr. Zell is the chairman of our Board of Directors. Accordingly, Mr. Zell has significant influence on our management and operation. Such influence could be exercised in a manner that is inconsistent with

the interests of other stockholders.

In addition, Mr. Zell and his affiliates continue to be involved in other investment activities. Mr. Zell and his affiliates have a broad and varied range of investment interests, including interests in other real estate investment companies owning manufactured home communities and involving other forms of housing, including multifamily housing. Mr. Zell and his affiliates may acquire interests in other companies. Mr. Zell may not be able to control whether any such company competes with us. Consequently, Mr. Zell's

12

continued involvement in other investment activities could result in competition to us as well as management decisions that might not reflect the interests of our stockholders.

Risks Relating to Our Common and Preferred Stock

We Depend on Our Subsidiaries' Dividends and Distributions.

Substantially all of our assets are owned indirectly by the Operating Partnership. As a result, we have no source of cash flow other than distributions from our Operating Partnership. For us to pay dividends to holders of our common stock and preferred stock, the Operating Partnership must first distribute cash to us. Before it can distribute the cash, our Operating Partnership must first satisfy its obligations to its creditors.

Market Interest Rates May Have an Effect on the Value of Our Common Stock.

One of the factors that investors consider important in deciding whether to buy or sell shares of a REIT is the distribution rates with respect to such shares (as a percentage of the price of such shares) relative to market interest rates. If market interest rates go up, prospective purchasers of REIT shares may expect a higher distribution rate. Higher interest rates would not, however, result in more of our funds to distribute and, in fact, would likely increase our borrowing costs and potentially decrease funds available for distribution. Thus, higher market interest rates could cause the market price of our publicly traded securities to go down.

Any Weaknesses Identified in Our Internal Control Over Financial Reporting Could Have an Adverse Effect on Our Stock Price.

Section 404 of the Sarbanes-Oxley Act 2002 requires us to evaluate and report on our internal control over financial reporting. If we identify one or more material weaknesses in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, which in turn could have an adverse effect on our stock price.

Our Depositary Shares, Which Represent Our 6.75% Series C Cumulative Redeemable Perpetual Preferred Stock, Have Not Been Rated and are Subordinated to Our Debt.

We have not obtained and do not intend to obtain a rating for our depositary shares (the "Depositary Shares") which represent our 6.75% Series C Cumulative Redeemable Perpetual Preferred Stock (the "Series C Preferred Stock"). No assurance can be given, however, that one or more rating agencies might not independently determine to issue such a rating or that such a rating, if issued, would not adversely affect the market price of the Depositary Shares. In addition, the Depositary Shares are subordinate to all of our existing and future debt. As described above, our existing debt may restrict, and our future debt may include restrictions on, our ability to pay distributions to preferred stockholders or to make an optional redemption payment to preferred stockholders. The issuance of additional shares of preferred stock on parity with or senior to our Series C Preferred Stock represented by the Depositary Shares would dilute the interests of the holders of our Depositary Shares, and any issuance of preferred stock senior to our Series C Preferred Stock (and, therefore, the Depositary Shares) or of additional indebtedness could affect our ability to pay distributions on, redeem or pay the liquidation preference on our Depositary Shares. Other than the conversion rights afforded to holders of our preferred shares that may occur in connection with a change of control triggering event, none of the provisions relating to our preferred shares contain any provision affording the holders of our preferred shares protection in the event of a highly leveraged or other transaction, including a merger or the sale, lease or conveyance of all or substantially all our assets or business, that might materially and adversely affect the holders of our preferred shares, so long as the rights of the holders of our preferred shares are not materially and adversely affected.

Risks Relating to REITs and Income Taxes

We are Dependent on External Sources of Capital.

To qualify as a REIT, we must distribute to our stockholders each year at least 90% of our REIT taxable income (determined without regard to the deduction for dividends paid and excluding any net capital gain). In addition, we intend to distribute all or substantially all of our net income so that we will generally not be subject to U.S. federal income tax on our earnings. Because of these distribution requirements, it is not likely that we will be able to fund all future capital needs, including acquisitions, from income from operations. We therefore will have to rely on third-party sources of debt and equity capital financing, which may or may not be available on favorable terms or at all. Our access to third-party sources of capital depends on a number of things, including conditions in the capital markets generally and the market's perception of our growth potential and our current and potential future earnings. It

may be difficult for us to meet one or more of the requirements for qualification as a REIT, including but not limited to our distribution requirement. Moreover, additional equity offerings may result in substantial dilution of stockholders' interests, and additional debt financing may substantially increase our leverage.

We Have a Stock Ownership Limit for REIT Tax Purposes.

To remain qualified as a REIT for U.S. federal income tax purposes, not more than 50% in value of our outstanding shares of capital stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the federal income tax laws applicable to REITs) at any time during the last half of any taxable year. To facilitate maintenance of our REIT qualification, our charter, subject to certain exceptions, prohibits Beneficial Ownership (as defined in our charter) by any single stockholder of more than 5% (in value or number of shares, whichever is more restrictive) of our outstanding capital stock. We refer to this as the "Ownership Limit." Within certain limits, our charter permits the Board of Directors to increase the Ownership Limit with respect to any class or series of stock. The Board of Directors, upon receipt of a ruling from the IRS, opinion of counsel, or other evidence satisfactory to the Board of Directors and upon 15 days prior written notice of a proposed transfer which, if consummated, would result in the transferee owning shares in excess of the Ownership Limit, and upon such other conditions as the Board of Directors may direct, may exempt a stockholder from the Ownership Limit. Absent any such exemption, capital stock acquired or held in violation of the Ownership Limit will be transferred by operation of law to us as trustee for the benefit of the person to whom such capital stock is ultimately transferred, and the stockholder's rights to distributions and to vote would terminate. Such stockholder would be entitled to receive, from the proceeds of any subsequent sale of the capital stock we transferred as trustee, the lesser of (i) the price paid for the capital stock or, if the owner did not pay for the capital stock (for example, in the case of a gift, devise or other such transaction), the market price of the capital stock on the date of the event causing the capital stock to be transferred to us as trustee or (ii) the amount realized from such sale. A transfer of capital stock may be void if it causes a person to violate the Ownership Limit. The Ownership Limit could delay or prevent a change in control of us and, therefore, could adversely affect our stockholders' ability to realize a premium over the then-prevailing market price for their common stock or adversely affect the best interest of our stockholders.

Our Qualification as a REIT is Dependent on Compliance with U.S. Federal Income Tax Requirements.

We believe we have been organized and operated in a manner so as to qualify for taxation as a REIT, and we intend to continue to operate so as to qualify as a REIT for U.S. federal income tax purposes. Our current and continuing qualification as a REIT depends on our ability to meet the various requirements imposed by the Code, which relate to organizational structure, distribution levels, diversity of stock ownership and certain restrictions with regard to owned assets and categories of income. If we qualify for taxation as a REIT, we are generally not subject to U.S. federal income tax on our taxable income that is distributed to our stockholders. However, qualification as a REIT for U.S. federal income tax purposes is governed by highly technical and complex provisions of the Code for which there are only limited judicial or administrative interpretations. In connection with certain transactions, we have received, and relied upon, advice of counsel as to the impact of such transactions on our qualification as a REIT. Our qualification as a REIT requires analysis of various facts and circumstances that may not be entirely within our control, and we cannot provide any assurance that the Internal Revenue Service (the "IRS") will agree with our analysis or the analysis of our tax counsel. In particular, the proper U.S. federal income tax treatment of right-to-use membership contracts and rental income from certain short-term stays at RV communities is uncertain and there is no assurance that the IRS will agree with our treatment of such contracts or rental income. If the IRS were to disagree with our analysis or our tax counsel's analysis of various facts and circumstances, our ability to qualify as a REIT could be adversely affected. In addition, legislation, new regulations, administrative interpretations or court decisions might significantly change the tax laws with respect to the requirements for qualification as a REIT or the U.S. federal income tax consequences of qualification as a REIT. For example, the Protecting Americans from Tax Hikes Act (PATH Act) was enacted in December 2015, and included numerous law changes applicable to REITs. The provisions have various effective dates beginning as early as 2016. Investors are urged to consult their tax advisors with respect to these changes and the potential impact on their investment in our stock.

If, with respect to any taxable year, we failed to maintain our qualification as a REIT (and if specified relief provisions under the Code were not applicable to such disqualification), we would be disqualified from treatment as a REIT for the four taxable years following the year during which qualification was lost. If we lost our REIT status, we could not deduct distributions to stockholders in computing our net taxable income at regular corporate rates and we would be subject to U.S. federal income tax (including any applicable alternative minimum tax) on our net taxable incomes. If

we had to pay U.S. federal income tax, the amount of money available to distribute to stockholders and pay indebtedness would be reduced for the year or years involved, and we would no longer be required to distribute money to stockholders. Although we currently intend to operate in a manner designed to allow us to qualify as a REIT, future economic, market, legal, tax or other considerations may cause us to revoke the REIT election. Furthermore, we own a direct interest in certain subsidiary REITs which elected to be taxed as REITs under Sections 856 through 860 of the Code. Provided that each subsidiary REIT qualifies as a REIT, our interest in such subsidiary REIT will be treated as a qualifying real estate asset for purposes of the REIT asset tests, and any dividend income or gains derived by us from such subsidiary REIT will generally be treated as income that qualifies for purposes of the REIT gross income tests. To qualify as a REIT, the subsidiary REIT must independently satisfy all of the REIT qualification requirements. If such subsidiary REIT were to fail to qualify as a REIT, and certain relief provisions did not apply, it would be treated as a regular taxable corporation and its

income would be subject to U.S. federal income tax. In addition, a failure of the subsidiary REIT to qualify as a REIT could have an adverse effect on our ability to comply with the REIT income and asset tests, and thus our ability to qualify as a REIT.

We May Pay Some Taxes, Reducing Cash Available for Stockholders.

Even if we qualify as a REIT for U.S. federal income tax purposes, we may be subject to some U.S. federal, foreign, state and local taxes on our income and property. Since January 1, 2001, certain of our corporate subsidiaries have elected to be treated as "taxable REIT subsidiaries" for U.S. federal income tax purposes, and are taxable as regular corporations and subject to certain limitations on intercompany transactions. If tax authorities determine that amounts paid by our taxable REIT subsidiaries to us are greater than what would be paid under similar arrangements among unrelated parties, we could be subject to a 100% penalty tax on the excess payments, and ongoing intercompany arrangements could have to change, resulting in higher ongoing tax payments. To the extent we are required to pay U.S. federal, foreign, state or local taxes or U.S. federal penalty taxes due to existing laws or changes to them, we will have less cash available for distribution to our stockholders.

Other Risk Factors Affecting Our Business

Some Potential Losses Are Not Covered by Insurance.

We carry comprehensive insurance coverage for losses resulting from property damage and environmental liability and business interruption claims on all of our Properties. In addition we carry liability coverage for other activities not specifically related to property operations. These coverages include, but are not limited to, Directors & Officers liability, Employer Practices liability, Fiduciary liability and Cyber liability. We believe that the policy specifications and coverage limits of these policies should be adequate and appropriate. There are, however, certain types of losses, such as punitive damages, lease and other contract claims that generally are not insured. Should an uninsured loss or a loss in excess of coverage limits occur, we could lose all or a portion of the capital we have invested in a Property or the anticipated future revenue from a Property. In such an event, we might nevertheless remain obligated for any mortgage debt or other financial obligations related to the Property.

