

EQUITY LIFESTYLE PROPERTIES INC

Form 10-K

February 29, 2012

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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, 2011

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

36-3857664

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(State or Other Jurisdiction of
Incorporation or Organization)

(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, \$.01 Par Value
(Title of Class)

New York Stock Exchange
(Name of exchange on which registered)

8.034% Series A Cumulative
Redeemable Perpetual Preferred Stock
(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

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 \$2,137.1 million as of June 30, 2011 based upon the closing price of \$62.44 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.

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At February 27, 2012, 41,296,856 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 8, 2012.

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Equity LifeStyle Properties, Inc.

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PART I

Item 1. Business

Equity LifeStyle Properties, Inc.

General

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

The Company is a fully integrated owner and operator of lifestyle-oriented properties (Properties). The Company leases individual developed areas (sites) with access to utilities for placement of factory built homes, cottages, cabins or recreational vehicles (RVs). Customers may lease individual sites or enter right-to-use contracts providing the customer access to specific Properties for limited stays. The Company was 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. As of December 31, 2011, the Company owned or had an ownership interest in a portfolio of 382 Properties located throughout the United States and Canada, consisting of 141,132 residential sites. These Properties are located in 32 states and British Columbia (with the number of Properties in each state or province shown parenthetically) as follows: Florida (119), California (49), Arizona (41), Michigan (15), Pennsylvania (15), Texas (15), Washington (15), Colorado (10), Oregon (9), North Carolina (8), Delaware (7), Indiana (7), Nevada (7), New York (7), Virginia (7), Maine (5), Massachusetts (5), Wisconsin (5), Idaho (4), Illinois (4), Minnesota (4), New Jersey (4), South Carolina (3), Utah (3), Maryland (2), New Hampshire (2), North Dakota (2), Ohio (2), Tennessee (2), Alabama (1), Connecticut (1), Kentucky (1), and British Columbia (1).

Properties are designed and improved for several home options of various sizes and designs that are produced off-site, installed and set on designated sites (Site Set) within the Properties. These homes can range from 400 to over 2,000 square feet. The smallest of these homes are referred to as Resort Cottages. 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 restaurants, swimming pools, golf courses, lawn bowling, shuffleboard courts, tennis courts, laundry facilities and cable television service. In some cases, utilities are provided or arranged for by the Company; otherwise, the customer contracts for the utility directly. Some Properties provide water and sewer service through municipal or regulated utilities, while others provide these services to customers from on-site facilities. Properties generally are designed to attract retirees, empty-nesters, vacationers and second home owners; however, certain of the Company s Properties focus on affordable housing for families. The Company focuses on owning properties in or near large metropolitan markets and retirement and vacation destinations.

Employees and Organizational Structure

The Company has an annual average of approximately 3,500 full-time, part-time and seasonal employees dedicated to carrying out its operating philosophy and strategies of value enhancement and service to its 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. Direct supervision of on-site management is the responsibility of the Company s regional vice presidents and regional and district managers. These individuals have substantial experience in addressing the needs of customers and in finding or creating innovative approaches to maximize value and increase cash flow from property operations. Complementing this field management staff are approximately 200 full-time corporate employees who assist on-site and regional management in all property functions.

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Formation of the Company

The operations of the Company are conducted primarily through the Operating Partnership. The Company contributed the proceeds from its initial public offering in 1993 and subsequent offerings to the Operating Partnership for a general partnership interest. In 2004, the general partnership interest was contributed to MHC Trust, a private REIT subsidiary owned by the Company. The financial results of the Operating Partnership and the Subsidiaries are consolidated in the Company's consolidated financial statements. In addition, since certain activities, if performed by the Company, may not be qualifying REIT activities under the Internal Revenue Code of 1986, as amended (the Code), the Company has 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 the Company that is engaged in the business of purchasing and selling or leasing Site Set homes that are located in Properties owned and managed by the Company. 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 taxable REIT subsidiaries of the Company.

Business Objectives and Operating Strategies

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

The Company focuses on properties that have strong cash flow and plans to hold such properties for long-term investment and capital appreciation. In determining cash flow potential, the Company evaluates its ability to attract and retain high quality customers to its Properties who take pride in the Property and in their homes. The Company's investment, operating and financing strategies include:

Providing consistently 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 controlling expenses, increasing occupancy and maintaining competitive market rents;

Increasing income and property values by strategic expansion and, where appropriate, renovation of the Properties

Utilizing management information systems to evaluate potential acquisitions, identify and track competing properties and monitor customer satisfaction;

Selectively acquiring properties that have potential for long-term cash flow growth and creating property concentrations in and around major metropolitan areas and retirement or vacation destinations to capitalize on operating synergies and incremental efficiencies; and

Managing the Company's debt balances such that the Company maintains financial flexibility, has minimal exposure to interest rate fluctuations and maintains an appropriate degree of leverage to maximize return on capital.

The Company focuses on creating an attractive residential environment by providing a well-maintained, comfortable Property with a variety of recreational and social activities and superior amenities, as well as offering a multitude of lifestyle housing choices. In addition, the Company regularly conducts evaluations of the cost of housing in the marketplaces in which its Properties are located and surveys rental rates of competing properties. From time to time the Company also conducts satisfaction surveys of its customers to determine the

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factors they consider most important in choosing a property. The Company seeks to improve site utilization and efficiency by tracking types of customers and usage patterns and marketing to those specific customer groups.

These business objectives and their implementation are determined by the Company's Board of Directors and may be changed at any time.

Acquisitions and Dispositions

Over the last decade the Company's portfolio of Properties has grown significantly from 148 owned or partly owned Properties with over 50,000 sites to 382 owned or partly-owned Properties with over 141,000 sites. During the year ended December 31, 2011, the Company acquired 75 Properties with over 30,000 sites. The Company continually reviews the Properties in its portfolio to ensure that they fit the Company's business objectives. Over the last five years, the Company sold 12 Properties, and it redeployed capital to markets it believes have greater long-term potential. In that same time period the Company acquired 84 Properties located in high growth areas such as Florida, Arizona and California.

The Company believes that opportunities for property acquisitions are still available. Increasing acceptability of and demand for a lifestyle that includes Site Set homes and RVs, as well as continued constraints on development of new properties, adds to the attractiveness of the Company's Properties as investments. The Company believes it has a competitive advantage in the acquisition of additional properties due to its experienced management, significant presence in major real estate markets and substantial capital resources. The Company is actively seeking to acquire additional properties and is engaged in various stages of negotiations relating to the possible acquisition of a number of properties. At any time these negotiations are at varying stages, which may include contracts outstanding, to acquire certain Properties, which are subject to the satisfactory completion of the Company's due diligence review.

The Company anticipates that new acquisitions will generally be located in the United States, although it may consider other geographic locations provided they meet certain acquisition criteria. The Company utilizes 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 it expects to expand its operations. Acquisitions will be financed from the most appropriate 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, the Company may acquire properties in transactions that include the issuance of limited partnership interests in the Operating Partnership (Units) as consideration for the acquired properties. The Company believes that an ownership structure that includes the Operating Partnership will permit it to acquire additional properties in transactions that may defer all or a portion of the sellers' tax consequences.

When evaluating potential acquisitions, the Company considers such factors as:

The replacement cost of the property, including land values, entitlements and zoning;

The geographic area and type of the property;

The location, construction quality, condition and design of the property;

The current and projected cash flow of the property and the ability to increase cash flow;

The potential for capital appreciation of the property;

The terms of tenant leases or usage rights, including the potential for rent increases;

The potential for economic growth and the tax and regulatory environment of the community in which the property is located;

The potential for expansion of the physical layout of the property and the number of sites;

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The occupancy and demand by customers for properties of a similar type in the vicinity and the customers' profile;

The prospects for liquidity through sale, financing or refinancing of the property; and

The competition from existing properties and the potential for the construction of new properties in the area. When evaluating potential dispositions, the Company considers such factors as:

Its ability to sell the Property at a price that it believes will provide an appropriate return for its stockholders;

Its desire to exit certain non-core markets and recycle the capital into core markets; and

Whether the Property meets its current investment criteria.

When investing capital, the Company considers all potential uses of the capital, including returning capital to its stockholders. The Company's Board of Directors continues to review the conditions under which it will repurchase the Company's stock. These conditions include, but are not limited to, market price, balance sheet flexibility, other opportunities and capital requirements.

Property Expansions

Several of the Company's Properties have available land for expanding the number of sites available to be utilized by its customers. Development of these sites (Expansion Sites) is evaluated based on the following: local market conditions; ability to subdivide; accessibility through the Property or 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 the Company to leverage existing facilities and amenities to increase the income generated from the Properties. Where appropriate, facilities and amenities may be upgraded or added to certain Properties to make those Properties more attractive in their markets. The Company's acquisition philosophy includes owning Properties with potential Expansion Site development. Approximately 79 of the Company's Properties have expansion potential, with up to approximately 5,300 acres available for expansion.

Leases or Usage Rights

At the Company's Properties, a typical lease entered into between the owner or renter of a home and the Company for the rental of a site is for a month-to-month or year-to-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. Non-cancelable long-term leases, with remaining terms ranging up to ten years, are in effect at certain sites in 31 of the Properties. Some of these leases are subject to rental rate increases based on the Consumer Price Index (CPI), in some instances taking into consideration market conditions, certain floors and ceilings and allowing for pass-throughs of certain items such as real estate taxes, utility expenses and capital expenditures. Generally, market rate adjustments, if appropriate, are made on an annual basis. At Properties zoned for RV use, long-term customers typically enter into rental agreements and many customers prepay for their stays. 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 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. The customer may make a nonrefundable upfront payment, and annual dues payments are required to renew the contract. Most of the contracts provide for an annual dues increase, usually based on increases in the CPI. Approximately 35% 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 in certain other limited circumstances.

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Regulations and Insurance

General. The Company's 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 its Properties. The Company believes that each Property has all material permits and approvals necessary to operate.

Rent Control Legislation. At certain of the Company's Properties, principally in California, state and local rent control laws limit the Company's ability to increase rents and to recover increases in operating expenses and the costs of capital improvements. Enactment of such laws has been considered from time to time in other jurisdictions. The Company presently expects 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 has enacted a law requiring that rental increases be reasonable. Also, certain jurisdictions in California in which the Company owns Properties limit rent increases to changes in the CPI or some percentage of it. As part of the Company's effort to realize the value of Properties subject to restrictive regulation, it has initiated lawsuits against several municipalities imposing such regulations in an attempt to balance the interests of its stockholders with the interests of its customers (see Item 3. Legal Proceedings). Further, at certain of the Company's Properties primarily used as membership campgrounds, state statutes limit the Company's ability to close a Property unless a reasonable substitute property is made available for members' use. 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 the Company to register with a state agency and obtain a permit to market (see Item 1A. Risk Factors).

Insurance. The Properties are insured against all risks causing property damage and business interruption caused by fire, flood, earthquake, or windstorm, and the relevant insurance policies contain various deductible requirements, such as coverage limits and particular exclusions. The Company's current property and casualty insurance policies, which it plans to renew, expire on April 1, 2012. The Company has a \$100 million loss limit with respect to its 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 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 ELS' maximum exposure, subject to policy sub-limits, in the event of a loss.

