

EQUITY LIFESTYLE PROPERTIES INC  
Form 10-Q  
July 26, 2017

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2017

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 36-3857664  
(State or Other Jurisdiction of (I.R.S. Employer  
Incorporation or Organization) Identification No.)

Two North Riverside Plaza, Suite 800, Chicago, Illinois 60606  
(Address of Principal Executive Offices) (Zip Code)  
(312) 279-1400  
(Registrant's Telephone Number, Including Area Code)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, 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 whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth 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   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

87,005,128 shares of Common Stock as of July 24, 2017.

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Equity LifeStyle Properties, Inc.  
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Equity LifeStyle Properties, Inc.

Consolidated Balance Sheets

As of June 30, 2017 and December 31, 2016

(amounts in thousands, except share and per share data)

	June 30, 2017 (unaudited)	December 31, 2016
Assets		
Investment in real estate:		
Land	\$1,167,510	\$ 1,163,987
Land improvements	2,922,201	2,893,759
Buildings and other depreciable property	641,931	627,590
	4,731,642	4,685,336
Accumulated depreciation	(1,459,931 )	(1,399,531 )
Net investment in real estate	3,271,711	3,285,805
Cash	67,740	56,340
Notes receivable, net	48,253	34,520
Investment in unconsolidated joint ventures	21,766	19,369
Deferred commission expense	31,453	31,375
Escrow deposits, goodwill, and other assets, net	44,435	51,578
Total Assets	\$3,485,358	\$ 3,478,987
Liabilities and Equity		
Liabilities:		
Mortgage notes payable, net	\$1,855,028	\$ 1,891,900
Term loan	199,483	199,379
Unsecured lines of credit	—	—
Accrued expenses and accounts payable	93,451	89,864
Deferred revenue – upfront payments from right-to-use contracts	83,580	81,484
Deferred revenue – right-to-use annual payments	12,559	9,817
Accrued interest payable	8,044	8,379
Rents and other customer payments received in advance and security deposits	88,543	76,906
Distributions payable	45,259	39,411
Total Liabilities	2,385,947	2,397,140
Equity:		
Stockholders' Equity:		
Preferred stock, \$0.01 par value, 9,945,539 shares authorized as of June 30, 2017 and December 31, 2016; none issued and outstanding.	—	—
6.75% Series C Cumulative Redeemable Perpetual Preferred Stock, \$0.01 par value, 54,461 shares authorized and 54,458 issued and outstanding as of June 30, 2017 and December 31, 2016 at liquidation value	136,144	136,144
Common stock, \$0.01 par value, 200,000,000 shares authorized as of June 30, 2017 and December 31, 2016; 87,004,507 and 85,529,386 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively	868	854
Paid-in capital	1,121,307	1,103,048
Distributions in excess of accumulated earnings	(219,641 )	(231,276 )
Accumulated other comprehensive loss/(income)	30	(227 )
Total Stockholders' Equity	1,038,708	1,008,543
Non-controlling interests – Common OP Units	60,703	73,304
Total Equity	1,099,411	1,081,847

Total Liabilities and Equity

\$3,485,358 \$3,478,987

The accompanying notes are an integral part of these Consolidated Financial Statements.

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Equity LifeStyle Properties, Inc.  
 Consolidated Statements of Income and Comprehensive Income  
 For the Quarters Ended and Six Months Ended June 30, 2017 and 2016  
 (amounts in thousands, except per share data)  
 (unaudited)

	Quarters Ended		Six Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Revenues:				
Community base rental income	\$121,964	\$115,385	\$242,656	\$229,461
Rental home income	3,632	3,543	7,237	7,088
Resort base rental income	50,055	44,732	111,123	100,166
Right-to-use annual payments	11,350	11,187	22,602	22,241
Right-to-use contracts current period, gross	3,798	3,086	7,004	5,618
Right-to-use contract upfront payments, deferred, net	(1,321 )	(798 )	(2,096 )	(1,100 )
Utility and other income	20,650	19,523	42,776	40,316
Gross revenues from home sales	7,833	9,130	14,860	17,344
Brokered resale revenues and ancillary services revenues, net	444	398	2,105	1,816
Interest income	1,798	1,625	3,568	3,285
Income from other investments, net	1,109	2,270	1,866	3,993
Total revenues	221,312	210,081	453,701	430,228
Expenses:				
Property operating and maintenance	72,901	66,647	140,955	129,601
Rental home operating and maintenance	1,657			