Our current property and casualty insurance policies, which we plan to renew, expire on April 1, 2016. We have a \$100 million loss limit with respect to our all-risk property insurance program including named windstorms, which include, for example, hurricanes. This loss limit is subject to additional sub-limits as set forth in the policy form, including, among others, a \$25 million aggregate loss limit for an earthquake in California. Policy deductibles primarily range from a \$125,000 minimum to 5% per unit of insurance for most catastrophic events. A deductible indicates our maximum exposure, subject to policy limits and sub-limits, in the event of a loss.

American with Disabilities Act Compliance Could be Costly.

Under the Americans with Disabilities Act of 1990 ("ADA"), all public accommodations and commercial facilities must meet certain federal requirements related to access and use by disabled persons. Compliance with the ADA requirements could involve removal of structural barriers to access or use by disabled persons. Other federal, state and local laws may require modifications to or restrict further renovations of our Properties with respect to such accesses. Although we believe that our Properties are in compliance in all material respects with present requirements, noncompliance with the ADA or related laws or regulations could result in the United States government imposing fines or private litigants being awarded damages against us. Such costs may adversely affect our ability to make distributions or payments to our investors.

Fluctuations in the exchange rate of the U.S. dollar to Other Currencies, Primarily the Canadian dollar, May Impact Our Business.

Many of our southern and northern Properties earn significant revenues from Canadian customers who visit during the winter season. In the event the value of Canadian currency decreases relative to the U.S. dollar, we may see a decline in revenue from these customers.

We Face Risks Relating to Cybersecurity Incidents that Could Cause Loss of Confidential Information and Other Business Disruptions.

We rely extensively on internally and externally hosted computer systems to process transactions and manage our business, and our business is at risk from and may be impacted by cybersecurity incidents. These could include attempts to gain unauthorized access to our data and computer systems or steal confidential information, including

credit card information from our customers, breaches due to employee error, malfeasance or other disruptions. Attacks can be both individual and/or highly organized attempts organized by very sophisticated hacking organizations. We employ a number of measures to prevent, detect and mitigate these threats. While we continue to improve our cybersecurity and take measures to protect our business, there is no guarantee such efforts will be successful in preventing a cyber incident and that our financial results will not be negatively impacted by such an incident. A cybersecurity incident could compromise the confidential information of our employees, customers and vendors to the

extent such information exists on our systems or on the systems of third party providers. Such an incident could result in potential liability, damage our reputation and disrupt and affect our business operations and result in lawsuits against us.

Regulation of Chattel Financing May Affect Our Ability to Sell homes.

Since 2010, the regulatory environment has made it difficult for purchasers of manufactured homes and RVs to obtain financing. Legislation enacted in 2010 known as the SAFE Act (Safe Mortgage Licensing Act) requires community owners interested in providing financing for customer purchases of manufactured homes to register as a mortgage loan originator in states where they engage in such financing. In addition, the Dodd-Frank Act has amended the Truth in Lending Act and other consumer protection laws by adding requirements for residential mortgage loans, including limitations on mortgage origination activities, restrictions on high-cost mortgages and new standards for appraisals. The law also requires lenders to make a reasonable investigation into a borrower's ability to repay a loan. These requirements make it more difficult for homeowners to obtain affordable financing, and especially for moderate income people to obtain smaller loans to purchase manufactured housing or RVs.

Interpretation of and Changes to Accounting Policies and Standards Could Adversely Affect Our Reported Financial Results.

Our accounting policies and methods are fundamental to the manner in which we record and report our financial condition and results of operations. Management must exercise judgment in selecting and applying many of these accounting policies and methods in order to ensure that they comply with generally accepted accounting principles and reflect management's judgment as to the most appropriate manner in which to record and report our financial condition and results of operations. In some cases, management must select the accounting policy or method to apply from two or more alternatives, any of which might be reasonable under the circumstances yet might result in reporting materially different amounts than would have been reported under a different alternative.

Additionally, the bodies that set accounting standards for public companies, including the Financial Accounting Standards Board ("FASB"), the SEC and others, periodically change or revise existing interpretations of the accounting and reporting standards that govern the way that we report our financial condition, results of operations, and cash flows. These changes can be difficult to predict and can materially impact our reported financial results. In some cases, we could be required to apply a new or revised accounting standard, or a revised interpretation of an accounting standard, retroactively, which could have a negative impact on reported results or result in the restatement of our financial statements for prior periods.

In May 2014, the FASB issued Accounting Standard Update no. 2014-09, "Revenue from Contracts with Customers," which will replace most existing revenue recognition guidance in U.S. GAAP. (See Note 2 to the Consolidated Financial Statements for additional detail regarding this recently issued guidance).

Finally, in 2008, we began entering right-to-use contracts. Customers who enter upgraded right-to-use contracts are generally required to make an upfront nonrefundable payment to us. We incur significant selling and marketing expenses to originate the right-to-use contract upgrades, and the majority of expenses must be expensed in the period incurred, while the related revenues and commissions are generally deferred and recognized over the expected life of the contract, which is estimated based upon historical attrition rates. The deferral period used for right-to-use contract is currently estimated to be 31 years. As a result, we may incur a loss from entering right-to-use contract upgrades, build up a substantial deferred revenue liability balance, and recognize substantial non-cash revenue in the years subsequent to originally entering the contract upgrades. The deferral period is reviewed periodically and beginning in 2016, will be changed to 40 years. This accounting may make it difficult for investors to interpret the financial results from the entry of right-to-use contract upgrades. At the time we began entering right-to-use contracts and after corresponding with the Office of the Chief Accountant at the SEC, we adopted a revenue recognition policy for the right-to-use contracts in accordance with the Codification Topic "Revenue Recognition" ("FASB ASC 605").

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

General

Our Properties provide attractive amenities and common facilities that create a comfortable and attractive home for our customers, with most offering a clubhouse, a swimming pool, laundry facilities, cable television and internet service. Many also offer additional amenities such as sauna/whirlpool spas, golf courses, tennis, pickleball courts, shuffleboard and basketball courts, exercise rooms and various social activities. Since most of our customers generally own their home and live in our communities for a long time, it is their responsibility to maintain their homes and the surrounding area. It is our role to ensure that customers comply with our Property policies and to provide maintenance of the common areas, facilities and amenities. We hold periodic meetings with our Property management personnel for training and implementation of our strategies. The Properties historically have had, and we believe they will continue to have, low turnover and high occupancy rates.

Property Portfolio

As of December 31, 2015, we owned or had an ownership interest in a portfolio of 387 Properties located throughout the United States and British Columbia containing 143,938 residential Sites. A total of 127 of the Properties are encumbered by debt as of December 31, 2015 (see Note 8 to the Consolidated Financial Statements for a description of this debt). The distribution of our Properties throughout the United States reflects our belief that geographic diversification helps to insulate the portfolio from regional economic influences. We intend to target new acquisitions in or near markets where our Properties are located and will also consider acquisitions of properties outside such markets.

Our two largest Properties as determined by property operating revenues are Colony Cove, located in Ellenton, Florida, and Viewpoint Resort, located in Mesa, Arizona. Each accounted for approximately 2.0% of our total property operating revenues, including deferrals, for the year ended December 31, 2015.

The following table sets forth certain information relating to the Properties we owned as of December 31, 2015, categorized according to major markets and excluding Properties owned through joint ventures. The total number of annual Sites presented for the RV communities represents Sites occupied by annual customers and are presented as 100% occupied. The annual rent for each year presented is the annualized December monthly Site rent per occupant. Subtotals by markets and grand totals for all markets are presented on a weighted average basis.

Property	City	State	MH/RV	Acres ^(c)	Developable Acres ^(d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
Florida									
East Coast:									
Cheron Village	Davie	FL	MH	30		202	202	100.0 %	\$7,858
Carriage Cove	Daytona Beach	FL	MH	59		418	418	90.2 %	\$6,540
Coquina Crossing	Elkton	FL	MH	316	26	597	597	90.5 %	\$7,386
Bulow Plantation	Flagler Beach	FL	MH	323	181	276	276	98.6 %	\$6,952
Bulow RV	Flagler Beach	FL	RV	(f)		352	81	100.0 %	\$6,038
Carefree Cove	Ft. Lauderdale	FL	MH	20		164	164	93.9 %	\$7,631
	Ft. Lauderdale	FL	MH	60		363	363	98.9 %	\$7,550

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Park City West Sunshine Holiday MH	Ft. Lauderdale	FL	MH	32		245	245	98.8	%	\$7,806
Sunshine Holiday RV	Ft. Lauderdale	FL	RV	(f)		130	39	100.0	%	\$7,806
Lake Worth Village	Lake Worth	FL	MH	117		823	823	81.9	%	\$6,319
Maralago Cay	Lantana	FL	MH	102	5	603	603	99.2	%	\$8,567

17

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Property	City	State	MH/RV	Acres ^(c)	Developable Acres ^(d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
Coral Cay	Margate	FL	MH	121		818	818	98.7 %	\$7,497
Lakewood Village	Melbourne	FL	MH	68		349	349	87.4 %	\$5,470
Miami Everglades (a)	Miami	FL	RV	34		303	72	100.0 %	6,976
Holiday Village	Ormond Beach	FL	MH	43		301	301	87.7 %	\$5,359
Sunshine Holiday	Ormond Beach	FL	RV	69		349	242	100.0 %	\$7,806
The Meadows, FL	Palm Beach Gardens	FL	MH	55		378	378	91.8 %	\$8,125
Breezy Hill RV	Pompano Beach	FL	RV	52		762	397	100.0 %	\$7,170
Highland Wood RV	Pompano Beach	FL	RV	15		148	16	100.0 %	\$6,647
Lighthouse Pointe	Port Orange	FL	MH	64		433	433	84.3 %	\$5,618
Pickwick	Port Orange	FL	MH	84	4	432	432	99.8 %	\$6,451
Space Coast	Rockledge	FL	RV	24		270	156	100.0 %	\$4,102
Indian Oaks	Rockledge	FL	MH	38		208	208	100.0 %	\$5,260
Countryside at Vero Beach	Vero Beach	FL	MH	125		644	644	90.4 %	\$6,760
Heritage Plantation	Vero Beach	FL	MH	64		437	437	83.3 %	\$6,125
Holiday Village, FL	Vero Beach	FL	MH	20		128	128	— %	\$—
Sunshine Travel	Vero Beach	FL	RV	30	6	300	125	100.0 %	\$5,725
Heron Cay	Vero Beach	FL	MH	130		589	589	86.2 %	\$6,567
Vero Palm	Vero Beach	FL	MH	64		285	285	80.0 %	\$6,216
Village Green	Vero Beach	FL	MH	174		782	782	86.6 %	\$7,386
Palm Beach Colony	West Palm Beach	FL	MH	48		284	284	93.0 %	\$5,747
Central: Clover Leaf Farms	Brooksville	FL	MH	227	18	779	779	96.7 %	\$5,216
	Brooksville	FL	RV	30		277	135	100.0 %	\$3,403