INDUSTRY

The Company believes that modern properties similar to its Properties 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: The Company believes that the supply of new properties in locations targeted by the Company 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 historically poor perception of manufactured housing, and (ii) the fact that properties 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. Another factor that creates substantial barriers to entry is the length of time between investment in a property's development and the attainment of stabilized occupancy and the generation of revenues. The initial development of the infrastructure may take up to two or three years. 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.

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Industry Consolidation: According to various industry reports, there are approximately 50,000 manufactured home properties and approximately 8,750 RV properties (excluding government owned properties) in North America. Most of these properties are not operated by large owner/operators, and of the RV properties approximately 1,300 contain 200 sites or more. The Company believes that this relatively high degree of fragmentation provides the Company, as a national organization with experienced management and substantial financial resources, the opportunity to purchase additional properties as evidenced by the acquisitions during the year ended December 31, 2011.

Customer Base: The Company believes 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) since moving a Site Set home from one property to another involves substantial cost and effort, customers often sell their homes in-place (similar to site-built residential housing) with no interruption of rental payments to the Company.

Lifestyle Choice: According to the Recreational Vehicle Industry Association (RVIA), nearly one in ten U.S. vehicle-owning households owns an RV and there are 8.9 million current 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 U.S. Census figures, every day 10,000 Americans turn 50. The Company believes that this population segment, seeking an active lifestyle, will provide opportunities for future cash flow growth for the Company. Current RV owners, once finished with the more active RV lifestyle, 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 U.S. Census figures, the baby-boom generation will constitute almost 17% of the U.S. population within the next 20 years. Among those individuals who are nearing retirement (age 46 to 64), approximately 47% plan on moving upon retirement.

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

Construction Quality: Since 1976, all factory built housing has been required to meet stringent federal standards, resulting in significant increases in 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. In addition, although Resort Cottages do not come under the same regulations, many of the manufacturers of Site Set homes also produce Resort Cottages with many of the same quality standards.

Comparability to Site-Built Homes: The Site Set housing industry has experienced a trend towards multi-section homes. Many modern Site Set homes are longer (up to 80 feet, compared to 50 feet in the 1960's) and wider than earlier models. 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 the Company's Properties, there is an active resale market for these larger homes.

Second Home Demographics: According to 2011 National Association of Realtors (NAR) reports, sales of second homes in 2010 accounted for 27% of residential transactions, or 1.41 million second-home sales in 2010. There were approximately 7.9 million vacation homes in 2010. The typical vacation-home buyer is 49 years old and earned \$99,500 in 2010. According to 2010 NAR reports,

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approximately 32% of vacation homes were purchased in the south; 24% were purchased in the west; 21% were purchased in the northeast; and 20% were purchased in the Midwest. In 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 wherewithal 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. The Company believes it is likely that over the next decade it will continue to see historically high levels of second-home sales, and resort homes and cottages in its Properties will continue to provide a viable second-home alternative to site-built homes.

Notwithstanding the Company's belief that the industry information highlighted above provides the Company with significant long-term growth opportunities, its 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. Shipments for 2010 as compared to 2009 were flat. Although new manufactured home shipments continue to be below historical levels, shipments for the first eleven months in 2011 increased over 1% to 47,800 units as compared to shipments for the first eleven months in 2010 of 47,300 units. According to the RVIA, wholesale shipments of RVs increased 4.1% in 2011 to 252,300 units as compared to 2010, which continued a positive trend in RV shipments that started in late 2009. Certain industry experts have predicted that 2012 RV shipments will decrease 4.6%, as compared to 2011, to 240,600.

⁽¹⁾ Source: Institute for Building Technology and Safety

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(2) Source: RVIA

Sales Retail sales of RVs increased almost 4% to 182,400 for the first 11 months of 2011, as compared to 175,600 the first 11 months of 2010. A total of 183,200 RVs were sold during the year ended December 31, 2010, representing an increase of almost 8% over the prior year. The Company believes 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: 8.9 million American households now own an RV, the highest level ever recorded, which constitutes an increase of 16% since 2001 and 64% since 1980. RV sales could continue to benefit as aging baby-boomers continue to enter the age range in which RV ownership is highest.

Availability of financing The current credit crisis has made it difficult for manufactured home and RV manufacturers to obtain floor plan financing and for potential customers to obtain loans for manufactured home or RV purchases. Further, legislation enacted in 2010 known as the SAFE Act (Safe Mortgage Licensing Act) requires community owners interested in financing customer purchases of manufactured homes to register as a mortgage loan originator in states in which they engage in such financing. These requirements are generally more burdensome for lenders financing the purchase of manufactured homes than for lenders financing the purchase of site-built homes. In addition, as compared to financing available to owners and purchasers of site-built single family homes, available financing for a manufactured home involves higher down payments, higher FICO scores, higher interest rates and shorter maturity. Certain government stimulus packages have also provided government guarantees for site-built single family home loans, thereby increasing the supply of financing for that market.

Please see the Company's risk factors, financial statements and related notes contained in this Form 10-K for more detailed information.

Available Information

The Company files reports electronically with the Securities and Exchange Commission (SEC). The public may read and copy any materials the Company files 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>. The Company maintains an Internet site with information about the Company and hyperlinks to its filings with the SEC at <http://www.equitylifestyle.com>, free of charge. Requests for copies of the Company's 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

The Company's Performance and Common Stock Value Are Subject to Risks Associated With the Real Estate Industry.

Adverse Economic Conditions and Other Factors Could Adversely Affect the Value of the Company's Properties and the Company's Cash Flow. Several factors may adversely affect the economic performance and value of the Company's Properties. These factors include:

changes in the national, regional and local economic climate;

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local conditions such as an oversupply of lifestyle-oriented properties or a reduction in demand for lifestyle-oriented properties in the area, the attractiveness of the Company's 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 the Company's potential customers to sell or lease their existing site-built residences in order to purchase resort homes or cottages in the Company's Properties, and heightened price sensitivity for seasonal and second homebuyers;

the possible reduced ability of the Company's potential customers to obtain financing on the purchase of resort homes, resort cottages or RVs;

performance of chattel loans purchased in connection with the Acquisition (see Note 19 in the Notes to the Consolidated Financial Statements contained in this Form 10-K for further discussion of the Acquisition);

government stimulus intended to primarily benefit purchasers of site-built housing;

fluctuations in the availability and price of gasoline, especially for the Company's transient customers;

the Company's 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;

the failure of the Company's assets to generate income sufficient to pay its expenses, service its debt and maintain its Properties, which may adversely affect the Company's ability to make expected distributions to its stockholders;

the Company's inability to meet mortgage payments on any Property that is mortgaged, in which case the lender could foreclose on the mortgage and take the Property;

interest rate levels and the availability of financing, which may adversely affect the Company's financial condition;

changes in laws and governmental regulations (including rent control laws and regulations governing usage, zoning and taxes), which may adversely affect the Company's financial condition;

poor weather, especially on holiday weekends in the summer, which could reduce the economic performance of the Company's Northern resort Properties; and

the Company's ability to sell new or upgraded right-to-use contracts and to retain customers who have previously purchased a right-to-use contract.

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New Acquisitions May Fail to Perform as Expected and Competition for Acquisitions May Result in Increased Prices for Properties. The Company intends to continue to acquire properties. Newly acquired Properties may fail to perform as expected. The Company may underestimate the costs necessary to bring an acquired property up to standards established for its intended market position. Difficulties in integrating acquisitions may prove costly or time-consuming and could divert management attention. Additionally, the Company expects that other real estate investors with significant capital will compete with it for attractive investment opportunities. These competitors include publicly traded REITs, private REITs and other types of investors. Such competition increases prices for properties. The Company expects to acquire properties with cash from secured or unsecured financings, proceeds from offerings of equity or debt, undistributed funds from operations and sales of investments. The Company may not be in a position or have the opportunity in the future to make suitable property acquisitions on favorable terms.

The intended benefits of the Company's acquisition of a portfolio of 74 manufactured home communities and one RV resort during the year ended December 31, 2011 may not be realized, which could have a negative impact on the market price of the Company's common stock.

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The acquisition poses risks for our ongoing operations, including that:

senior management's attention may be diverted from the management of daily operations to the integration of the acquisition portfolio;

costs and expenses associated with any undisclosed or potential liabilities;

the acquisition portfolio may not perform as well as the Company anticipates; and

unforeseen difficulties may arise in integrating the acquisition portfolio into the Company's portfolio.

As a result of the foregoing, the Company cannot assure you that these acquisitions will be accretive to it in the near term or at all. Furthermore, if the Company fails to realize the intended benefits of the acquisition, the market price of its common stock could decline to the extent that the market price reflects those benefits.

Because Real Estate Investments Are Illiquid, The Company May Not be Able to Sell Properties When Appropriate. Real estate investments generally cannot be sold quickly. The Company may not be able to vary its portfolio promptly in response to economic or other conditions, forcing the Company to accept lower than market value. This inability to respond promptly to changes in the performance of the Company's investments could adversely affect its financial condition and ability to service debt and make distributions to its stockholders.

Some Potential Losses Are Not Covered by Insurance. The Company carries comprehensive insurance coverage for losses resulting from property damage, environmental, liability claims and business interruption on all of its Properties. In addition the Company carries 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 and Fiduciary liability. The Company believes that the policy specifications and coverage limits of these policies should be adequate and appropriate. There are, however, certain types of losses, such as lease and other contract claims that generally are not insured. Should an uninsured loss or a loss in excess of coverage limits occur, the Company could lose all or a portion of the capital it has invested in a Property or the anticipated future revenue from a Property. In such an event, the Company might nevertheless remain obligated for any mortgage debt or other financial obligations related to the Property.

The Company's current property and casualty insurance policies, which it plans to renew, expire on April 1, 2012. The Company has a \$100 million loss limit with respect to its 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 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 ELS' maximum exposure, subject to policy sub-limits, in the event of a loss.

There can be no assurance that the actions of the U.S. government, Federal Reserve and other governmental and regulatory bodies instituted for the purpose of stabilizing the financial markets, or market response to those actions, will achieve the intended effect, and the Company's business may not benefit from or may be adversely impacted by these actions, and further government or market developments could adversely impact the Company. In response to market disruptions, legislators and financial regulators implemented a number of mechanisms designed to add stability to the financial markets, including the provision of direct and indirect assistance to distressed financial institutions, assistance by the banking authorities in arranging acquisitions of weakened banks and broker-dealers, implementation of programs by the Federal Reserve to provide liquidity to the commercial paper markets and temporary prohibitions on short sales of certain financial institution securities. Numerous actions have been taken by the Federal Reserve, Congress, U.S. Treasury, SEC and others to address the liquidity and credit crisis that followed the sub-prime crisis that commenced in 2007. It is not clear at this time what long-term impact the liquidity and funding initiatives of the Federal Reserve and other agencies that have been previously announced, and any additional programs that may be initiated in the future, will have on the

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financial markets, including the extreme levels of volatility and limited credit availability currently being experienced, or on the U.S. banking and financial industries and the broader U.S. and global economies. Specifically, the Company believes that programs intended to provide relief to current or potential site-built or stick-built single family homeowners, and not purchasers of Site-Set homes who lease the underlying land and RV s, negatively impacts its business.