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Clover Leaf Forest										
Clerbrook	Clermont	FL	RV	288		1,255	413	100.0	%	\$4,995
Lake Magic	Clermont	FL	RV	69		471	148	100.0	%	\$5,358
Orange Lake	Clermont	FL	MH	38		242	242	96.3	%	\$4,495
Orlando	Clermont	FL	RV	270	30	850	203	100.0	%	\$3,796
Haselton Village	Eustis	FL	MH	52		291	291	97.6	%	\$3,958
Southern Palms	Eustis	FL	RV	120		950	337	100.0	%	\$4,747
Lakeside Terrace	Fruitland Park	FL	MH	39		241	241	98.8	%	\$4,103
Grand Island	Grand Island	FL	MH	35		362	362	66.3	%	\$5,173
Sherwood Forest	Kissimmee	FL	MH	124		769	769	95.3	%	\$6,258
Sherwood Forest RV	Kissimmee	FL	RV	107	43	513	128	100.0	%	\$6,486
Tropical Palms (g) (h)	Kissimmee	FL	RV	59		541	—	—	%	\$—
Beacon Hill Colony	Lakeland	FL	MH	31		201	201	98.0	%	\$4,699
Beacon Terrace	Lakeland	FL	MH	55		297	297	99.3	%	\$4,665
Kings & Queens	Lakeland	FL	MH	18		107	107	90.7	%	\$4,529
Lakeland Harbor	Lakeland	FL	MH	65		504	504	99.2	%	\$4,811

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Properties	City	State	MH/RV	Acres ^(c)	Developable Acres ^(d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
Lakeland Junction	Lakeland	FL	MH	23		193	193	98.5 %	\$4,208
Coachwood Colony	Leesburg	FL	MH	29		201	201	91.0 %	\$4,432
Mid-Florida Lakes	Leesburg	FL	MH	290		1,225	1,225	84.9 %	\$5,714
Southernaire	Mt. Dora	FL	MH	14		114	114	86.0 %	\$4,297
Foxwood	Ocala	FL	MH	56		365	365	84.4 %	\$5,102
Oak Bend	Ocala	FL	MH	62	3	262	262	87.8 %	\$4,861
Villas at Spanish Oaks	Ocala	FL	MH	69		455	455	87.9 %	\$5,370
Audubon	Orlando	FL	MH	40		280	280	95.7 %	\$6,038
Hidden Valley	Orlando	FL	MH	50		303	303	99.3 %	\$6,572
Starlight Ranch	Orlando	FL	MH	130		783	783	86.9 %	\$6,150
Covington Estates	Saint Cloud	FL	MH	59		241	241	96.7 %	\$4,563
Parkwood Communities	Wildwood	FL	MH	121		694	694	97.4 %	\$3,467
Three Flags RV Resort	Wildwood	FL	RV	23		221	31	100.0 %	\$2,660
Winter Garden	Winter Garden	FL	RV	27		350	123	100.0 %	\$4,902
Gulf Coast (Tampa/Naples):									
Toby's RV	Arcadia	FL	RV	44		379	272	100.0 %	\$3,076
Sunshine Key	Big Pine Key	FL	RV	54		409	89	100.0 %	\$12,237
Winter Quarters	Bradenton	FL	RV	42		415	243	100.0 %	\$5,620
Manatee Windmill Manor	Bradenton	FL	MH	49		292	292	95.9 %	\$7,077
Glen Ellen	Clearwater	FL	MH	12		106	106	90.6 %	\$3,987
Hillcrest	Clearwater	FL	MH	25		278	278	95.3 %	\$5,701
Holiday Ranch	Clearwater	FL	MH	12		150	150	95.3 %	\$5,400
Silk Oak	Clearwater	FL	MH	19		181	181	94.5 %	\$5,586
Shady Oaks	Clearwater	FL	MH	31		249	249	95.2 %	\$5,278
Shady Village	Clearwater	FL	MH	19		156	156	94.9 %	\$5,243
Crystal Isles	Crystal River	FL	RV	38		260	55	100.0 %	\$5,781

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Lake Haven	Dunedin	FL	MH	48		379	379	94.7	%	\$6,432
Colony Cove	Ellenton	FL	MH	538	36	2,207	2,207	93.8	%	\$7,061
Ridgewood Estates	Ellenton	FL	MH	77		380	380	99.0	%	\$5,233
Fiesta Key	Long Key	FL	RV	28		324	12	100.0	%	\$18,119
Fort Myers Beach Resort	Fort Myers	FL	RV	31		306	106	100.0	%	\$6,952
Gulf Air Resort	Fort Myers Beach	FL	RV	25		246	152	100.0	%	\$6,023
Barrington Hills	Hudson	FL	RV	28		392	240	100.0	%	\$3,509
Down Yonder	Largo	FL	MH	50		361	361	99.5	%	\$6,798
East Bay Oaks	Largo	FL	MH	40		328	328	99.4	%	\$5,666
Eldorado Village	Largo	FL	MH	25		227	227	99.6	%	\$5,659
Shangri La Vacation Village	Largo	FL	MH	14		160	160	94.4	%	\$5,464
	Largo	FL	RV	29		293	187	100.0	%	\$4,953

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Property	City	State	MH/RV	Acres ^(c)	Developable Acres ^(d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
Whispering Pines - Largo	Largo	FL	MH	55		393	393	89.6 %	\$5,935
Winter Quarters Pasco	Lutz	FL	RV	27		255	204	100.0 %	\$4,216
Buccaneer	N. Ft. Myers	FL	MH	223	39	971	971	98.7 %	\$7,100
Island Vista MHC	N. Ft. Myers	FL	MH	121		616	616	73.7 %	\$5,056
Lake Fairways	N. Ft. Myers	FL	MH	259		896	896	100.0 %	\$6,783
Pine Lakes	N. Ft. Myers	FL	MH	314		584	584	100.0 %	\$8,522
Pioneer Village	N. Ft. Myers	FL	RV	90		733	376	100.0 %	\$5,330
The Heritage	N. Ft. Myers	FL	MH	214	22	453	453	98.7 %	\$6,516
Windmill Village	N. Ft. Myers	FL	MH	69		491	491	92.5 %	\$5,552
Country Place	New Port Richey	FL	MH	82		515	515	99.8 %	\$6,297
Hacienda Village	New Port Richey	FL	MH	66		505	505	98.0 %	\$5,566
Harbor View	New Port Richey	FL	MH	69		471	471	97.5 %	\$4,977
Bay Lake Estates	Nokomis	FL	MH	34		228	228	94.7 %	\$7,413
Lake Village	Nokomis	FL	MH	65		391	391	99.7 %	\$6,772
Royal Coachman	Nokomis	FL	RV	111		546	449	100.0 %	\$7,446
Silver Dollar	Odessa	FL	RV	412		459	384	100.0 %	\$7,369
Terra Ceia	Palmetto	FL	RV	18		203	155	100.0 %	\$4,421
Lakes at Countrywood	Plant City	FL	MH	122		424	424	92.5 %	\$5,196
Meadows at Countrywood	Plant City	FL	MH	140	13	799	799	96.3 %	\$6,072
Oaks at Countrywood	Plant City	FL	MH	44		168	168	77.4 %	\$5,112
Harbor Lakes	Port Charlotte	FL	RV	80		528	316	100.0 %	\$5,603
Emerald Lake	Punta Gorda	FL	MH	28		201	201	100.0 %	\$4,940
Gulf View	Punta Gorda	FL	RV	78		206	62	100.0 %	\$5,104
Tropical Palms	Punta Gorda	FL	MH	50		294	294	89.5 %	\$4,370
Winds of St. Armands No.	Sarasota	FL	MH	74		471	471	100.0 %	\$7,504
Winds of St. Armands So.	Sarasota	FL	MH	61		306	306	99.7 %	\$7,665
Peace River	Wauchula	FL	RV	72	38	454	57	100.0 %	\$2,593
Topics	Spring Hill	FL	RV	35		230	165	100.0 %	\$3,661
Pine Island	St. James City	FL	RV	31		363	114	100.0 %	\$6,067
Carefree Village	Tampa	FL	MH	58		401	401	96.8 %	\$5,222

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Tarpon Glen	Tarpon Springs	FL	MH	24		169	169	89.4	%	\$5,385
Featherock	Valrico	FL	MH	84		521	521	98.5	%	\$5,565
Bay Indies	Venice	FL	MH	210		1,309	1,309	98.9	%	\$8,791
Ramblers Rest	Venice	FL	RV	117		647	402	100.0	%	\$6,531
Crystal Lakes-Zephyrhills	Zephyrhills	FL	MH	146	52	321	321	95.0	%	\$3,911
Sixth Avenue	Zephyrhills	FL	MH	14		140	140	78.6	%	\$2,819
Total Florida Market:				9,976	516	51,850	42,846	94.6	%	\$6,091

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Property	City	State	MH/RV	Acres ^(c)	Developable Acres ^(d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
California Northern California: Monte del Lago	Castroville	CA	MH	54		310	310	100.0 %	\$13,674
Colony Park	Ceres	CA	MH	20		186	186	94.1 %	\$6,597
Russian River	Cloverdale	CA	RV	41		135	2	100.0 %	\$3,036
Snowflower (h)	Emigrant Gap	CA	RV	612	200	268	—	— %	\$—
Four Seasons	Fresno	CA	MH	40		242	242	90.9 %	\$4,750
Yosemite Lakes	Groveland	CA	RV	403	30	299	3	100.0 %	\$3,175
Tahoe Valley (b) (h)	Lake Tahoe	CA	RV	86	20	413	—	— %	\$—
Sea Oaks	Los Osos	CA	MH	18		125	125	100.0 %	\$6,419
Ponderosa (b)	Lotus	CA	RV	22		170	20	100.0 %	\$4,092
Turtle Beach	Manteca	CA	RV	39		79	25	100.0 %	\$4,184
Coralwood (b)	Modesto	CA	MH	22		194	194	77.3 %	\$8,062
Lake Minden	Nicolaus	CA	RV	165	82	323	11	100.0 %	\$3,422
Lake of the Springs	Oregon House	CA	RV	954	507	541	57	100.0 %	\$3,045
Concord Cascade	Pacheco	CA	MH	31		283	283	100.0 %	\$8,769
San Francisco (h)	RVPacifica	CA	RV	12		131	—	— %	\$—
Quail Meadows	Riverbank	CA	MH	20		146	146	91.1 %	\$8,390
California Hawaiian	San Jose	CA	MH	50		418	418	100.0 %	\$11,951
Sunshadow (b)	San Jose	CA	MH	30		121	121	100.0 %	\$11,847
Village of the Four	San Jose	CA	MH	30		271	271	100.0 %	\$11,018

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Seasons Westwinds (4 Properties) (b)	San Jose	CA	MH	88		723	723	100.0	%	\$12,870
Laguna Lake	San Luis Obispo	CA	MH	100		300	300	100.0	%	\$6,626
Contempo Marin	San Rafael	CA	MH	63		396	396	99.7	%	\$11,797
DeAnza Santa Cruz Santa Cruz	Santa Cruz	CA	MH	30		198	198	97.5	%	\$17,777
Ranch RV Resort (h)	Scotts Valley	CA	RV	7		106	—	—	%	\$—
Royal Oaks Southern California:	Visalia	CA	MH	20		149	149	80.5	%	\$6,945
Soledad Canyon	Acton	CA	RV	273		1,251	45	100.0	%	\$3,088
Los Ranchos Date Palm	Apple Valley	CA	MH	30		389	389	96.9	%	\$6,910
Country Club (b)	Cathedral City	CA	MH	232	3	538	538	98.1	%	\$12,195
Date Palm RV	Cathedral City	CA	RV	(f)		140	15	100.0	%	\$3,618
Oakzanita Rancho	Descanso	CA	RV	145	5	146	22	100.0	%	\$3,286
Mesa	El Cajon	CA	MH	20		158	158	98.7	%	\$12,174
Rancho Valley	El Cajon	CA	MH	19		140	140	97.1	%	\$13,061
Royal Holiday	Hemet	CA	MH	22		198	198	61.6	%	\$5,807
Idyllwild	Idyllwild	CA	RV	191		287	50	100.0	%	\$2,533
Pio Pico	Jamul	CA	RV	176	10	512	116	100.0	%	\$4,015

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Property	City	State	MH/RV	Acres ^(c)	Developable Acres ^(d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
Wilderness Lakes	Meniffee	CA	RV	73		529	50	100.0 %	\$3,855
Morgan Hill	Morgan Hill	CA	RV	62		339	35	100.0 %	\$4,840
Pacific Dunes Ranch (h)	Oceana	CA	RV	48		215	—	— %	\$—
San Benito	Paicines	CA	RV	199	23	523	49	100.0 %	\$2,944
Palm Springs	Palm Desert	CA	RV	35		401	22	100.0 %	\$1,886
Las Palmas	Rialto	CA	MH	18		136	136	100.0 %	\$7,349
Parque La Quinta	Rialto	CA	MH	19		166	166	99.4 %	\$6,977
Rancho Oso	Santa Barbara	CA	RV	310	40	187	25	100.0 %	\$3,426
Meadowbrook	Santee	CA	MH	43		338	338	100.0 %	\$9,608
Lamplighter	Spring Valley	CA	MH	32		270	270	97.8 %	\$13,148
Santiago Estates	Sylmar	CA	MH	113	9	300	300	100.0 %	\$13,946
Total California Market				5,017	929	13,690	7,242	86.5 %	\$8,721
Arizona									
Countryside RV	Apache Junction	AZ	RV	53		560	275	100.0 %	\$3,582
Golden Sun RV	Apache Junction	AZ	RV	33		329	199	100.0 %	\$3,700
Apache East	Apache Junction	AZ	MH	17		123	123	97.6 %	\$5,428
Denali Park	Apache Junction	AZ	MH	33		163	163	100.0 %	\$4,474
Valley Vista	Benson	AZ	RV	6		145	4	100.0 %	\$3,049
Casita Verde RV	Casa Grande	AZ	RV	14		192	91	100.0 %	\$—
Fiesta Grande RV	Casa Grande	AZ	RV	77		767	530	100.0 %	\$3,210
Foothills West RV	Casa Grande	AZ	RV	16		188	116	100.0 %	\$2,668
Sunshine Valley	Chandler	AZ	MH	55		381	381	94.5 %	\$6,027
Verde Valley	Cottonwood	AZ	RV	273	129	352	73	100.0 %	\$3,447
Casa del Sol East II	Glendale	AZ	MH	29		239	239	96.7 %	\$6,480
Casa del Sol East III	Glendale	AZ	MH	28		236	236	97.0 %	\$6,204

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Palm Shadows	Glendale	AZ	MH	33		293	293	94.2	%	\$5,715
Mesa Spirit	Mesa	AZ	RV	90		1,600	665	100.0	%	\$4,528
Monte Vista	Mesa	AZ	RV	142	56	832	745	100.0	%	\$6,480
Viewpoint	Mesa	AZ	RV	332	55	2,049	1,642	100.0	%	\$6,163
Hacienda de Valencia	Mesa	AZ	MH	51		364	364	99.5	%	\$6,774
The Highlands at Brentwood	Mesa	AZ	MH	45		268	268	98.5	%	\$7,558
Seyenna Vistas (The Mark)	Mesa	AZ	MH	60	4	407	407	99.8	%	\$4,454
Apollo Village	Peoria	AZ	MH	29	3	238	238	95.4	%	\$6,068
Casa del Sol West I	Peoria	AZ	MH	31		245	245	99.6	%	\$6,672
Carefree Manor	Phoenix	AZ	MH	16		130	130	100.0	%	\$5,614
Central Park	Phoenix	AZ	MH	37		293	293	99.3	%	\$7,009
Desert Skies	Phoenix	AZ	MH	24		166	166	99.4	%	\$6,349
Sunrise Heights	Phoenix	AZ	MH	28		199	199	98.5	%	\$6,749

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Property	City	State	MH/RV	Acres ^(c)	Developable Acres ^(d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
Whispering Palms	Phoenix	AZ	MH	15		116	116	100.0 %	\$5,441
Desert Vista	Salome	AZ	RV	10		125	5	100.0 %	\$—
Sedona Shadows	Sedona	AZ	MH	48	6	198	198	99.0 %	\$9,349
Venture In	Show Low	AZ	RV	26		389	277	100.0 %	\$3,346
Paradise	Sun City	AZ	RV	80		950	765	100.0 %	\$—
The Meadows	Tempe	AZ	MH	60		390	390	98.5 %	\$7,286
Fairview Manor	Tucson	AZ	MH	28		237	237	98.3 %	\$4,652
Westpark	Wickenburg	AZ	MH	48	7	231	231	100.0 %	\$6,638
Araby	Yuma	AZ	RV	25		337	305	100.0 %	\$3,715
Cactus Gardens	Yuma	AZ	RV	43		430	271	100.0 %	\$2,523
Capri RV	Yuma	AZ	RV	20		303	246	100.0 %	\$3,333
Desert Paradise	Yuma	AZ	RV	26		260	127	100.0 %	\$2,622
Foothill	Yuma	AZ	RV	18		180	76	100.0 %	\$2,568
Mesa Verde	Yuma	AZ	RV	28		345	300	100.0 %	\$3,271
Suni Sands	Yuma	AZ	RV	34		336	208	100.0 %	\$3,118
Total Arizona				2,061	260	15,586	11,837	98.1 %	\$5,319
Market									
Colorado									
Hillcrest Village	Aurora	CO	MH	72		601	601	97.5 %	\$7,590
Cimarron	Broomfield	CO	MH	50		327	327	96.9 %	\$7,339
Holiday Village,	Co. Springs	CO	MH	38		240	240	88.3 %	\$7,058
Bear Creek	Sheridan	CO	MH	12		124	124	91.1 %	\$7,347
Holiday Hills	Denver	CO	MH	99		736	736	84.0 %	\$7,568
Golden Terrace	Golden	CO	MH	32		264	264	97.7 %	\$7,729
Golden Terrace	Golden	CO	MH	15		80	80	78.8 %	\$5,767
South									
Golden Terrace	Golden	CO	RV	(f)		80	—	— %	\$—
South RV									

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

(h)										
Golden Terrace West	Golden	CO	MH	39	7	311	311	87.1	%	\$6,618
Pueblo Grande	Pueblo	CO	MH	33		251	251	62.5	%	\$4,496
Woodland Hills	Thornton	CO	MH	55		434	434	79.5	%	\$7,213
Total Colorado Market				445	7	3,448	3,368	78.5	%	\$7,113
Northeast Stonegate Manor	North Windham	CT	MH	114		372	372	96.0	%	\$5,677
Waterford	Bear	DE	MH	159		731	731	95.1	%	\$7,468
Whispering Pines	Lewes	DE	MH	67	2	393	393	88.8	%	\$5,820
Mariners Cove	Millsboro	DE	MH	101		375	375	93.3	%	\$8,231
Aspen Meadows	Rehoboth Beach	DE	MH	46		200	200	100.0	%	\$6,670
Camelot Meadows	Rehoboth Beach	DE	MH	61		301	301	100.0	%	\$6,214
McNicol	Lewes	DE	MH	25		93	93	97.8	%	\$5,888
Sweetbriar	Millsboro	DE	MH	38		146	146	91.8	%	\$5,783

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Property	City	State	MH/RV	Acres ^(c)	Developable Acres ^(d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
The Glen	Rockland	MA	MH	24		36	36	100.0 %	\$7,696
Gateway to Cape Cod	Rochester	MA	RV	80		194	63	100.0 %	\$2,549
Hillcrest - MA Old	Rockland	MA	MH	19		80	80	93.8 %	\$7,152
Chatham RV	South Dennis	MA	RV	47	11	312	263	100.0 %	\$4,439
Sturbridge	Sturbridge	MA	RV	223		155	83	100.0 %	\$2,008
Fernwood	Capitol Heights	MD	MH	40		329	329	95.4 %	\$6,433
Williams Estates and Peppermint Woods	Middle River	MD	MH	121		803	803	100.0 %	\$7,256
Mount Desert Narrows	Bar Harbor	ME	RV	90	12	206	5	100.0 %	\$2,356
Patten Pond	Ellsworth	ME	RV	43	60	137	19	100.0 %	\$2,222
Moody Beach	Wells	ME	RV	48	16	203	93	100.0 %	\$3,105
Pinehurst RV Park	Old Orchard Beach	ME	RV	58		550	496	100.0 %	\$3,707
Narrows Too	Trenton	ME	RV	42		207	5	100.0 %	\$3,043
Sandy Beach RV	Contoocook	NH	RV	40		190	116	100.0 %	\$3,294
Pine Acres	Raymond	NH	RV	100		421	275	100.0 %	\$3,495
Tuxbury Resort	South Hampton	NH	RV	193	100	305	163	100.0 %	\$3,722
Mays Landing	Mays Landing	NJ	RV	18		168	50	100.0 %	\$2,490
Echo Farms	Ocean View	NJ	RV	31		237	210	100.0 %	\$3,928
Lake & Shore	Ocean View	NJ	RV	162		401	274	100.0 %	\$5,044
Chestnut Lake	Port Republic	NJ	RV	32		185	29	100.0 %	\$2,356
Sea Pines	Swainton	NJ	RV	75		549	280	100.0 %	\$3,817
Pine Ridge at Crestwood	Whiting	NJ	MH	188		1,035	1,035	86.2 %	\$5,903
	Accord	NY	RV	184	94	398	106	100.0 %	\$3,231

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Rondout Valley Resort										
Alpine Lake Lake	Corinth	NY	RV	200	54	500	334	100.0	%	\$3,217
George Escape	Lake George	NY	RV	178	30	576	51	100.0	%	\$3,732
The Woodlands	Lockport	NY	MH	225		1,182	1,182	88.7	%	\$5,459
Greenwood Village	Manorville	NY	MH	79	14	512	512	96.3	%	\$9,653
Brennan Beach Lake	Pulaski	NY	RV	201		1,377	1,207	100.0	%	\$2,536
George Schroon Valley	Warrensburg	NY	RV	151		151	94	100.0	%	\$2,713
Greenbriar Village	Bath	PA	MH	63		319	319	98.7	%	\$7,161
Sun Valley	Bowmansville	PA	RV	86	3	265	201	100.0	%	\$3,045
Green Acres	Breinigsville	PA	MH	149		595	595	95.5	%	\$8,070
Gettysburg Farm	Dover	PA	RV	124		265	77	100.0	%	\$2,231
Timothy Lake South	East Stroudsburg	PA	RV	65		327	93	100.0	%	\$2,474
Timothy Lake North	East Stroudsburg	PA	RV	93		323	137	100.0	%	\$2,399
Circle M	Lancaster	PA	RV	103		380	88	100.0	%	\$2,229
Hershey Preserve	Lebanon	PA	RV	196	20	297	50	100.0	%	\$3,094
Robin Hill	Lenhartsville	PA	RV	44		270	155	100.0	%	\$2,701