Further, the overall effects of the legislative and regulatory efforts on the financial markets is uncertain, and they may not have the intended stabilization effects. Should these legislative or regulatory initiatives fail to stabilize and add liquidity to the financial markets, the Company s business, financial condition, results of operations and prospects could be materially and adversely affected. Even if legislative or regulatory initiatives or other efforts successfully stabilize and add liquidity to the financial markets, the Company may need to modify its strategies, businesses or operations, and the Company may incur increased capital requirements and constraints or additional costs in order to satisfy new regulatory requirements or to compete in a changed business environment. It is uncertain what effects recently enacted or future legislation or regulatory initiatives will have on us.

Given the volatile nature of the current market disruption and the uncertainties underlying efforts to mitigate or reverse the disruption, the Company may not timely anticipate or manage existing, new or additional risks, contingencies or developments, including regulatory developments and trends in new products and services, in the current or future environment. The Company s failure to do so could materially and adversely affect its business, financial condition, results of operations and prospects.

The Company s 8.034% Series A Cumulative Redeemable Perpetual Preferred Stock Has Not Been Rated. The Company has not sought to obtain a rating for its 8.034% Series A Cumulative Redeemable Perpetual Preferred Stock (Series A 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 Series A Preferred Stock. In addition, the Company may elect in the future to obtain a rating of its Series A Preferred Stock, which could adversely affect the market price of its Series A Preferred Stock. Ratings only reflect the views of the rating agency or agencies issuing the ratings and such ratings could be revised downward, placed on a watch list or withdrawn entirely at the discretion of the issuing rating agency if in its judgment circumstances so warrant. Any such downward revision, placing on a watch list or withdrawal of a rating could have an adverse effect on the market price of the Series A Preferred Stock.

Adverse changes in general economic conditions may adversely affect the Company s business.

The Company s success is dependent upon economic conditions in the U.S. generally and in the geographic areas in which a substantial number of the Company s Properties are located. Adverse changes in national economic conditions and in the economic conditions of the regions in which the Company conducts substantial business may have an adverse effect on the real estate values of the Company s Properties, its financial performance and the market price of its common stock.

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 the Company maintains reserves for credit losses and an allowance for doubtful accounts in amounts that it believes should be sufficient to provide adequate protection against potential write-downs in its portfolio, these amounts could prove to be insufficient.

Campground Membership Properties Laws and Regulations Could Adversely Affect the Value of Certain Properties and the Company s Cash Flow.

Many of the states in which the Company does 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

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have laws requiring the Company to register with a state agency and obtain a permit to market. The Company is subject to changes, from time to time, in the application or interpretation of such laws that can affect its business or the rights of its 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 the ability of the Company to realize recoveries from Property sales.

The government authorities regulating the Company's 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. The Company monitors its 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 the Company's 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, the Company is prohibited from selling more than ten memberships per site. At the present time, these restrictions do not preclude the Company from selling memberships in any state. However, these restrictions may limit the Company's ability to utilize Properties for public usage and/or the Company's ability to convert sites to more profitable or predictable uses, such as annual rentals.

Debt Financing, Financial Covenants and Degree of Leverage Could Adversely Affect the Company's Economic Performance.

Scheduled Debt Payments Could Adversely Affect the Company's Financial Condition. The Company's business is subject to risks normally associated with debt financing. The total principal amount of the Company's outstanding indebtedness was approximately \$2.3 billion as of December 31, 2011. The Company's substantial indebtedness and the cash flow associated with serving its indebtedness could have important consequences, including the risks that:

the Company's cash flow could be insufficient to pay distributions at expected levels and meet required payments of principal and interest;

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

the Company's debt service obligations could limit its flexibility in planning for, or reacting to, changes in its business and the industry in which it operates;

the Company may not be able to refinance existing indebtedness (which in virtually all cases requires substantial principal payments at maturity) and, if it 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, the Company's cash flow will not be sufficient in all years to repay all maturing debt; and

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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 cash flow and the Company's ability to service debt and make distributions to stockholders.

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

Financial Covenants Could Adversely Affect the Company's Financial Condition. If a Property is mortgaged to secure payment of indebtedness, and the Company is unable to meet mortgage payments, the mortgagee could foreclose on the Property, resulting in loss of income and asset value. The mortgages on the Company's Properties contain customary negative covenants, which among other things limit the Company's ability, without the prior consent of the lender, to further mortgage the Property and to discontinue insurance coverage. In addition, the Company's unsecured credit facilities contain certain customary restrictions, requirements and other limitations on the Company's 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 the Company's financial condition and results of operations.

The Company's Degree of Leverage Could Limit Its Ability to Obtain Additional Financing. The Company's debt-to-market-capitalization ratio (total debt as a percentage of total debt plus the market value of the outstanding common stock and Units held by parties other than the Company) was approximately 43% as of December 31, 2011. The degree of leverage could have important consequences to stockholders, including an adverse effect on the Company's ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, development or other general corporate purposes, and makes the Company more vulnerable to a downturn in business or the economy generally.

The Company may be able to incur substantially more debt, which would increase the risks associated with its substantial leverage. Despite the Company's current indebtedness levels, it may still be able to incur substantially more debt in the future. If new debt is added to the Company's current debt levels, an even greater portion of its cash flow will be needed to satisfy its debt service obligations. As a result, the related risks that we now face could intensify and increase the risk of a default on the Company's indebtedness.

The Company Depends on Its Subsidiaries Dividends and Distributions.

Substantially all of the Company's assets are indirectly held through the Operating Partnership. As a result, the Company has no source of operating cash flow other than from distributions from the Operating Partnership. The Company's ability to pay dividends to holders of common stock and Series A Preferred Stock depends on the Operating Partnership's ability first to satisfy its obligations to its creditors and then to make distributions to MHC Trust and common Unit holders (in the case of common stock distributions). Similarly, MHC Trust must satisfy its obligations to its creditors (preferred stockholders in the case of common stock distributions) before making common stock or preferred stock distributions to the Company.

Stockholders Ability to Effect Changes of Control of the Company is Limited.

Provisions of the Company's Charter and Bylaws Could Inhibit Changes of Control. Certain provisions of the Company's charter and bylaws may delay or prevent a change of control of the Company or other transactions that could provide its stockholders with a premium over the then-prevailing market price of their common stock or Series A Preferred Stock or which might otherwise be in the best interest of its stockholders. These include the

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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 the Company's 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 outstanding common stock, or with an affiliate of the Company 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 the 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, the Company's 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 its shares of common stock. The Board of Directors has exempted from these provisions under the Maryland law any business combination with Samuel Zell, who is the Chairman of the Board of the Company, certain holders of Units who received them at the time of the Company's initial public offering, the General Motors Hourly Rate Employees Pension Trust and the General Motors Salaried Employees Pension Trust, and the Company's officers who acquired common stock at the time the Company was formed and each and every affiliate of theirs.

The Company Has 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 the Company's 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 the Company's REIT qualification, the Company's charter, subject to certain exceptions, prohibits Beneficial Ownership (as defined in the Company's charter) by any single stockholder of more than 5% (in value or number of shares, whichever is more restrictive) of the Company's outstanding capital stock. The Company refers to this as the Ownership Limit. Within certain limits, the Company's 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 the Company 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 transferred to the Company 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 the Company 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 the Company and, therefore, could adversely affect its stockholders' ability to realize a premium over the then-prevailing market price for their common stock or adversely affect the best interest of the Company's stockholders.

Conflicts of Interest Could Influence the Company's Decisions.

Certain Stockholders Could Exercise Influence in a Manner Inconsistent With the Stockholders' Best Interests. As of December 31, 2011, Mr. Samuel Zell and certain affiliated holders beneficially owned approximately 8.8% of the Company's outstanding common stock (in each case including common stock issuable upon the exercise of stock options and the exchange of Units). Mr. Zell is the chairman of the Company's Board of Directors. Accordingly, Mr. Zell has significant influence on the Company's management and operation. Such influence

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could be exercised in a manner that is inconsistent with the interests of other stockholders.

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 involved in 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 the Company. Consequently, Mr. Zell's continued involvement in other investment activities could result in competition to the Company as well as management decisions which might not reflect the interests of the Company's stockholders.

Members of Management May Have a Conflict of Interest Over Whether To Enforce Terms of Mr. McAdams's Employment and Noncompetition Agreement. Mr. McAdams was the Company's President until January 31, 2011 and had an employment and noncompetition agreement with the Company that expired on December 31, 2010. For the most part these restrictions apply to him both during his employment and for two years thereafter. Mr. McAdams is also prohibited from otherwise disrupting or interfering with the Company's business through the solicitation of the Company's employees or customers or otherwise. To the extent that the Company chooses to enforce its rights under any of these agreements, it may determine to pursue available remedies, such as actions for damages or injunctive relief, less vigorously than the Company otherwise might because of its desire to maintain its ongoing relationship with Mr. McAdams. Additionally, the non-competition provisions of his agreement, despite being limited in scope and duration, could be difficult to enforce, or may be subject to limited enforcement, should litigation arise over it in the future. (See Note 13 in the Notes to Consolidated Financial Statements contained in this Form 10-K.)

Risk of Eminent Domain and Tenant Litigation.

The Company owns Properties in certain areas of the country where real estate values have increased faster than rental rates in its Properties either because of locally imposed rent control or long term leases. In such areas, the Company has learned that certain local government entities have investigated the possibility of seeking to take the Company's Properties by eminent domain at values below the value of the underlying land. While no such eminent domain proceeding has been commenced, and the Company would exercise all of its rights in connection with any such proceeding, successful condemnation proceedings by municipalities could adversely affect its financial condition. Moreover, certain of its Properties located in California are subject to rent control ordinances, some of which not only severely restrict ongoing rent increases but also prohibit the Company from increasing rents upon turnover. Such regulations allow customers to sell their homes for a premium representing the value of the future discounted rent-controlled rents. As part of the Company's effort to realize the value of its Properties subject to rent control, the Company has initiated lawsuits against several municipalities in California. In response to the Company's efforts, tenant groups have filed lawsuits against the Company seeking not only to limit rent increases, but to be awarded large damage awards. If the Company is unsuccessful in its efforts to challenge rent control ordinances, it is likely that the Company will not be able to charge rents that reflect the intrinsic value of the affected Properties. Finally, tenant groups in non-rent controlled markets have also attempted to use litigation as a means of protecting themselves from rent increases reflecting the rental value of the affected Properties. An unfavorable outcome in the tenant group lawsuits could have an adverse impact on the Company's financial condition.

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 estate 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

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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.