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Property	City	State	MH/RV	Acres (c)	Developable Acres (d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
PA Dutch County	Manheim	PA	RV	102		269	95	100.0 %	\$2,147
Spring Gulch	New Holland	PA	RV	114		420	134	100.0 %	\$4,193
Lil Wolf	Orefield	PA	MH	56		271	271	95.2 %	\$7,304
Scotrun	Scotrun	PA	RV	63		178	137	100.0 %	\$2,094
Appalachian Mountain View - PA	Shartlesville	PA	RV	86	30	358	205	100.0 %	\$2,826
	Walnutport	PA	MH	45		189	189	91.5 %	\$5,413
Total Northeast Market				4,892	446	18,736	13,550	95.0 %	\$5,297
Southeast Hidden Cove Diamond	Arley	AL	RV	99	60	79	51	100.0 %	\$2,519
Caverns Resort	Park City	KY	RV	714	350	220	11	100.0 %	\$12,237
Forest Lake Scenic	Advance	NC	RV	306	81	305	148	100.0 %	\$2,488
	Asheville	NC	MH	28		203	203	89.7 %	\$4,423
Waterway RV	Cedar Point	NC	RV	27		336	313	100.0 %	\$4,048
Twin Lakes Green	Chocowinity	NC	RV	132		419	344	100.0 %	\$3,285
Mountain Park	Lenoir	NC	RV	1,077	400	447	184	100.0 %	\$1,702
Lake Gaston	Littleton	NC	RV	69	2	235	177	100.0 %	\$2,588
Lake Myers RV	Mocksville	NC	RV	74		425	315	100.0 %	\$2,331
Bogue Pines (a)	Newport	NC	MH	50		150	150	85.3 %	\$3,456
Whispering Pines (a)	Newport	NC	RV	34		278	—	100.0 %	\$3,545
Goose Creek	Newport	NC	RV	92	6	735	599	100.0 %	\$4,244
Carolina Landing	Fair Play	SC	RV	73		192	62	100.0 %	\$2,713
Inlet Oaks	Murrells Inlet	SC	MH	35		172	172	100.0 %	\$4,542
The Oaks at Point South (h)	Yemassee	SC	RV	10		93	—	— %	\$—
Natchez Trace	Hohenwald	TN	RV	672	140	531	149	100.0 %	\$1,294
	Saulsbery	TN	RV	254	124	339	2	100.0 %	\$3,271

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Cherokee Landing Meadows of Chantilly	Chantilly	VA	MH	82		499	499	100.0	%	\$12,206
Harbor View	Colonial Beach	VA	RV	69		146	38	100.0	%	\$1,744
Lynchburg	Gladys	VA	RV	170	59	222	25	100.0	%	\$1,309
Chesapeake Bay	Gloucester	VA	RV	282	80	392	144	100.0	%	\$3,581
Virginia Landing	Quinby	VA	RV	863	178	233	1	100.0	%	\$947
Regency Lakes	Winchester	VA	MH	165		523	523	91.4	%	\$5,993
Williamsburg	Williamsburg	VA	RV	65		211	81	100.0	%	\$2,206
Total Southeast Market				5,442	1,480	7,385	4,191	93.3	%	\$4,666
Midwest O'Connell's		IL	RV	286	100	668	365	100.0	%	\$3,111
Pheasant Lake Estates	Beecher	IL	MH	160		613	613	97.2	%	\$7,090
Pine Country	Belvidere	IL	RV	131		126	126	100.0	%	\$1,847
Willow Lake Estates	Elgin	IL	MH	111		616	616	87.7	%	\$8,799
Golf Vista Estates	Monee	IL	MH	144	4	408	408	91.4	%	\$7,784

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Property	City	State	MH/RV	Acres (c)	Developable Acres (d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
Indian Lakes	Batesville	IN	RV	545	159	1,000	467	100.0 %	\$2,164
Horseshoe Lakes	Clinton	IN	RV	289	96	123	90	100.0 %	\$1,248
Twin Mills RV	Howe	IN	RV	137	5	501	234	100.0 %	\$2,150
Hoosier Estates	Lebanon	IN	MH	60		288	288	91.0 %	\$3,705
Lakeside	New Carlisle	IN	RV	13		89	88	100.0 %	\$5,504
Oak Tree Village	Portage	IN	MH	76		361	361	67.3 %	\$5,536
North Glen Village	Westfield	IN	MH	88		282	282	80.1 %	\$4,840
Lake in the Hills	Auburn Hills	MI	MH	51		238	238	91.2 %	\$5,830
Bear Cave Resort	Buchanan	MI	RV	25	10	136	14	100.0 %	\$2,187
Saint Claire	Saint Claire	MI	RV	210	100	229	92	100.0 %	\$1,440
Swan Creek	Ypsilanti	MI	MH	59		294	294	98.6 %	\$5,618
Cedar Knolls	Apple Valley	MN	MH	93		457	457	82.5 %	\$7,372
Cimarron Park	Lake Elmo	MN	MH	230		505	505	83.0 %	\$7,547
Rockford Riverview Estates	Rockford	MN	MH	88		428	428	81.5 %	\$4,776
Rosemount Woods	Rosemount	MN	MH	50		182	182	94.0 %	\$6,897
Buena Vista Meadow Park	Fargo	ND	MH	76		399	399	87.5 %	\$5,099
Buena Vista	Fargo	ND	MH	17		116	116	83.6 %	\$3,766
Wilmington	Jefferson	OH	RV	143	50	119	72	100.0 %	\$1,341
Wilmington	Wilmington	OH	RV	109	41	169	100	100.0 %	\$1,814
Rainbow Lake Manor	Bristol	WI	MH	99		270	270	95.9 %	\$7,153
Fremont	Fremont	WI	RV	98	5	325	81	100.0 %	\$6,038
Yukon Trails	Lyndon Station	WI	RV	150	30	214	132	100.0 %	\$1,903
Blackhawk	Milton	WI	RV	214		490	365	100.0 %	\$3,223
Lakeland	Milton	WI	RV	107		682	457	100.0 %	\$3,908
	Pleasant Prairie	WI	MH	95		327	327	92.7 %	\$7,597

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Westwood Estates Plymouth Rock	Plymouth	WI	RV	133		610	425	100.0	%	\$2,390
Tranquil Timbers	Sturgeon Bay	WI	RV	125		270	196	100.0	%	\$2,236
Neshonoc Lakeside	West Salem	WI	RV	48		284	179	100.0	%	\$3,369
Arrowhead	Wisconsin Dells	WI	RV	166	40	377	194	100.0	%	\$1,921
Total Midwest Market Nevada, Utah and Idaho				4,426	640	12,196	9,461	87.8	%	\$5,052
Coach Royale	Boise	ID	MH	12		91	91	76.9	%	\$5,016
Maple Grove	Boise	ID	MH	38		271	271	81.2	%	\$5,093
Shenandoah Estates	Boise	ID	MH	24		153	153	96.7	%	\$6,038
West Meadow Estates	Boise	ID	MH	29		178	178	99.4	%	\$5,881
Mountain View - NV	Henderson	NV	MH	72		354	354	98.9	%	\$8,886
Las Vegas (h)	Las Vegas	NV	RV	11		217	—	100.0	%	\$—
Bonanza	Las Vegas	NV	MH	43		353	353	56.9	%	\$6,755

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Property	City	State	MH/RV	Acres (c)	Developable Acres (d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
Boulder Cascade	Las Vegas	NV	MH	39		299	299	75.9 %	\$7,053
Cabana	Las Vegas	NV	MH	37		263	263	96.6 %	\$7,298
Flamingo West	Las Vegas	NV	MH	37		258	258	97.3 %	\$8,337
Villa Borega	Las Vegas	NV	MH	40		293	293	75.4 %	\$7,533
Westwood Village	Farr West	UT	MH	46		314	314	100.0 %	\$5,539
All Seasons	Salt Lake City	UT	MH	19		121	121	98.3 %	\$6,396
St. George Nevada, Utah and Idaho Northwest	Hurricane	UT	RV	26		123	—	100.0 %	\$—
				473	—	3,288	2,948	87.8 %	\$6,865
Cultus Lake (Canada) (b)	Lindell Beach	BC	RV	15		178	94	100.0 %	\$2,713
Thousand Trails Bend	Bend	OR	RV	289	100	351	56	100.0 %	\$2,149
Pacific City	Cloverdale	OR	RV	105		307	41	100.0 %	\$3,398
South Jetty (h)	Florence	OR	RV	57		204	—	100.0 %	\$—
Seaside Resort	Seaside	OR	RV	80		251	54	100.0 %	\$3,082
Whaler's Rest Resort	South Beach	OR	RV	39		170	19	100.0 %	\$3,237
Mt. Hood	Welches	OR	RV	115	30	436	71	100.0 %	\$7,266
Shadowbrook	Clackamas	OR	MH	21		156	156	98.7 %	\$8,430
Falcon Wood Village	Eugene	OR	MH	23		183	183	99.5 %	\$6,946
Quail Hollow (b)	Fairview	OR	MH	21		137	137	97.1 %	\$8,449
Birch Bay	Blaine	WA	RV	31		246	24	100.0 %	\$5,781
Mt. Vernon	Bow	WA	RV	311		251	28	100.0 %	\$3,025
Chehalis	Chehalis	WA	RV	309	85	360	22	100.0 %	\$2,647
Grandy Creek	Concrete	WA	RV	63		179	3	100.0 %	\$3,358
Tall Chief (h)	Fall City	WA	RV	71		180	—	100.0 %	\$—
La Conner (b)	La Conner	WA	RV	106	5	319	42	100.0 %	\$3,702
Leavenworth	Leavenworth	WA	RV	255	50	266	22	100.0 %	\$2,159
Thunderbird Resort	Monroe	WA	RV	45	2	136	28	100.0 %	\$1,746
	Newport	WA	RV	360	119	520	3	100.0 %	\$1,724

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Little Diamond Oceana Resort	Ocean City	WA	RV	16		84	5	100.0	%	\$1,924		
Crescent Bar Resort	Quincy	WA	RV	14		115	13	100.0	%	\$2,793		
Long Beach Paradise Resort	Seaview	WA	RV	17		144	14	100.0	%	\$1,295		
Kloshe Illahee	Silver Creek	WA	RV	60		214	9	100.0	%	\$5,057		
Total Northwest Market	Federal Way	WA	MH	50		258	258	100.0	%	\$10,212		
Texas					2,473	391		5,645	1,282	98.8	%	\$5,944
Alamo Palms	Alamo	TX	RV	58		643	327	100.0	%	\$3,945		
Bay Landing	Bridgeport	TX	RV	443	235	293	60	100.0	%	\$2,006		
Colorado River	Columbus	TX	RV	218	51	132	20	100.0	%	\$3,558		

27

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Property	City	State	MH/RV	Acres (c)	Developable Acres (d)	Total Number of Sites as of 12/31/15	Total Number of Annual Sites as of 12/31/15	Annual Site Occupancy as of 12/31/15	Annual Rent as of 12/31/15
Victoria Palms	Donna	TX	RV	117		1,122	506	100.0 %	\$5,104
Lake Texoma	Gordonville	TX	RV	201		301	101	100.0 %	\$2,479
Lakewood	Harlingen	TX	RV	30		301	109	100.0 %	\$2,259
Paradise Park RV	Harlingen	TX	RV	60		563	296	100.0 %	\$3,440
Sunshine RV	Harlingen	TX	RV	84		1,027	395	100.0 %	\$2,847
Tropic Winds	Harlingen	TX	RV	112	74	531	130	100.0 %	\$2,118
Medina Lake	Lakehills	TX	RV	208	50	387	31	100.0 %	\$2,439
Paradise South	Mercedes	TX	RV	49		493	204	100.0 %	\$2,338
Lake Tawakoni	Point	TX	RV	324	11	293	85	100.0 %	\$2,099
Fun n Sun RV	San Benito	TX	RV	135	40	1,435	623	100.0 %	\$3,601
Southern Comfort	Weslaco	TX	RV	40		403	327	100.0 %	\$3,152
Country Sunshine	Weslaco	TX	RV	37		390	175	100.0 %	\$2,725
Lake Whitney	Whitney	TX	RV	403	158	261	33	100.0 %	\$2,503
Lake Conroe	Willis	TX	RV	129	30	414	156	100.0%	\$3,566
Total Texas Market				2,648	649	8,989	3,578	100.0 %	\$3,382
Grand Total All Markets				37,853	5,318	140,813	101,041	92.9 %	\$5,832

(a) Property acquired in 2015.

(b) Land is leased by us under a non-cancelable operating lease. (See Note 12 to the Consolidated Financial Statements).

(c) Acres are approximate. Acreage for some Properties were estimated based upon 10 Sites per acre.

(d) Acres are approximate. There can be no assurance that developable acres will be developed. Development is contingent on many factors including, but not limited to, cost, ability to subdivide, accessibility, infrastructure needs, zoning, entitlement and topography.

(e) Expansion Sites are approximate and only represent Sites that could be developed and is further dependent upon necessary approvals. Certain Properties with Expansion Sites noted may have vacancies and therefore, Expansion

Sites may not be added.

(f) Acres for this RV park are included in the acres for the adjacent manufactured home community listed directly above this Property.

(g) Property not operated by us during 2015, as the Property is leased to a third party operator.

(h) Property does not contain annual Sites.

Item 3. Legal Proceedings

The legal proceedings disclosure is incorporated herein by reference from Note 18 to the Consolidated Financial Statements in this Form 10-K.

Item 4. Mine Safety Disclosure

None.

29

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is traded on the New York Stock Exchange ("NYSE") under the symbol ELS. On February 19, 2016, the reported closing price per share of ELS common stock on the NYSE was \$68.83 and there were approximately 295 holders of record. The high and low sales prices and closing sales prices on the NYSE and distributions for our common stock during 2015 and 2014 are set forth in the table below:

	Close	High	Low	Distributions Declared
2015				
1st Quarter	\$54.95	\$58.11	\$51.57	\$0.3750
2nd Quarter	\$52.58	\$55.74	\$51.79	\$0.3750
3rd Quarter	\$58.57	\$59.59	\$52.40	\$0.3750
4th Quarter	\$66.67	\$66.89	\$57.71	\$0.3750
	Close	High	Low	Distributions Declared
2014				
1st Quarter	\$40.65	\$41.61	\$35.75	\$0.3250
2nd Quarter	\$44.16	\$45.17	\$40.14	\$0.3250
3rd Quarter	\$42.36	\$46.27	\$41.44	\$0.3250
4th Quarter	\$51.55	\$52.62	\$42.33	\$0.3250

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased ^(a)	Average Price Paid per Share ^(a)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs
10/1/15-10/31/15	—	\$—	None	None
11/1/15-11/30/15	1,060	\$59.54	None	None
12/1/15-12/31/15	46,731	\$66.73	None	None

Of the common stock repurchased from October 1, 2015 through December 31, 2015, 47,791 shares were repurchased at the open market price and represent common stock surrendered to us to satisfy income tax withholding obligations due as a result of the vesting of Restricted Share Grants. Certain of our executive officers (a) and directors may from time to time adopt non-discretionary, written trading plans that comply with Securities and Exchange Commission Rule 10b5-1, or otherwise monetize their equity-based compensation. The Securities and Exchange Commission Rule 10b5-1 provides executives with a method to monetize their equity-based compensation in an automatic and non-discretionary manner over time.

Item 6. Selected Financial Data

The following table sets forth selected financial and operating information on a historical basis. The historical operating data has been derived from our historical financial statements. The following information should be read in conjunction with all of the financial statements and notes thereto included elsewhere in this Form 10-K.

Equity LifeStyle Properties, Inc.

Consolidated Historical Financial Information

(Amounts in thousands, except for per share and property data)

	Years Ended December 31,				
	2015	2014	2013	2012	2011
Income Statement Data:					
Total Revenues	\$821,654	\$776,809	\$729,048	\$684,298	\$577,609
Total Expenses	(675,231)	(644,376)	(653,840)	(622,450)	(537,600)
Equity in income from unconsolidated joint ventures	4,089	4,578	2,039	1,899	1,948
Gain on sale of property ⁽¹⁾	—	1,457	—	—	—
Income from discontinued operations	—	—	7,133	6,116	547
Gain on sale of property, net of taxes	—	—	41,525	4,596	—
Consolidated net income	\$150,512	\$138,468	\$125,905	\$74,459	\$42,504
Net income available for Common Stockholders	\$130,145	\$118,731	\$106,919	\$54,779	\$22,775
Comprehensive income attributable to Common Stockholders	\$129,988	\$119,234	\$108,443	\$54,742	\$20,467
Earnings per Common Share - Basic:					
Net income available for Common Stockholders	\$1.55	\$1.42	\$1.29	\$0.67	\$0.32
Earnings per Common Share - Fully Diluted:					
Net income available for Common Stockholders	\$1.54	\$1.41	\$1.28	\$0.66	\$0.32
Distributions declared per Common Share outstanding	\$1.50	\$1.30	\$1.00	\$0.88	\$0.75
Weighted average Common Shares outstanding - basic	84,031	83,362	83,018	82,348	71,182
Weighted average Common Shares outstanding - fully diluted	91,907	91,511	91,196	90,862	80,660
Balance Sheet Data:					
Real estate, before accumulated depreciation	\$4,477,599	\$4,387,913	\$4,228,106	\$4,044,650	\$3,960,692
Total assets	\$3,420,061	\$3,446,339	\$3,392,309	\$3,398,622	\$3,496,407
Total mortgage notes and term loan	\$2,145,713	\$2,212,246	\$2,192,368	\$2,261,610	\$2,276,250
Series A Preferred Stock ⁽²⁾	\$—	\$—	\$—	\$—	\$200,000
Series C Preferred Stock ⁽²⁾	\$136,144	\$136,144	\$136,144	\$136,144	\$—
Total Common Equity ⁽³⁾	\$788,924	\$775,849	\$827,061	\$788,158	\$799,280

Other Data:

Funds from operations ⁽⁴⁾	\$261,009	\$246,588	\$191,049	\$209,993	\$147,457
Normalized funds from operations ⁽⁴⁾	\$279,052	\$253,257	\$232,298	\$209,688	\$165,950
Total Properties (at end of period) ⁽⁵⁾	387	384	377	383	382
Total Sites (at end of period) ⁽⁵⁾	143,938	143,113	139,126	142,679	141,132

Effective January 1, 2014, we adopted on a prospective basis the new Accounting Standard Update 2014-08, Property, Plant, and Equipment: Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity which changed the definition of discontinued operations. Under the new guidance the gain on sale of property recognized during the year ended December 31, 2014 did not meet the criteria of discontinued operations and accordingly it is presented as part of our continuing operations.

In 2011, we, on behalf of selling stockholders, closed on a public offering of Series A Cumulative Redeemable Perpetual Preferred Stock ("Series A Preferred Stock"). The selling stockholders received the Series A Preferred Stock in exchange for \$200 million of previously issued series D and series F Perpetual Preferred OP Units. In 2012, we issued 54,458 shares of Series C Preferred Stock which are represented by Depositary Shares. We also exchanged 5,445,765 shares of our Series A Preferred Stock for 5,445,765 Depositary Shares, each representing 1/100th of a share of Series C Preferred Stock. Also in 2012, we redeemed the remaining 2,554,235 shares of Series A Preferred Stock.

In 2011 to partially fund the purchase of a portfolio of Properties (refer to footnote 6 below), we issued 12,075,000 shares of common stock in an equity offering for proceeds of approximately \$344.0 million, net of offering costs.

During the year ended December 31, 2011, we issued 3,416,552 shares of Common Stock and 1,740,000 shares of Series B Subordinated Non-Voting Cumulative Preferred Stock (the "Series B Preferred Stock") with an aggregate value of \$224.2 million, net of offering costs. All of the Series B Preferred Stock was exchanged for Common Stock.

Refer to Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations contained in this Form 10-K for information regarding why we present funds from operations and normalized funds from operations and for a reconciliation of these non-GAAP financial measures to net income available for Common Stock holders.

In 2011, we closed on the acquisition of a portfolio that consisted of 74 manufactured home communities and one RV resort containing 30,129 Sites on approximately 6,400 acres located in 16 states.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with "Selected Financial Data" and the historical Consolidated Financial Statements and Notes thereto appearing elsewhere in this Form 10-K.

2015 Accomplishments

• Occupancy of manufactured homes within our Core Portfolio (as defined below) increased by 473 Sites to a total of 92.6%.

• RV Revenue within our Core Portfolio increased by 7.9% as compared to 2014.

• New home sales volume increased 42.6% as compared to 2014.

• Title turn-ins and resident pullouts decreased by 186 homes when compared to 2014.

• Closed on the acquisition of two RV resorts and one MH community for a total purchase price of approximately \$23.9 million.

• Raised our annual dividend to \$1.50 per share in 2015, an increase of 15.4% compared to \$1.30 per share in 2014.

Closed on approximately \$395.3 million of refinancing proceeds on 26 Properties. In addition, we retired by defeasance and prepayment approximately \$370.2 million of debt secured by 32 Properties and paid maturing debt of approximately \$48.7 million. As a result, our current debt balance has a weighted average maturity of 10.3 years.

Overview and Outlook

Occupancy in our Properties, as well as our ability to increase rental rates, directly affects revenues. Our revenue streams are predominantly derived from customers renting our Sites on a long-term basis.

The following table shows the breakdown of our Sites by type. Our MH community Sites and annual RV resort Sites are leased on an annual basis. Seasonal Sites are leased to customers generally for one to six months. Transient Sites are leased to customers on a short-term basis. The revenue from seasonal and transient Sites is generally higher during the first and third quarters. We consider the transient revenue stream to be our most volatile as it is subject to weather conditions and other factors affecting the marginal RV customer's vacation and travel preferences. Sites designated as right-to-use Sites are primarily utilized to service the approximately 102,400 customers who have entered right-to-use contracts. We also have interests in joint venture Properties for which revenue is classified as Equity in income from unconsolidated joint ventures in the Consolidated Statements of Income and Comprehensive Income.

	Total Sites as of December 31, 2015
Community Sites	70,100
Resort Sites:	
Annual	25,800
Seasonal	10,400
Transient	10,400
Right-to-use ⁽¹⁾	24,100
Joint Ventures ⁽²⁾	3,100
	143,900

(1) Includes approximately 5,500 Sites rented on an annual basis.

(2) Joint ventures have approximately 2,200 annual Sites, approximately 400 seasonal Sites and approximately 500 transient Sites.

For the periods presented our Core Portfolio ("Core Portfolio") consists of our Properties owned and operated during the entire period. For the year ended December 31, 2015, property operating revenues in our Core Portfolio, excluding deferrals, were up 4.1% and property operating expenses in our Core Portfolio, excluding deferrals and property management, were up 2.3%, resulting in an increase in Core net operating income before deferrals and property management of 5.5%.

One third of our rental agreements on community Sites have rent increases that are directly or indirectly connected to published CPI statistics that are issued from June through September of the year prior to the increase effective date.

One half of those rental agreements have a CPI floor of approximately 3%.