Utility-related laws and regulations also govern the provision of utility services and operations of water and wastewater treatment facilities. Such laws regulate, for example, how and to what extent owners or operators of property can charge renters for provision of, for example, electricity, and whether and to what extent such utility services can be charged separately from the base rent. Such laws also regulate the operations and performance of water treatment facilities and wastewater treatment facilities. Such laws may impose fines and penalties on real property owners or operators who fail to comply with these requirements.

The Company has 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 Its Properties and the Its Cash Flow.

As of December 31, 2011, the Company owned or had an ownership interest in 382 Properties located in 32 states and British Columbia, including 119 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 the Company's Properties. While the Company has obtained insurance policies providing certain coverage against damage from fire, flood, property damage, earthquake, wind storm and business interruption, these insurance policies contain coverage limits, limits on covered property and various deductible amounts that the Company must pay before insurance proceeds are available. Such insurance may therefore be insufficient to restore the Company's economic position with respect to damage or destruction to its 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 incurred by the Company and reimbursements received from the insurance providers, could adversely affect the Company's economic performance.

Market Interest Rates May Have an Effect on the Value of the Company's 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 funds for the Company to distribute and, in fact, would likely increase its borrowing costs and potentially decrease funds available for distribution. Thus, higher market interest rates could cause the market price of the Company's publicly traded securities to go down.

The Company Is Dependent on External Sources of Capital.

To qualify as a REIT, the Company must distribute to its stockholders each year at least 90% of its REIT taxable income (determined without regard to the deduction for dividends paid and excluding any net capital gain). In addition, the Company intends to distribute all or substantially all of its net income so that it will generally not be

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subject to U.S. federal income tax on its earnings. Because of these distribution requirements, it is not likely that the Company will be able to fund all future capital needs, including for acquisitions, from income from operations. The Company 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. The Company's 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 its growth potential and its current and potential future earnings. It may be difficult for the Company to meet one or more of the requirements for qualification as a REIT, including but not limited to its distribution requirement. Moreover, additional equity offerings may result in substantial dilution of stockholders' interests, and additional debt financing may substantially increase the Company's leverage.

The Company's Qualification as a REIT is Dependent on Compliance With U.S. Federal Income Tax Requirements.

The Company believes it has been organized and operated in a manner so as to qualify for taxation as a REIT, and it intends to continue to operate so as to qualify as a REIT for U.S. federal income tax purposes. Qualification as a REIT for U.S. federal income tax purposes, however, 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, the Company has received, and relied upon, advice of counsel as to the impact of such transactions on its qualification as a REIT. The Company's qualification as a REIT requires analysis of various facts and circumstances that may not be entirely within its control, and it cannot provide any assurance that the Internal Revenue Service (the "IRS") will agree with its analysis or the analysis of its tax counsel. In particular, the proper federal income tax treatment of right-to-use membership contracts is uncertain and there is no assurance that the IRS will agree with the Company's treatment of such contracts. If the IRS were to disagree with the Company's analysis or its tax counsel's analysis of various facts and circumstances, the Company's ability to qualify as a REIT could be adversely affected. Such matters could affect the Company's qualification as a REIT. 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.

If, with respect to any taxable year, the Company failed to maintain the Company's qualification as a REIT (and if specified relief provisions under the Code were not applicable to such disqualification), it could not deduct distributions to stockholders in computing its net taxable income and it would be subject to U.S. federal income tax on its net taxable income at regular corporate rates. Any U.S. federal income tax payable could include applicable alternative minimum tax. If the Company 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 the Company would no longer be required to distribute money to stockholders. In addition, the Company would also be disqualified from treatment as a REIT for the four taxable years following the year during which qualification was lost, unless it was entitled to relief under the relevant statutory provisions. Although the Company currently intends to operate in a manner designed to allow the Company to qualify as a REIT, future economic, market, legal, tax or other considerations may cause it to revoke the REIT election.

Interpretation of and Changes to Accounting Policies and Standards Could Adversely Affect the Company's Reported Financial Results.

The Company's Accounting Policies and Methods Are the Basis on Which It Reports Its Financial Condition and Results of Operations, and They May Require Management to Make Estimates About Matters that Are Inherently Uncertain. The Company's accounting policies and methods are fundamental to the manner in which it records and reports its 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 the Company's 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

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reasonable under the circumstances yet might result in reporting materially different amounts than would have been reported under a different alternative.

Changes in Accounting Standards Could Adversely Affect The Company's Reported Financial Results. 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 the Company reports its financial condition, results of operations, and cash flows. These changes can be difficult to predict and can materially impact the Company's reported financial results. In some cases, the Company 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 the Company's financial statements for prior periods.

The Company's Accounting Policies for the Entering Right-To-Use Contracts Will Result in a Substantial Deferral of Revenue in its Financial Results. Beginning August 14, 2008, the Company began entering right-to-use contracts. Customers who enter upgraded right-to-use contracts are generally required to make an upfront nonrefundable payment to the Company. The Company incurs significant selling and marketing expenses to originate the right-to-use contracts, 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 expected life of a right-to-use contract is currently estimated to be between one and 31 years. As a result, the Company may incur a loss from entering right-to-use contracts, build up a substantial deferred revenue liability balance, and recognize substantial non-cash revenue in the years subsequent to originally entering the contracts. This accounting may make it difficult for investors to interpret the financial results from the entry of right-to-use contracts. In 2008, the Company submitted correspondence to the Office of the Chief Accountant at the SEC describing the right-to-use contracts and subsequently discussed the revenue recognition policy with respect to the contracts with the SEC. The SEC does not object to the Company's application of the Codification Topic Revenue Recognition (FASB ASC 605) with respect to the deferral of the upfront nonrefundable payments received from the entry of right-to-use contracts. (See Note 2(n) in the Notes to Consolidated Financial Statements contained in this Form 10-K for the Company's revenue recognition policy.)

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

General

The Company's Properties provide attractive amenities and common facilities that create a comfortable and attractive home for its customers, with most offering a clubhouse, a swimming pool, laundry facilities and cable television service. Many also offer additional amenities such as sauna/whirlpool spas, golf courses, tennis, shuffleboard and basketball courts, exercise rooms and various social activities such as concerts. Since most of the Company's customers generally rent its sites on a long-term basis, it is their responsibility to maintain their homes and the surrounding area. It is the Company's role to ensure that customers comply with its Property policies and to provide maintenance of the common areas, facilities and amenities. The Company holds periodic meetings with its Property management personnel for training and implementation of its strategies. The Properties historically have had, and the Company believes they will continue to have, low turnover and high occupancy rates.

Property Portfolio

As of December 31, 2011, the Company owned or had an ownership interest in a portfolio of 382 Properties located throughout the United States and British Columbia containing 141,132 residential sites.

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The distribution of the Company's Properties throughout the United States reflects its belief that geographic diversification helps to insulate the portfolio from regional economic influences. The Company intends to target new acquisitions in or near markets where its Properties are located and will also consider acquisitions of Properties outside such markets. (Refer to Note 2(c) of the Notes to Consolidated Financial Statements contained in this Form 10-K.)

Bay Indies, located in Venice, Florida, and Viewpoint, located in Mesa, Arizona, the Company's two largest properties as determined by property operating revenues, each accounted for approximately 2.0% of its total property operating revenues, including deferrals, for the year ended December 31, 2011.

The following table sets forth certain information relating to the Properties the Company owned as of December 31, 2011, categorized according to major markets and excluding Properties owned through joint ventures.

| Property | Address | City | State | ZIP | MH/RV | Acres ^(c) | Developable Acres ^(d) | Expansion Sites ^(e) | Total Number of Sites as of 12/31/11 | Total Number of Annual Sites as of 12/31/11 | Annual Site Occupancy as of 12/31/11 | Annual Site Occupancy as of 12/31/10 | Annual Rent as of 12/31/11 | Annual Rent as of 12/31/10 |
|------------------------|----------------------------|--------------------|-------|-------|-------|----------------------|----------------------------------|--------------------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|----------------------------|----------------------------|
| Florida | | | | | | | | | | | | | | |
| East Coast: | | | | | | | | | | | | | | |
| Shine | | | | | | | | | | | | | | |
| Key | 38801 Overseas Hwy | Big Pine Key | FL | 33043 | RV | 54 | | | 409 | 61 | 100.0% | 100.0% | \$ 9,289 | \$ 9,735 |
| Merion | | | | | | | | | | | | | | |
| Village ^(a) | 13222 SW 9th Court | Davie | FL | 33325 | MH | 30 | | | 202 | 202 | 93.6% | | \$ 7,828 | |
| Carriage | | | | | | | | | | | | | | |
| Cove | Five Carriage Cove Way | Daytona Beach | FL | 32119 | MH | 59 | | | 418 | 418 | 88.8% | 91.6% | \$ 5,932 | \$ 5,571 |
| Coquina | | | | | | | | | | | | | | |
| Crossing | 4536 Coquina Crossing Dr. | Elkton | FL | 32033 | MH | 316 | 26 | 145 | 566 | 566 | 93.6% | 93.3% | \$ 6,015 | \$ 5,747 |
| Flow | | | | | | | | | | | | | | |
| Plantation | 3165 Old Kings Road South | Flagler Beach | FL | 32136 | MH | 323 | 181 | 722 | 276 | 276 | 98.2% | 98.2% | \$ 6,012 | \$ 5,808 |
| Flow RV | 3345 Old Kings Road South | Flagler Beach | FL | 32136 | RV | (f) | | | 352 | 83 | 100.0% | 100.0% | \$ 4,890 | \$ 4,854 |
| Free | | | | | | | | | | | | | | |
| Cove | 3273 N.W. 37th St | Ft. Lauderdale | FL | 33309 | MH | 20 | | | 164 | 164 | 93.9% | 93.9% | \$ 6,773 | \$ 6,568 |
| Ark City | | | | | | | | | | | | | | |
| West | 10550 W. State Road 84 | Ft. Lauderdale | FL | 33324 | MH | 60 | | | 363 | 363 | 94.2% | 91.7% | \$ 6,424 | \$ 6,205 |
| Shine | | | | | | | | | | | | | | |
| Holiday | | | | | | | | | | | | | | |
| H | 2802 W. Oakland Park Blvd. | Ft. Lauderdale | FL | 33311 | MH | 32 | | | 270 | 270 | 86.3% | 86.9% | \$ 6,316 | \$ 6,097 |
| Shine | | | | | | | | | | | | | | |
| Holiday RV | 2802 W. Oakland Park Blvd. | Ft. Lauderdale | FL | 33311 | RV | (f) | | | 130 | 37 | 100.0% | 100.0% | \$ 5,814 | \$ 5,874 |
| Lake Worth | | | | | | | | | | | | | | |
| Village ^(a) | 4041 Roberts Way | Lake Worth | FL | 33463 | MH | 117 | | | 823 | 823 | 78.7% | | \$ 6,824 | |
| Aradago | | | | | | | | | | | | | | |
| Way | 6280 S. Ash Lane | Lantana | FL | 33462 | MH | 102 | 5 | | 603 | 603 | 93.0% | 91.0% | \$ 7,623 | \$ 7,601 |
| Oral Cay | 2801 NW 62nd Avenue | Margate | FL | 33063 | MH | 121 | | | 819 | 819 | 91.3% | 89.1% | \$ 6,579 | \$ 6,312 |
| Oakwood | | | | | | | | | | | | | | |
| Village | 3171 Hanson Avenue | Melbourne | FL | 32901 | MH | 68 | | | 349 | 349 | 86.2% | 86.5% | \$ 5,874 | \$ 5,919 |
| Holiday | | | | | | | | | | | | | | |
| Village | 1335 Fleming Ave Box 228 | Ormond Beach | FL | 32174 | MH | 43 | | | 301 | 301 | 88.0% | 87.7% | \$ 5,137 | \$ 4,755 |
| Shine | | | | | | | | | | | | | | |
| Holiday | 1701 North US Hwy 1 | Ormond Beach | FL | 32174 | RV | 69 | | | 349 | 134 | 100.0% | 100.0% | \$ 4,699 | \$ 4,854 |
| ne | | | | | | | | | | | | | | |
| eadows, | | | | | | | | | | | | | | |
| L | 2555 PGA Boulevard | Palm Beach Gardens | FL | 33410 | MH | 55 | | | 379 | 379 | 82.8% | 85.0% | \$ 7,047 | \$ 6,863 |
| reezy Hill | | | | | | | | | | | | | | |
| V | 800 NE 48th Street | Pompano Beach | FL | 33064 | RV | 52 | | | 762 | 368 | 100.0% | 100.0% | \$ 6,216 | \$ 6,265 |
| ighland | | | | | | | | | | | | | | |
| ood RV | 900 NE 48th Street | Pompano Beach | FL | 33064 | RV | 15 | | | 148 | 22 | 100.0% | 100.0% | \$ 5,432 | \$ 5,301 |
| ghthouse | | | | | | | | | | | | | | |
| inte | 155 Spring Drive | Port Orange | FL | 32129 | MH | 64 | | | 433 | 433 | 85.7% | 85.9% | \$ 5,237 | \$ 5,054 |

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| | | | | | | | | | | | | | | |
|-------------|---------------------------|-----------------|----|-------|----|-----|---|----|-----|-----|--------|--------|----------|----------|
| Blackwick | 4500 S. Clyde Morris Blvd | Port Orange | FL | 32119 | MH | 84 | 4 | | 432 | 432 | 99.8% | 99.8% | \$ 5,573 | \$ 5,355 |
| Indian Oaks | 780 Barnes Boulevard | Rockledge | FL | 32955 | MH | 38 | | | 208 | 208 | 100.0% | 100.0% | \$ 4,535 | \$ 4,465 |
| Countryside | | | | | | | | | | | | | | |
| Vero Beach | 8775 20th Street | Vero Beach | FL | 32966 | MH | 125 | | | 644 | 644 | 88.7% | 89.6% | \$ 5,695 | \$ 5,583 |
| Heritage | | | | | | | | | | | | | | |
| Plantation | 1101 Ranch Road | Vero Beach | FL | 32966 | MH | 64 | | | 437 | 437 | 81.7% | 82.8% | \$ 5,762 | \$ 5,698 |
| Holiday | | | | | | | | | | | | | | |
| Village, FL | 1000 S.W. 27th Avenue | Vero Beach | FL | 32968 | MH | 20 | | | 128 | 128 | 5.5% | 9.4% | \$ 3,737 | \$ 3,996 |
| Sunshine | | | | | | | | | | | | | | |
| Travel | 9455 108th Avenue | Vero Beach | FL | 32967 | RV | 30 | 6 | 48 | 300 | 138 | 100.0% | 100.0% | \$ 5,003 | \$ 4,848 |
| Merion Cay | | | | | | | | | | | | | | |
| | 1400 90th Avenue | Vero Beach | FL | 32966 | MH | 130 | | | 589 | 589 | 84.9% | | \$ 5,717 | |
| Vero Palm | | | | | | | | | | | | | | |
| | 1408 82nd Avenue | Vero Beach | FL | 32966 | MH | 64 | | | 285 | 285 | 83.2% | | \$ 5,259 | |
| Village | | | | | | | | | | | | | | |
| Green (a) | 7300 20th Street | Vero Beach | FL | 32966 | MH | 174 | | | 781 | 781 | 83.0% | | \$ 6,285 | |
| Alm Beach | | | | | | | | | | | | | | |
| Colony (a) | 2000 N. Congress Avenue | West Palm Beach | FL | 33409 | MH | 48 | | | 284 | 284 | 88.7% | | \$ 5,280 | |

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|-----------------------------------|--------------------------|----------------|-------|-------|-------|----------------------|----------------------------------|--------------------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|----------------------------|----------------------------|
| Central: | | | | | | | | | | | | | | |
| Clover Leaf Farms ^(a) | 900 N. Broad Street | Brooksville | FL | 34601 | MH | 227 | | 100 | 779 | 779 | 96.7% | | \$ 4,200 | |
| Clover Leaf Forest ^(a) | 910 N. Broad Street | Brooksville | FL | 34601 | RV | 30 | | | 277 | | | | | |
| Clerbrook | 20005 U.S. Highway 27 | Clermont | FL | 34711 | RV | 288 | | | 1,255 | 465 | 100.0% | 100.0% | \$ 4,392 | \$ 4,352 |
| Lake Magic | 9600 Hwy 192 West | Clermont | FL | 34714 | RV | 69 | | | 471 | 127 | 100.0% | 100.0% | \$ 4,235 | \$ 4,106 |
| Orange Lake ^(a) | 15840 SR 50 Lot 32 | Clermont | FL | 34711 | MH | 38 | | | 242 | 242 | 95.5% | | \$ 4,554 | |
| Orlando | 2110 US Highway 27 S | Clermont | FL | 34714 | RV | 270 | 30 | 136 | 850 | 111 | 100.0% | 100.0% | \$ 3,358 | \$ 3,358 |
| Haselton Village ^(a) | 14 Coral Street | Eustis | FL | 32726 | MH | 52 | | | 291 | 291 | 98.6% | | \$ 3,505 | |
| Southern Palms | One Avocado Lane | Eustis | FL | 32726 | RV | 120 | | | 950 | 354 | 100.0% | 100.0% | \$ 4,363 | \$ 4,267 |
| Lakeside Terrace ^(a) | 24 Sunrise Lane | Fruitland Park | FL | 34731 | MH | 39 | | | 241 | 241 | 98.8% | | \$ 3,666 | |
| Grand Island | 13310 Sea Breeze Lane | Grand Island | FL | 32735 | MH | 35 | | | 362 | 362 | 63.3% | 60.2% | \$ 5,226 | \$ 5,059 |
| Sherwood Forest | 5302 W. Irlo Bronson Hwy | Kissimmee | FL | 34746 | MH | 124 | | | 769 | 769 | 94.3% | 94.5% | \$ 5,401 | \$ 5,269 |
| Sherwood Forest RV | 5300 W. Irlo Bronson Hwy | Kissimmee | FL | 34746 | RV | 107 | 43 | 149 | 513 | 139 | 100.0% | 100.0% | \$ 4,476 | \$ 4,665 |
| Tropical Palms ^(g) | 2650 Holiday Trail | Kissimmee | FL | 34746 | RV | 59 | | | 541 | | | | | |
| Beacon Hill Colony ^(a) | 1112 West Beacon Road | Lakeland | FL | 33803 | MH | 31 | | | 201 | 201 | 98.5% | | \$ 3,612 | |
| Beacon Terrace ^(a) | 2425 Harden Boulevard | Lakeland | FL | 33803 | MH | 55 | | | 297 | 297 | 99.3% | | \$ 4,510 | |
| Kings & Queens ^(a) | 2808 N. Florida Avenue | Lakeland | FL | 33805 | MH | 18 | | | 107 | 107 | 96.3% | | \$ 4,578 | |
| Lakeland Harbor ^(a) | 4747 N. State Road | Lakeland | FL | 33805 | MH | 65 | | | 504 | 504 | 99.6% | | \$ 4,245 | |
| Lakeland Junction ^(a) | 202 East Griffin Road | Lakeland | FL | 33805 | MH | 23 | | | 193 | 193 | 98.4% | | \$ 3,579 | |
| Coachwood Colony | 2610 Dogwood Place | Leesburg | FL | 34748 | MH | 29 | | | 202 | 202 | 91.1% | 89.6% | \$ 3,810 | \$ 3,833 |
| Mid-Florida Lakes | 199 Forest Dr. | Leesburg | FL | 34788 | MH | 290 | | | 1,225 | 1,225 | 83.0% | 82.3% | \$ 5,733 | \$ 5,604 |
| Southernaire | 1700 Sanford Road | Mt. Dora | FL | 32757 | MH | 14 | | | 114 | 114 | 79.8% | 81.5% | \$ 3,958 | \$ 3,724 |