State and local rent control regulations affect 27 Properties, including 19 of our 49 California Properties, all of our seven Delaware Properties and one of our five Massachusetts Properties. The impact of the rent control regulations is to limit our ability to implement rent increases based on prevailing market conditions. The regulations generally permit us to increase rates by a percentage of the increase in the CPI. The limit on rent increases may range from 60% to 100% of CPI with certain maximum limits depending on the jurisdiction.

32

Management's Discussion (continued)

In the years following the disruption in the site-built housing market, our home sales business was negatively affected by our customers' inability to sell their existing site-built homes and relocate to their retirement destination. As a result, we focused on home rental rather than sales as our primary source of occupancy upon turnover. As we managed and expanded our portfolio of rental homes, we placed homes in communities where we believed we could successfully sell homes as the market improved. At these Properties, we have been successful at selling homes and driving occupancy gains through increased home ownership. We continue to allocate capital to home purchases based on our assessment of market conditions and emphasize home sales. We continue to see population growth in our key markets, increased access to distribution channels for our products and a renewed willingness by our customers to commit to us for longer periods of time. We have also seen a decrease in homes coming back to us, which generally means that our residents have the opportunity to resell their homes to new residents. While we continue to focus on selling homes, we continue to evaluate rental units, and based on market conditions, we expect to invest in additional new homes for customer rentals.

We continue to focus on the quality of occupancy growth by increasing the number of homeowners in our Core Portfolio. As of December 31, 2015, we increased occupancy in our Core Portfolio by 473 sites with an increase in homeowner occupancy of 749 sites compared with occupancy at December 31, 2014. By comparison, as of December 31, 2014, our Core Portfolio occupancy increased by 214 sites with an increase in homeowner occupancy of 464 sites compared with occupancy at December 31, 2013.

Since 2013, we have experienced an increase in the sales volume of new and used homes in our communities. We attribute this increase to various factors including management's focus on increasing the number of homeowners within our communities, changes to incentive structures for our on-site personnel to emphasize home sales rather than rentals and willingness of an increasing number of customers to commit their capital to purchase a home in one of our communities. New home sales in the manufactured home communities in our Core Portfolio increased by 42.6% over the prior year. The recent new home sales have been primarily in our California, Colorado and Florida communities (see the Home Sales Operations tables in the sections below for additional detail regarding our home sales activity). In the ordinary course of business, we acquire used homes from customers through purchase, foreclosure of a lien, or abandonment. In a vibrant home sales market in which residents are able to resell their homes, we generally acquire fewer homes through foreclosure or abandonment. Used homes may require rehabilitation before renting them to new customers.

During 2013 we formed a joint venture, ECHO Financing, LLC (the "ECHO JV"), with a home manufacturer to buy and sell homes, as well as to purchase loans made by an unaffiliated lender to purchasers of such homes at our Properties. The ECHO JV may also rent homes to customers in our communities. We also have a limited program under which we purchase loans made by an unaffiliated lender to purchasers of homes at our Properties.

In the manufactured housing industry, chattel financing options available today include community owner funded programs or third party lender programs that provide subsidized financing to customers and require the community owner to guarantee customer defaults. Third party lender programs have stringent underwriting criteria, sizable down payment requirements, short loan amortization and high interest rates.

As of December 31, 2015, we had 4,967 occupied rental homes in our manufactured housing communities. For the years ended December 31, 2015 and 2014, home rental program net operating income was approximately \$32.8 million and \$35.8 million, respectively, net of rental asset depreciation expense of approximately \$10.7 million and \$10.9 million, respectively. Approximately \$36.6 million and \$39.3 million of home rental operations revenue was included in community base rental income for the years ended December 31, 2015 and 2014, respectively. (see the Rental Operations tables in the sections below for additional detail regarding our rental activity). We believe at this time we compete effectively with other types of rentals (i.e., apartments). We continue to evaluate home rental operations and expect to continue to invest in additional units.

In our RV resorts, we are focused on engaging with our existing customers and providing them the lifestyle they seek as well as attracting additional customers interested in our Properties. We continue to experience growth in our annual revenues as a result of our ability to increase rental rates and occupancy. Our 2015 Core Portfolio annual revenues were 5.9% higher than in 2014. We believe our customer base is loyal and engaged in the lifestyle we offer at our Properties. We have annual customers who have stayed with us for more than ten years and our member base includes

members who have camped with us for more than twenty years. Our social media presence has increased within this member base and we have also been successful at providing a venue for our customers to promote our Properties by encouraging them to share their memories of their adventures at our resorts. We believe this is an important factor in a customer's decision to relocate. Our customers continue to increase the amount of time spent shopping online for their home and vacation decision which provides an increased customer pool for us of approximately 40 million outdoor enthusiasts who are interested in learning about our product offerings.

For our membership based RV resorts, we offer low-cost membership products that focus on the installed base of approximately nine million RV owners. Such products include right-to-use contracts that entitle the customer to use certain

Management's Discussion (continued)

Properties. We are offering a Thousand Trails Camping Pass ("TTC") (formerly Zone Park Pass), which can be purchased for one to five geographic areas of the United States and requires an annual payment of \$545. A single zone TTC requires no additional upfront payment while additional zones may be purchased for modest additional upfront payments. Since the introduction of low-cost membership products, we have entered into approximately 76,900 TTCs. Our renewal rate for these memberships is approximately 43.1%.

We have a program with RV dealers to feature our TTC as part of the dealers' sales and marketing efforts. We provide the dealer with a TTC membership to give to their customers in connection with the purchase of an RV. No cash is received from the member during the first year of membership for memberships activated through the RV dealer program. Since inception, we have activated 29,447 TTCs through the RV dealer program. Our renewal rate for these RV dealer memberships is approximately 18.3%.

Refer to table below for detail regarding our TTCs for the past five years:

	Years Ended December 31,				
	2011	2012	2013	2014	2015
TTC Origination	7,404	10,198	15,607	18,187	25,544
TTC Sales	7,404	8,909	9,289	10,014	11,877
RV Dealer TTC Activations	—	1,289	6,318	8,173	13,667

Existing customers are eligible to upgrade their right-to-use contract from time-to-time. An upgrade is distinguishable from a new right-to-use contract that a customer would enter by, depending on the type of upgrade, offering (1) increased length of consecutive stay by 50% (i.e., up to 21 days); (2) ability to make earlier advance reservations; (3) discounts on rental units; (4) access to additional Properties, which may include use of Sites at non-membership RV resorts and (5) membership in discount travel programs. Each upgrade contract requires a nonrefundable upfront payment. We finance the nonrefundable upfront payment for certain customers.

Property Acquisitions, Joint Ventures and Dispositions

The following chart lists the Properties or portfolios acquired, invested in, or sold since January 1, 2014 through December 31, 2015.

Property	Transaction Date	Sites
Total Sites as of January 1, 2014		139,126
Property or Portfolio:		
Acquisitions:		
Blackhawk	January 7, 2014	490
Lakeland	January 24, 2014	682
Pine Acres	September 26, 2014	421
Echo Farms	September 29, 2014	237
Mays Landing	September 30, 2014	168
Space Coast	October 1, 2014	270
Mesa Spirit	December 30, 2014	1,600
Bogue Pines	February 9, 2015	150
Whispering Pines	February 9, 2015	278
Miami Everglades	June 26, 2015	303
Expansion Site Development and other:		
Sites added (reconfigured) in 2014		119
Sites added (reconfigured) in 2015		94
Total Sites as of December 31, 2015		143,938

Our gross investment in real estate has increased approximately \$90 million to \$4,478 million as of December 31, 2015 from \$4,388 million as of December 31, 2014 primarily due to increased capital expenditures as well as the acquisition of three Properties: Bogue Pines, Whispering Pines and Miami Everglades.

Management's Discussion (continued)

Markets

The following table identifies our largest markets by number of Sites and provides information regarding our Properties (excluding five Properties owned through Joint Ventures).

Major Market	Total Sites	Number of Properties	Percent of Total Sites	Percent of Total Property Operating Revenues ⁽¹⁾	
Florida	51,850	121	37.0	% 41.0	%
Northeast	18,736	51	13.3	% 11.5	%
Arizona	15,586	40	11.1	% 10.1	%
California	13,690	46	9.7	% 14.7	%
Midwest	12,196	34	8.7	% 7.0	%
Texas	8,989	17	6.3	% 2.9	%
Southeast	7,385	24	5.2	% 3.6	%
Northwest	5,645	24	4.0	% 3.1	%
Colorado	3,448	11	2.4	% 3.2	%
Other	3,288	14	2.3	% 2.9	%
Total	140,813	382	100.0	% 100.0	%

(1) Property operating revenues for this calculation excludes approximately \$13.4 million of property operating revenue not allocated to Properties, which consists primarily of upfront payments from right-to-use contracts.

Qualification as a REIT

We believe that we have qualified for taxation as a real estate investment trust ("REIT") for U.S. federal income tax purposes since our taxable year ended December 31, 1993. We plan to continue to meet the requirements for taxation as a REIT. Many of these requirements, however, are highly technical and complex and concern the ownership of our outstanding stock, the nature of our assets, the sources of our income and the amount of our distributions to our stockholders. The fact that we hold our assets through our Operating Partnership and our Subsidiaries further complicates the application of the REIT requirements.

If we fail to qualify as a REIT, we would be subject to U.S. federal income tax at regular corporate rates. Also, unless the IRS granted us relief under certain statutory provisions, we would remain disqualified as a REIT for four years following the year we first failed to qualify. Even if we qualify for taxation as a REIT, we are subject to certain foreign, state and local taxes on our income and property and U.S. federal income and excise taxes on our undistributed income.

Recent U.S. Federal Income Tax Legislation

On December 18, 2015, President Obama signed into law the Consolidated Appropriations Act, 2016, an omnibus spending bill, with a division referred to as the Protecting Americans From Tax Hikes Act of 2015 (the "PATH Act"). The PATH Act changes certain of the rules affecting REIT qualification and taxation of REITs and REIT shareholders, which are briefly summarized below.

• For taxable years beginning after 2017, the percentage of a REIT's total assets that may be represented by securities of one or more TRSs is reduced from 25% to 20%.

• "Publicly offered REITs" (which generally include any REIT required to file annual and periodic reports with the SEC, including us) are no longer subject to the preferential dividend rules for taxable years beginning after 2014. For taxable years beginning after 2015, debt instruments issued by publicly offered REITs are qualifying assets for purposes of the 75% REIT asset test. However, no more than 25% of the value of a REIT's assets may consist of debt instruments that are issued by publicly offered REITs that are not otherwise treated as real estate assets, and interest on debt of a publicly offered REIT will not be qualifying income under the 75% REIT gross income test unless the debt is secured by real property.

For taxable years beginning after 2015, to the extent rent attributable to personal property is treated as rents from real property (because rent attributable to the personal property for the taxable year does not exceed 15% of the total rent for the taxable year for such real and personal property), the personal property will be treated as a real estate asset for purposes of the 75% REIT asset test. Similarly, a debt obligation secured by a mortgage on both real and personal property will be treated as a real estate asset for purposes of the 75% asset test, and interest thereon will be treated as interest on an obligation secured by real property, if the fair market value of the personal property does not exceed 15% of the fair market value of all property securing the debt.

For taxable years beginning after 2014, the period during which dispositions of properties with net built-in gains from C corporations in carry-over basis transactions will trigger the built-in gains tax is reduced from ten years to five years.

Management's Discussion (continued)

For taxable years beginning after 2015, a 100% excise tax will apply to "redetermined services income," i.e., non-arm's-length income of a REIT's TRS attributable to services provided to, or on behalf of, the REIT (other than services provided to REIT tenants, which are potentially taxed as redetermined rents).

The rate of withholding tax applicable under FIRPTA to certain sales and other dispositions of U.S. real property interests ("USRPIs") by non-U.S. persons, and certain distributions from corporations whose stock may constitute a USRPI, is increased from 10% to 15% for dispositions and distributions occurring after February 16, 2016. Our common stock may constitute a USRPI to some holders because more than 50% of our assets consist of interests in real property located in the United States.

For dispositions and distributions on or after December 18, 2015, the stock ownership thresholds for exemption from FIRPTA taxation on sale of stock of a publicly traded REIT and for recharacterizing capital gain dividends received from a publicly traded REIT as ordinary dividends is increased from not more than 5% to not more than 10%.

Effective December 18, 2015, certain look-through, presumption, and other rules will apply for purposes of determining if we qualify as domestically controlled.

For dispositions and distributions after December 18, 2015, certain "qualified foreign pension funds" satisfying certain requirements, as well as entities that are wholly owned by a qualified foreign pension fund, are exempt from income and withholding taxes applicable under FIRPTA. In addition, new FIRPTA rules apply to ownership of REIT shares by "qualified shareholders," which generally include publicly traded non-U.S. stockholders meeting certain requirements.

Supplemental Measures

Management's discussion and analysis of financial condition and results of operations include certain non-GAAP financial measures that in management's view of the business we believe are meaningful as they allow the investor the ability to understand key operating details of our business both with and without regard to certain accounting conventions or items that may not always be indicative of recurring annual cash flow of the portfolio. These non-GAAP financial measures as determined and presented by us may not be comparable to similarly titled measures reported by other companies, and include Income from property operations, Funds from Operations ("FFO") and Normalized Funds from Operations ("Normalized FFO"). A discussion of FFO, Normalized FFO and a reconciliation to net income are included in the presentation of FFO following our "Results of Operations."

Income from property operations represents rental income, utility income and right-to-use income less property operating and maintenance, real estate taxes, sales and marketing, and property management expenses. We believe that Income from property operations is helpful to investors and analysts as a direct measure of the actual operating results of our manufactured home and RV communities.

The following table reconciles Income from continuing operations before equity in income of unconsolidated joint ventures and gain on sale of property to Income from property operations for the years ended December 31, 2015, 2014, and 2013 (amounts in thousands):

	Total Portfolio		
	Years Ended		
	December 31, 2015	December 31, 2014	December 31, 2013
Income from property operations	\$402,446	\$376,633	\$354,248
Income from home sales operations and other	1,829	3,179	2,702
Total other income and expenses, net	(257,852)	(247,379)	(281,742)
Income from continuing operations before equity in income of unconsolidated joint ventures and gain on sale of property	\$146,423	\$132,433	\$75,208

Results of Operations

Comparison of Year Ended December 31, 2015 to Year Ended December 31, 2014

Income from Property Operations

The following table summarizes certain financial and statistical data for the Core Portfolio and the total portfolio for the years ended December 31, 2015 and 2014 (amounts in thousands). The Core Portfolio may change from time-to-time depending on acquisitions, dispositions and significant transactions or unique situations. The Core Portfolio in this comparison of the years ended December 31, 2015 and December 31, 2014 includes all Properties acquired prior to December 31, 2013 and which we have owned and operated continuously since January 1, 2014. Core Portfolio growth percentages exclude the impact of GAAP deferrals of upfront payments from right-to-use contracts and related commissions.

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Management's Discussion (continued)

	Core Portfolio				Total Portfolio			
	2015	2014	Variance	% Change	2015	2014	Variance	% Change
Community base rental income	\$441,642	\$426,886	\$14,756	3.5 %	\$442,046	\$426,886	\$15,160	3.6 %
Rental home income	14,010	14,827	(817)	(5.5)%	14,012	14,827	(815)	(5.5)%
Resort base rental income	172,455	159,901	12,554	7.9 %	184,760	163,968	20,792	12.7 %
Right-to-use annual payments	44,443	44,862	(419)	(0.9)%	44,443	44,860	(417)	(0.9)%
Right-to-use contracts current period, gross	12,783	13,892	(1,109)	(8.0)%	12,783	13,892	(1,109)	(8.0)%
Utility and other income	75,038	69,962	5,076	7.3 %	76,153	70,209	5,944	8.5 %
Property operating revenues, excluding deferrals	760,371	730,330	30,041	4.1 %	774,197	734,642	39,555	5.4 %
Property operating and maintenance	248,459	242,085	6,374	2.6 %	254,668	243,914	10,754	4.4 %
Rental home operating and maintenance	7,165	7,440	(275)	(3.7)%	7,167	7,441	(274)	(3.7)%
Real estate taxes	50,163	48,493	1,670	3.4 %	50,962	48,714	2,248	4.6 %
Sales and marketing, gross	11,742	12,418	(676)	(5.4)%	11,751	12,418	(667)	(5.4)%
Property operating expenses, excluding deferrals and Property management	317,529	310,436	7,093	2.3 %	324,548	312,487	12,061	3.9 %
Income from property operations, excluding deferrals and Property management ⁽¹⁾	442,842	419,894	22,948	5.5 %	449,649	422,155	27,494	6.5 %
Property management	44,526	42,638	1,888	4.4 %	44,528	42,638	1,890	4.4 %
Income from property operations, excluding deferrals ⁽¹⁾	398,316	377,256	21,060	5.6 %	405,121	379,517	25,604	6.7 %
Right-to-use contracts, deferred and sales and marketing, deferred, net	2,675	2,884	(209)	(7.2)%	2,675	2,884	(209)	(7.2)%
Income from property operations ⁽¹⁾	\$395,641	\$374,372	\$21,269	5.7 %	\$402,446	\$376,633	\$25,813	6.9 %

⁽¹⁾ Non-GAAP measure.

The 3.5% increase in Core Portfolio community base rental income primarily reflects a 2.9% growth from rate increases and a 0.6% growth from occupancy gains. The average monthly base rent per site increased to approximately \$569 in 2015 from approximately \$553 in 2014. The average occupancy increased to 92.6% in 2015 from 92.2% in 2014. The increase in property operating and maintenance expenses was primarily driven by increased property payroll and repair and maintenance expenses. The increase in property payroll is driven by increased overtime and additional employees in the current year as well as annual salary increases, while the increase in repair and maintenance is largely due to certain storm events in Texas, California, and North Carolina, higher cabin rental

maintenance, and an overall increase in general maintenance supplies expenses.

The decrease in rental home income and rental home operating and maintenance are discussed in further detail in the Rental Operations table below.

Resort base rental income is comprised of the following (amounts in thousands):

	Core Portfolio				Total Portfolio			
	2015	2014	Variance	% Change	2015	2014	Variance	% Change
Annual	\$106,358	\$100,479	\$5,879	5.9 %	\$115,314	\$104,006	\$11,308	10.9 %
Seasonal	27,386	24,924	2,462	9.9 %	28,998	25,052	3,946	15.8 %
Transient	38,711	34,498	4,213	12.2 %	40,448	34,910	5,538	15.9 %
Resort base rental income	\$172,455	\$159,901	\$12,554	7.9 %	\$184,760	\$163,968	\$20,792	12.7 %

Right-to-use contracts current period, gross, net of sales and marketing, gross, decreased as a result of a lower number of upgrade sales by our third party sales agent. During the year ended December 31, 2015, there were 2,687 upgrade sales with an average price per sale of \$4,745. This compares to 2,978 upgrade sales with an average price per sale of \$4,665 for the year ended December 31, 2014.

The increase in total portfolio income from property operations is primarily due to increases in Core community base rental income, Core resort base rental income, the contribution from property operations related to the 2014 and 2015 acquisitions as well as increased utility and other income. The increase is partially offset by an overall increase in expenses, with the most significant increases relating to payroll, repair and maintenance, and property taxes.

Management's Discussion (continued)

Home Sales Operations

The following table summarizes certain financial and statistical data for our Home Sales Operations for the years ended December 31, 2015 and 2014 (amounts in thousands, except home sales volumes).

	2015	2014	Variance	% Change	
Gross revenues from new home sales ⁽¹⁾	\$17,674	\$13,584	\$4,090	30.1	%
Cost of new home sales ⁽¹⁾	(16,678)	(11,444)	(5,234)	(45.7))%
Gross profit from new home sales	996	2,140	(1,144)	(53.5))%
Gross revenues from used home sales	15,476	14,834	642	4.3	%
Cost of used home sales	(15,601)	(15,303)	(298)	(1.9))%
Gross loss from used home sales	(125)	(469)	344	(73.3))%
Brokered resale revenues and ancillary services revenues, net	4,149	3,850	299	7.8	%
Home selling expenses	(3,191)	(2,342)	(849)	(36.3))%
Income from home sales operations and other	\$1,829	\$3,179	\$(1,350)	(42.5))%
Home sales volumes:					
New home sales ⁽²⁾	479	336	143	42.6	%
New Home Sales Volume - ECHO JV	178	136	42	30.9	%
Used home sales	1,489	1,526	(37)	(2.4))%
Brokered home resales	884	936	(52)	(5.6))%

⁽¹⁾ New home sales gross revenues and costs of new home sales does not include the revenues and costs associated with our ECHO JV.

⁽²⁾ Total new home sales volume includes home sales from our ECHO JV for the years ended December 31, 2015 and 2014, respectively.

The decrease in income from home sales operations and other is primarily due to lower gross profits from new home sales due to a decrease in sales in the California region where Properties are fully occupied. Increased home selling expenses also contributed to the overall decrease, offset by increased income from ancillary services, which include retail sales at various Properties.

Rental Operations

The following table summarizes certain financial and statistical data for our manufactured home Rental Operations for the years ended December 31, 2015 and 2014 (amounts in thousands, except rental unit volumes).

	2015	2014	Variance	% Change	
Manufactured homes:					
New Home	\$22,801	\$22,711	\$90	0.4	%
Used Home	27,826	31,399	(3,573)	(11.4))%
Rental operations revenue ⁽¹⁾	50,627	54,110	(3,483)	(6.4))%
Rental home operating and maintenance	(7,167)	(7,441)	274	3.7	%
Income from rental operations	43,460	46,669	(3,209)	(6.9))%
Depreciation on rental homes ⁽²⁾	(10,675)	(10,906)	231	2.1	%
Income from rental operations, net of depreciation	\$32,785	\$35,763	\$(2,978)	(8.3))%
Gross investment in new manufactured home rental units ⁽³⁾	\$111,814	\$107,729	\$4,085	3.8	%
Gross investment in used manufactured home rental units	\$57,427	\$63,258	\$(5,831)	(9.2))%
Net investment in new manufactured home rental units	\$89,682	\$90,134	\$(452)	(0.5))%
Net investment in used manufactured home rental units	\$36,052	\$48,020	\$(11,968)	(24.9))%

Edgar Filing: EQUITY LIFESTYLE PROPERTIES INC - Form 10-K

Number of occupied rentals – new, end of period ⁽⁴⁾	2,170	2,020	150	7.4	%
Number of occupied rentals—used, end of period	2,797	3,223	(426)	(13.2)	%

Rental operations revenue consists of Site rental income and home rental income. Approximately \$36.6 million and \$39.3 million as of December 31, 2015 and 2014, respectively, of Site rental income are included in Community base rental income in the Income from Property Operations table. The remainder of home rental income is included in Rental home income in the Income from Property Operations table.

(1) Included in depreciation on real estate and other costs in the Consolidated Statements of Income and Comprehensive Income.

(2)