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| | | | | | | | | | | | | | |
|-----------------------------------|---------------------------|---------------|----|-------|----|-----|---|-------|-------|--------|--------|----------|----------|
| Foxwood (a) | 4705 NW 20th Street | Ocala | FL | 34482 | MH | 56 | | 375 | 375 | 84.3% | | | \$ 4,470 |
| Oak Bend | 10620 S.W. 27th Ave. | Ocala | FL | 34476 | MH | 62 | 3 | 262 | 262 | 88.5% | 88.9% | \$ 5,009 | \$ 4,856 |
| Villas at Spanish Oaks | 3150 N.E. 36th Avenue | Ocala | FL | 34479 | MH | 69 | | 459 | 459 | 88.2% | 87.6% | \$ 4,866 | \$ 4,726 |
| Audubon (a) | 6565 Beggs Road | Orlando | FL | 32810 | MH | 40 | | 280 | 280 | 93.2% | | \$ 4,611 | |
| Hidden Valley (a) | 8950 Polynesian Lane | Orlando | FL | 32836 | MH | 50 | | 303 | 303 | 98.7% | | \$ 6,076 | |
| Starlight Ranch (a) | 6000 East Pershing Avenue | Orlando | FL | 32822 | MH | 130 | | 783 | 783 | 80.8% | | \$ 5,623 | |
| Covington Estates (a) | 3400 Glenwick Drive | Saint Cloud | FL | 34772 | MH | 59 | | 241 | 241 | 92.9% | | \$ 4,229 | |
| Parkwood Communities (a) | 414 Springlake Road | Wildwood | FL | 34785 | MH | 121 | | 694 | 694 | 95.5% | | \$ 3,073 | |
| Three Flags RV Resort | 1755 E State Rd 44 | Wildwood | FL | 34785 | RV | 23 | | 221 | 9 | 100.0% | | \$ 2,456 | |
| Winter Garden | 13905 W. Colonial Dr. | Winter Garden | FL | 34787 | RV | 27 | | 350 | 123 | 100.0% | 100.0% | \$ 4,467 | \$ 4,437 |
| Gulf Coast (Tampa/Naples): | | | | | | | | | | | | | |
| Toby s RV | 3550 N.E. Hwy 70 | Arcadia | FL | 34266 | RV | 44 | | 379 | 265 | 100.0% | 100.0% | \$ 2,679 | \$ 2,613 |
| Winter Quarters Manatee | 800 Kay Road NE | Bradenton | FL | 34212 | RV | 42 | | 415 | 215 | 100.0% | 100.0% | \$ 5,004 | \$ 4,998 |
| Windmill Manor | 5320 53rd Ave. East | Bradenton | FL | 34203 | MH | 49 | | 292 | 292 | 95.2% | 95.5% | \$ 6,081 | \$ 5,766 |
| Glen Ellen | 2882 Gulf to Bay Blvd | Clearwater | FL | 33759 | MH | 12 | | 106 | 106 | 88.7% | 88.7% | \$ 4,980 | \$ 4,977 |
| Hillcrest | 2346 Druid Road East | Clearwater | FL | 33764 | MH | 25 | | 278 | 278 | 93.2% | 92.8% | \$ 5,065 | \$ 4,916 |
| Holiday Ranch | 4300 East Bay Drive | Clearwater | FL | 33764 | MH | 12 | | 150 | 150 | 87.3% | 86.7% | \$ 4,791 | \$ 4,689 |
| Silk Oak | 28488 US Highway 19 N | Clearwater | FL | 33761 | MH | 19 | | 181 | 181 | 87.8% | 87.3% | \$ 5,082 | \$ 5,000 |
| Shady Oaks (a) | 15777 Bolesta Road | Clearwater | FL | 33760 | MH | 31 | | 250 | 250 | 94.8% | | \$ 4,497 | |
| Shady Village (a) | 15666 49th St. North | Clearwater | FL | 33760 | MH | 19 | | 156 | 156 | 94.9% | | \$ 5,677 | |
| Crystal Isles | 11419 W. Ft. Island Drive | Crystal River | FL | 34429 | RV | 38 | | 260 | 44 | 100.0% | 100.0% | \$ 5,258 | \$ 5,175 |
| Lake Haven | 1415 Main Street | Dunedin | FL | 34698 | MH | 48 | | 379 | 379 | 88.4% | 88.1% | \$ 5,738 | \$ 5,492 |
| Colony Cove (a) | 4313 Kings Drive | Ellenton | FL | 34222 | MH | 538 | | 2,207 | 2,207 | 87.1% | | \$ 6,069 | |
| Ridgewood Estates (a) | 3461 Stephanie Lane | Ellenton | FL | 34222 | MH | 77 | | 380 | 380 | 98.7% | | \$ 4,187 | |
| Fort Myers Beach Resort | 16299 San Carlos Blvd. | Fort Myers | FL | 33908 | RV | 31 | | 306 | 91 | 100.0% | 100.0% | \$ 6,106 | \$ 5,961 |
| Gulf Air Resort | 17279 San Carlos Blvd. SW | Fort Myers | FL | 33931 | RV | 25 | | 246 | 154 | 100.0% | 100.0% | \$ 5,290 | \$ 5,111 |
| Barrington Hills | 9412 New York Avenue | Hudson | FL | 34667 | RV | 28 | | 392 | 257 | 100.0% | 100.0% | \$ 3,260 | \$ 3,195 |

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|---|----------------------------|-----------------|-------|-------|-------|----------------------|----------------------------------|--------------------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|----------------------------|----------------------------|
| Down Yonder | 7001 N. 142nd Avenue | Largo | FL | 33771 | MH | 50 | | | 361 | 361 | 97.8% | 98.1% | \$ 6,095 | \$ 6,082 |
| East Bay Oaks | 601 Starkey Road | Largo | FL | 33771 | MH | 40 | | | 328 | 328 | 97.9% | 96.3% | \$ 5,034 | \$ 5,028 |
| Eldorado Village | 2505 East Bay Drive | Largo | FL | 33771 | MH | 25 | | | 227 | 227 | 99.1% | 98.2% | \$ 5,034 | \$ 5,021 |
| Shangri La | 249 Jasper Street N.W. | Largo | FL | 33770 | MH | 14 | | | 160 | 160 | 75.6% | 78.8% | \$ 5,024 | \$ 4,810 |
| Vacation Village | 6900 Ulmerton Road | Largo | FL | 33771 | RV | 29 | | | 293 | 154 | 100.0% | 100.0% | \$ 4,289 | \$ 4,236 |
| Whispering Pines - Largo ^(a) | 7501 142nd Ave North | Largo | FL | 33771 | MH | 55 | | | 392 | 392 | 85.5% | | \$ 6,016 | |
| Winter Quarters Pasco | 21632 State Road 54 | Lutz | FL | 33549 | RV | 27 | | | 255 | 173 | 100.0% | 100.0% | \$ 3,761 | \$ 3,664 |
| Buccaneer | 2210 N. Tamiami Trail N.E. | N. Ft. Myers | FL | 33903 | MH | 223 | 39 | 162 | 971 | 971 | 98.2% | 98.4% | \$ 6,435 | \$ 6,189 |
| Island Vista MHC | 3000 N. Tamiami Trail | N. Ft. Myers | FL | 33903 | MH | 121 | | | 616 | 616 | 78.1% | 76.1% | \$ 4,157 | \$ 4,097 |
| Lake Fairways | 19371 Tamiami Trail | N. Ft. Myers | FL | 33903 | MH | 259 | | | 896 | 896 | 99.4% | 99.6% | \$ 6,359 | \$ 6,242 |
| Pine Lakes | 10200 Pine Lakes Blvd. | N. Ft. Myers | FL | 33903 | MH | 314 | | | 584 | 584 | 100.0% | 100.0% | \$ 7,483 | \$ 7,304 |
| Pioneer Village | 7974 Samville Rd. | N. Ft. Myers | FL | 33917 | RV | 90 | | | 733 | 370 | 100.0% | 100.0% | \$ 4,370 | \$ 4,329 |
| The Heritage | 3000 Heritage Lakes Blvd. | N. Ft. Myers | FL | 33917 | MH | 214 | 22 | 132 | 453 | 453 | 98.7% | 98.2% | \$ 5,602 | \$ 5,495 |
| Windmill Village | 16131 N. Cleveland Ave. | N. Ft. Myers | FL | 33903 | MH | 69 | | | 491 | 491 | 89.6% | 89.8% | \$ 5,025 | \$ 5,006 |
| Country Place | 2601 Country Place Blvd. | New Port Richey | FL | 34655 | MH | 82 | | | 515 | 515 | 99.6% | 80.2% | \$ 5,353 | \$ 5,199 |
| Hacienda Village | 7107 Gibraltar Ave | New Port Richey | FL | 34653 | MH | 66 | | | 505 | 505 | 95.4% | 96.6% | \$ 5,238 | \$ 5,107 |
| Harbor View | 6617 Louisna Ave | New Port Richey | FL | 34653 | MH | 69 | | | 471 | 471 | 98.3% | 98.3% | \$ 4,444 | \$ 4,322 |
| Bay Lake Estates | 1200 East Colonia Lane | Nokomis | FL | 34275 | MH | 34 | | | 228 | 228 | 94.7% | 94.3% | \$ 6,494 | \$ 6,320 |
| Lake Village ^(a) | 400 Lake Drive | Nokomis | FL | 34275 | MH | 65 | | | 391 | 391 | 95.4% | | \$ 6,495 | |
| Royal Coachman | 1070 Laurel Road East | Nokomis | FL | 34275 | RV | 111 | | | 546 | 439 | 100.0% | 100.0% | \$ 6,473 | \$ 6,373 |
| Silver Dollar | 12515 Silver Dollar Drive | Odessa | FL | 33556 | RV | 412 | | | 459 | 393 | 100.0% | 100.0% | \$ 5,968 | \$ 5,676 |
| Terra Ceia | 9303 Bayshore Road | Palmetto | FL | 34221 | RV | 18 | | | 203 | 139 | 100.0% | 100.0% | \$ 3,893 | \$ 3,730 |
| Lakes at Countrywood | 745 Arbor Estates Way | Plant City | FL | 33565 | MH | 122 | | | 424 | 424 | 92.7% | 93.6% | \$ 4,496 | \$ 4,320 |
| Meadows at Countrywood | 745 Arbor Estates Way | Plant City | FL | 33565 | MH | 140 | 13 | 110 | 799 | 799 | 96.1% | 95.7% | \$ 5,217 | \$ 5,128 |
| Oaks at Countrywood | 745 Arbor Estates Way | Plant City | FL | 33565 | MH | 44 | | | 168 | 168 | 76.2% | 75.6% | \$ 4,529 | \$ 4,352 |

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| | | | | | | | | | | | | | |
|-------------------------------------|--------------------------------|-------------------|----|-------|----|-----|-----|--------------|------------|--------------|--------------|-----------------|-----------------|
| Harbor Lakes | 3737 El Jobean Road #294 | Port Charlotte | FL | 33953 | RV | 80 | | 528 | 295 | 100.0% | 100.0% | \$ 4,783 | \$ 4,744 |
| Emerald Lake (a) | 24300 Airport Road | Punta Gorda | FL | 33950 | MH | 28 | | 200 | 200 | 90.0% | | \$ 4,332 | |
| Gulf View | 10205 Burnt Store Road | Punta Gorda | FL | 33950 | RV | 78 | | 206 | 52 | 100.0% | 100.0% | \$ 4,575 | \$ 4,568 |
| Tropical Palms | 17100 Tamiami Trail | Punta Gorda | FL | 33955 | MH | 50 | | 294 | 294 | 87.8% | 88.1% | \$ 3,684 | \$ 3,565 |
| Winds of St. Armands No. | 4000 N. Tuttle Ave. | Sarasota | FL | 34234 | MH | 74 | | 471 | 471 | 96.0% | 95.5% | \$ 6,585 | \$ 6,501 |
| Winds of St. Armands So. | 3000 N. Tuttle Ave. | Sarasota | FL | 34234 | MH | 61 | | 306 | 306 | 98.4% | 98.7% | \$ 6,723 | \$ 6,593 |
| Peace River | 2555 US Highway 17 | South Wauchula | FL | 33873 | RV | 72 | 38 | 454 | 39 | 100.0% | 100.0% | \$ 2,757 | \$ 1,977 |
| Topics | 13063 County Line Road | Spring Hill | FL | 34609 | RV | 35 | | 230 | 193 | 100.0% | 100.0% | \$ 3,145 | \$ 3,121 |
| Pine Island | 5120 Stringfellow Road | St. James City | FL | 33956 | RV | 31 | | 363 | 87 | 100.0% | 100.0% | \$ 5,249 | \$ 5,030 |
| Carefree Village (a) | 8000 Sheldon Road | Tampa | FL | 33615 | MH | 58 | | 401 | 401 | 94.8% | | \$ 4,717 | |
| Tarpon Glen (a) | 1038 Sparrow Lane | Tarpon Springs | FL | 34689 | MH | 24 | | 169 | 169 | 87.6% | | \$ 5,270 | |
| Featherock (a) | 2200 Highway 60 East | Valrico | FL | 33594 | MH | 84 | | 521 | 521 | 97.7% | | \$ 4,608 | |
| Bay Indies | 950 Ridgewood Ave | Venice | FL | 34285 | MH | 210 | | 1,309 | 1,309 | 94.2% | 94.3% | \$ 7,712 | \$ 7,353 |
| Ramblers Rest | 1300 North River Rd. | Venice | FL | 34293 | RV | 117 | | 647 | 409 | 100.0% | 100.0% | \$ 5,109 | \$ 4,947 |
| Crystal Lakes-Zephyrhills (a) | 4604 Lake Crystal Blvd. | Zephyrhills | FL | 33541 | MH | 146 | 140 | 318 | 318 | 95.6% | | \$ 3,387 | |
| Sixth Avenue | 39345 6th Avenue | Zephyrhills | FL | 33542 | MH | 14 | | 140 | 140 | 86.4% | 86.4% | \$ 2,600 | \$ 2,534 |
| Total Florida Market: | | | | | | | | 9,889 | 410 | 92.2% | 92.6% | \$ 5,423 | \$ 5,419 |
| California | | | | | | | | | | | | | |
| Northern California: | | | | | | | | | | | | | |
| Monte del Lago | 13100 Monte del Lago | Castroville | CA | 95012 | MH | 54 | | 310 | 310 | 93.9% | 93.5% | \$ 12,900 | \$ 12,687 |
| Colony Park | 3939 Central Avenue | Ceres | CA | 95307 | MH | 20 | | 186 | 186 | 88.2% | 93.5% | \$ 6,870 | \$ 6,837 |
| Russian River | 33655 Geysers Rd | Cloverdale | CA | 95425 | RV | 41 | | 135 | 2 | 100.0% | 100.0% | \$ 2,791 | \$ 2,575 |
| Snowflower | 41776 Yuba Gap Dr | Emigrant Gap | CA | 95715 | RV | 612 | 200 | 268 | | | | | |

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|-----------------------------|--------------------------------|-----------------|-------|-------|-------|----------------------|----------------------------------|--------------------------------|--------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|----------------------------|----------------------------|
| | | | | | | | | | Number of Sites as of 12/31/11 | Number of Annual Sites as of 12/31/11 | | | | |
| Four Seasons | 3138 West Dakota | Fresno | CA | 93722 | MH | 40 | | | 242 | 242 | 88.8% | 88.8% | \$ 4,350 | \$ 4,315 |
| Yosemite Lakes | 31191 Harden Flat Rd | Groveland | CA | 95321 | RV | 403 | 30 | 111 | 299 | 1 | 100.0% | 100.0% | \$ 2,022 | \$ 1,931 |
| Tahoe Valley (b) | 1175 Melba Drive | Lake Tahoe | CA | 96150 | RV | 86 | 20 | 200 | 413 | | | | | |
| Sea Oaks | 1675 Los Osos Valley Rd., #221 | Los Osos | CA | 93402 | MH | 18 | | | 125 | 125 | 98.4% | 98.4% | \$ 6,238 | \$ 6,045 |
| Ponderosa | 7291 Highway 49 | Lotus | CA | 95651 | RV | 22 | | | 170 | 15 | 100.0% | 100.0% | \$ 2,895 | \$ 2,722 |
| Turtle Beach | 703 E Williamson Rd | Manteca | CA | 95337 | RV | 39 | | | 79 | 7 | 100.0% | 100.0% | \$ 3,070 | \$ 3,135 |
| Coralwood (b) | 331 Coralwood | Modesto | CA | 95356 | MH | 22 | | | 194 | 194 | 67.0% | 73.2% | \$ 8,603 | \$ 8,569 |
| Lake Minden | 1256 Marcum Rd | Nicolaus | CA | 95659 | RV | 165 | 82 | 540 | 323 | 11 | 100.0% | 100.0% | \$ 2,647 | \$ 2,734 |
| Lake of the Springs | 14152 French Town Rd | Oregon House | CA | 95962 | RV | 954 | 507 | 1,014 | 541 | 58 | 100.0% | 100.0% | \$ 2,629 | \$ 2,413 |
| Concord Cascade | 245 Aria Drive | Pacheco | CA | 94553 | MH | 31 | | | 283 | 283 | 99.6% | 99.6% | \$ 8,249 | \$ 8,029 |
| San Francisco RV | 700 Palmetto Ave | Pacifica | CA | 94044 | RV | 12 | | | 182 | | | | | |
| Quail Meadows | 5901 Newbrook Drive | Riverbank | CA | 95367 | MH | 20 | | | 146 | 146 | 93.2% | 90.4% | \$ 8,349 | \$ 8,182 |
| California Hawaiian | 3637 Snell Avenue | San Jose | CA | 95136 | MH | 50 | | | 418 | 418 | 99.5% | 100.0% | \$ 11,109 | \$ 10,733 |
| Sunshadow | 1350 Panoche Avenue | San Jose | CA | 95122 | MH | 30 | | | 121 | 121 | 99.2% | 98.3% | \$ 10,718 | \$ 10,400 |
| Village of the Four Seasons | 200 Ford Road | San Jose | CA | 95138 | MH | 30 | | | 271 | 271 | 97.0% | 97.4% | \$ 10,257 | \$ 9,954 |
| Westwinds (4 Properties) | 500 Nicholson Lane | San Jose | CA | 95134 | MH | 88 | | | 723 | 723 | 100.0% | 96.4% | \$ 11,907 | \$ 11,527 |
| Laguna Lake | 1801 Perfumo Canyon Road | San Luis Obispo | CA | 93405 | MH | 100 | | | 300 | 300 | 100.0% | 99.7% | \$ 6,008 | \$ 5,895 |
| Contempo Marin | 400 Yosemite Road | San Rafael | CA | 94903 | MH | 63 | | | 396 | 396 | 98.2% | 98.2% | \$ 10,094 | \$ 9,202 |
| DeAnza Santa Cruz | 2395 Delaware Avenue | Santa Cruz | CA | 95060 | MH | 30 | | | 198 | 198 | 93.9% | 92.9% | \$ 12,598 | \$ 12,166 |
| Santa Cruz Ranch RV Resort | 917 Disc Drive | Scotts Valley | CA | 95066 | RV | 7 | | | 106 | | | | | |
| Royal Oaks | 415 Akers Drive N. | Visalia | CA | 93291 | MH | 20 | | | 149 | 149 | 96.0% | 97.3% | \$ 6,023 | \$ 5,702 |
| Southern California: | | | | | | | | | | | | | | |
| Soledad Canyon | 4700 Crown Valley Rd | Acton | CA | 93510 | RV | 273 | | | 1,251 | 101 | 100.0% | 100.0% | \$ 2,581 | \$ 2,872 |
| Los Ranchos (a) | 20843 Waalew | Apple Valley | CA | 92307 | MH | 30 | | | 389 | 389 | 96.4% | | \$ 6,047 | |

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Road

| | | | | | | | | | | | | | | |
|--|--------------------------|-----------------|----|-------|----|--------------|------------|--------------|---------------|--------------|--------------|--------------|-----------------|-----------------|
| Date Palm Country Club (b) | 36-200 Date Palm Drive | Cathedral City | CA | 92234 | MH | 232 | 3 | 24 | 538 | 538 | 95.5% | 96.1% | \$ 11,790 | \$ 11,481 |
| Date Palm RV (b) | 36-100 Date Palm Drive | Cathedral City | CA | 92234 | RV | (f) | | | 140 | 27 | 100.0% | 100.0% | \$ 4,183 | \$ 4,107 |
| Oakzanita | 11053 Highway 79 | Descanso | CA | 91916 | RV | 145 | 5 | | 146 | 14 | 100.0% | 100.0% | \$ 2,999 | \$ 2,882 |
| Rancho Mesa | 450 East Bradley Ave. | El Cajon | CA | 92021 | MH | 20 | | | 158 | 158 | 78.5% | 68.4% | \$ 11,215 | \$ 11,293 |
| Rancho Valley | 12970 Hwy 8 Business | El Cajon | CA | 92021 | MH | 19 | | | 140 | 140 | 97.1% | 97.9% | \$ 12,060 | \$ 11,383 |
| Royal Holiday | 4400 W Florida Ave | Hemet | CA | 92545 | MH | 22 | | | 196 | 196 | 67.9% | 60.7% | \$ 5,386 | \$ 5,177 |
| Idyllwild | 24400 Canyon Trail Drive | Idyllwild | CA | 92549 | RV | 191 | | | 287 | 25 | 100.0% | 100.0% | \$ 2,408 | \$ 2,351 |
| Pio Pico | 14615 Otag Lakes Rd | Jamul | CA | 91935 | RV | 176 | 10 | | 512 | 82 | 100.0% | 100.0% | \$ 3,479 | \$ 3,723 |
| Wilderness Lakes | 30605 Briggs Rd | Menifee | CA | 92584 | RV | 73 | | | 529 | 31 | 100.0% | 100.0% | \$ 3,745 | \$ 3,717 |
| Morgan Hill | 12895 Uvas Rd | Morgan Hill | CA | 95037 | RV | 62 | | | 339 | 18 | 100.0% | 100.0% | \$ 3,296 | \$ 3,292 |
| Pacific Dunes Ranch | 1205 Silver Spur Place | Oceana | CA | 93445 | RV | 48 | | | 215 | | | | | |
| San Benito | 16225 Cienega Rd | Paicines | CA | 95043 | RV | 199 | 23 | | 523 | 33 | 100.0% | 100.0% | \$ 2,887 | \$ 2,746 |
| Palm Springs | 77500 Varner Rd | Palm Desert | CA | 92211 | RV | 35 | | | 401 | 45 | 100.0% | 100.0% | \$ 3,549 | \$ 3,329 |
| Las Palmas | 1025 S. Riverside Ave. | Rialto | CA | 92376 | MH | 18 | | | 136 | 136 | 99.3% | 99.3% | \$ 6,276 | \$ 5,989 |
| Parque La Quinta | 350 S. Willow Ave. #120 | Rialto | CA | 92376 | MH | 19 | | | 166 | 166 | 98.8% | 99.4% | \$ 6,100 | \$ 5,927 |
| Rancho Oso | 3750 Paradise Rd | Santa Barbara | CA | 93105 | RV | 310 | 40 | | 187 | 23 | 100.0% | 100.0% | \$ 3,530 | \$ 3,329 |
| Meadowbrook | 8301 Mission Gorge Rd. | Santee | CA | 92071 | MH | 43 | | | 338 | 338 | 100.0% | 99.1% | \$ 8,791 | \$ 8,668 |
| Lamplighter | 10767 Jamacha Blvd. | Spring Valley | CA | 91978 | MH | 32 | | | 270 | 270 | 97.4% | 98.1% | \$ 12,324 | \$ 12,206 |
| Santiago Estates | 13691 Gavina Ave. #632 | Sylmar | CA | 91342 | MH | 113 | 9 | | 300 | 300 | 99.7% | 100.0% | \$ 11,697 | \$ 11,574 |
| Total California Market Arizona | | | | | | 5,017 | 929 | 1,889 | 13,739 | 7,186 | 95.4% | 94.8% | \$ 9,113 | \$ 9,109 |
| Countryside RV | 2701 S. Idaho Rd | Apache Junction | AZ | 85219 | RV | 53 | | | 560 | 307 | 100.0% | 100.0% | \$ 2,762 | \$ 2,988 |
| Golden Sun RV | 999 W Broadway Ave | Apache Junction | AZ | 85220 | RV | 33 | | | 329 | 204 | 100.0% | 100.0% | \$ 3,228 | \$ 3,131 |

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|----------------------------|----------------------------------|-----------------|-------|-------|-------|-----------|-----------------------|---------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|----------------------------|----------------------------|
| Apache East (a) | 3500 S. Tomahawk | Apache Junction | AZ | 85119 | MH | 17 | | | 123 | 123 | 97.6% | | \$ 4,821 | |
| Denali Park (a) | 3405 S. Tomahawk | Apache Junction | AZ | 85119 | MH | 33 | | | 163 | 163 | 91.4% | | \$ 4,463 | |
| Valley Vista | 1060 S. Highway 80 | Benson | AZ | 85602 | RV | 6 | | | 145 | | | | | |
| Casita Verde RV | 2200 N. Trekell Rd. | Casa Grande | AZ | 85222 | RV | 14 | | | 192 | 106 | 100.0% | 100.0% | \$ 2,370 | \$ 2,358 |
| Fiesta Grande RV | 1511 East Florence Blvd. | Casa Grande | AZ | 85222 | RV | 77 | | | 767 | 515 | 100.0% | 100.0% | \$ 2,885 | \$ 2,829 |
| Foothills West RV | 10167 N. Encore Dr. | Casa Grande | AZ | 85222 | RV | 16 | | | 188 | 120 | 100.0% | 100.0% | \$ 2,302 | \$ 2,271 |
| Sunshine Valley (a) | 1650 S. Arizona Avenue | Chandler | AZ | 85286 | MH | 55 | | | 381 | 381 | 88.7% | | \$ 5,277 | |
| Verde Valley | 6400 Thousand Trails Rd, SP # 16 | Cottonwood | AZ | 86326 | RV | 273 | 129 | 515 | 352 | 44 | 100.0% | 100.0% | \$ 3,182 | \$ 2,872 |
| Casa del Sol East II | 10960 N. 67th Avenue | Glendale | AZ | 85304 | MH | 29 | | | 239 | 239 | 86.2% | 85.8% | \$ 6,640 | \$ 6,869 |
| Casa del Sol East III | 10960 N. 67th Avenue | Glendale | AZ | 85304 | MH | 28 | | | 236 | 236 | 78.4% | 79.7% | \$ 6,937 | \$ 6,851 |
| Palm Shadows | 7300 N. 51st. Avenue | Glendale | AZ | 85301 | MH | 33 | | | 294 | 294 | 92.5% | 94.2% | \$ 5,409 | \$ 5,390 |
| Monte Vista | 8865 E. Baseline Road | Mesa | AZ | 85209 | RV | 142 | 56 | 515 | 832 | 746 | 100.0% | 100.0% | \$ 5,706 | \$ 5,535 |
| Viewpoint | 8700 E. University | Mesa | AZ | 85207 | RV | 332 | 55 | 467 | 1,954 | 1,555 | 100.0% | 100.0% | \$ 5,271 | \$ 5,125 |
| Hacienda de Valencia | 201 S. Greenfield Rd. | Mesa | AZ | 85206 | MH | 51 | | | 365 | 365 | 98.6% | 99.2% | \$ 6,156 | \$ 6,051 |
| The Highlands at Brentwood | 120 North Val Vista Drive | Mesa | AZ | 85213 | MH | 45 | | | 268 | 268 | 100.0% | 99.6% | \$ 6,934 | \$ 6,797 |
| Seyenna Vistas (The Mark) | 625 West McKellips | Mesa | AZ | 85201 | MH | 60 | 4 | | 410 | 410 | 85.4% | 71.2% | \$ 4,265 | \$ 4,506 |
| Apollo Village | 10701 N. 99th Ave. | Peoria | AZ | 85345 | MH | 29 | 3 | | 238 | 238 | 99.2% | 97.9% | \$ 5,442 | \$ 5,313 |
| Casa del Sol West I | 11411 N. 91st Avenue | Peoria | AZ | 85345 | MH | 31 | | | 245 | 245 | 98.4% | 96.7% | \$ 6,184 | \$ 6,480 |
| Carefree Manor | 19602 N. 32nd Street | Phoenix | AZ | 85050 | MH | 16 | | | 130 | 130 | 99.2% | 99.2% | \$ 4,983 | \$ 5,124 |
| Central Park | 205 West Bell Road | Phoenix | AZ | 85023 | MH | 37 | | | 293 | 293 | 100.0% | 100.0% | \$ 6,230 | \$ 6,203 |
| Desert Skies | 19802 N. 32 Street | Phoenix | AZ | 85024 | MH | 24 | | | 165 | 165 | 100.0% | 99.4% | \$ 5,826 | \$ 5,595 |
| Sunrise Heights | 17801 North 16th Street | Phoenix | AZ | 85022 | MH | 28 | | | 199 | 199 | 100.0% | 99.5% | \$ 5,781 | \$ 5,912 |
| Whispering Palms | 19225 N. Cave Creek Rd. | Phoenix | AZ | 85024 | MH | 15 | | | 116 | 116 | 97.4% | 100.0% | \$ 4,994 | \$ 4,794 |
| Desert Vista | 64812 Harcuvar | Salome | AZ | 85348 | RV | 10 | | | 125 | 6 | 100.0% | 100.0% | \$ 3,601 | \$ 2,258 |
| Sedona Shadows | 6770 W. U.S. Hwy 89A | Sedona | AZ | 86336 | MH | 48 | 6 | 10 | 198 | 198 | 99.5% | 100.0% | \$ 8,266 | \$ 7,793 |

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| | | | | | | | | | | | | | |
|-----------------|-----------------------------|------------|----|-------|----|----|----|-----|-----|--------|--------|----------|----------|
| Venture In | 270 N. Clark Rd. | Show Low | AZ | 85901 | RV | 26 | | 389 | 277 | 100.0% | 100.0% | \$ 2,957 | \$ 2,927 |
| Paradise | 10950 W. Union Hill Drive | Sun City | AZ | 85373 | RV | 80 | | 950 | 801 | 100.0% | 100.0% | \$ 4,273 | \$ 4,169 |
| The Meadows | 2401 W. Southern Ave. | Tempe | AZ | 85282 | MH | 60 | | 391 | 391 | 99.0% | 99.2% | \$ 6,570 | \$ 6,543 |
| Fairview Manor | 3115 N. Fairview Avenue | Tucson | AZ | 85705 | MH | 28 | | 237 | 237 | 90.3% | 86.9% | \$ 4,672 | \$ 4,738 |
| Westpark (a) | 2501 W. Wickenburg Way | Wickenburg | AZ | 85390 | MH | 48 | 19 | 188 | 188 | 96.8% | | \$ 6,753 | |
| Araby | 6649 E. 32nd. St. | Yuma | AZ | 85365 | RV | 25 | | 337 | 311 | 100.0% | 100.0% | \$ 3,267 | \$ 3,254 |
| Cactus Gardens | 10657 S. Ave. 9-E | Yuma | AZ | 85365 | RV | 43 | | 430 | 296 | 100.0% | 100.0% | \$ 2,239 | \$ 2,178 |
| Capri RV | 3380 South 4th Ave | Yuma | AZ | 85365 | RV | 20 | | 303 | 257 | 100.0% | 100.0% | \$ 2,909 | \$ 2,890 |
| Desert Paradise | 10537 South Ave., 9E | Yuma | AZ | 85365 | RV | 26 | | 260 | 129 | 100.0% | 100.0% | \$ 2,288 | \$ 2,251 |
| Foothill | 12705 E. South Frontage Rd. | Yuma | AZ | 85367 | RV | 18 | | 180 | 72 | 100.0% | 100.0% | \$ 2,259 | \$ 2,206 |
| Mesa Verde | 3649 & 3749 South 4th Ave. | Yuma | AZ | 85365 | RV | 28 | | 345 | 311 | 100.0% | 100.0% | \$ 2,819 | \$ 2,789 |
| Suni Sands | 1960 East 32nd Street | Yuma | AZ | 85365 | RV | 34 | | 336 | 210 | 100.0% | 100.0% | \$ 2,695 | \$ 2,659 |

| | | | | | | | | | | | | | | | |
|-----------------------------|------------------------|-------------|----|-------|----|-----|--------------|------------|--------------|---------------|---------------|--------------|--------------|-----------------|-----------------|
| Total Arizona Market | | | | | | | 1,971 | 253 | 1,526 | 13,853 | 11,146 | 97.5% | 97.4% | \$ 4,759 | \$ 4,660 |
| Colorado | | | | | | | | | | | | | | | |
| Hillcrest Village | 1600 Sable Boulevard | Aurora | CO | 80011 | MH | 72 | | 601 | 601 | 91.7% | 88.4% | \$ 7,064 | \$ 7,032 | | |
| Cimarron | 12205 North Perry | Broomfield | CO | 80020 | MH | 50 | | 327 | 327 | 84.4% | 79.8% | \$ 6,901 | \$ 6,870 | | |
| Holiday Village, Bear Creek | 3405 Sinton Road | Co. Springs | CO | 80907 | MH | 38 | | 240 | 240 | 72.9% | 70.4% | \$ 6,925 | \$ 6,946 | | |
| | 3500 South King Street | Denver | CO | 80236 | MH | 12 | | 124 | 124 | 87.9% | 88.7% | \$ 6,716 | \$ 6,738 | | |
| Holiday Hills | 2000 West 92nd Avenue | Denver | CO | 80260 | MH | 99 | | 736 | 736 | 79.9% | 78.9% | \$ 6,898 | \$ 6,723 | | |
| Golden Terrace | 17601 West Colfax Ave. | Golden | CO | 80401 | MH | 32 | | 265 | 265 | 85.3% | 80.8% | \$ 7,566 | \$ 7,485 | | |
| Golden Terrace | 17601 West Colfax Ave. | Golden | CO | 80401 | MH | 15 | | 80 | 80 | 68.8% | 63.8% | \$ 7,043 | \$ 7,311 | | |
| Golden Terrace South RV | 17801 West Colfax Ave. | Golden | CO | 80401 | RV | (f) | | 80 | | | | | | | |

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|---|--------------------------|-----------------|-------|-------|-------|------------|-----------------------|---------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|----------------------------|----------------------------|
| Golden Terrace | 17601 West Colfax Ave. | Golden | CO | 80401 | MH | 39 | 7 | | 316 | 316 | 75.3% | 73.1% | \$ 7,427 | \$ 7,273 |
| Pueblo Grande | 999 Fortino Blvd. West | Pueblo | CO | 81008 | MH | 33 | | | 251 | 251 | 71.3% | 74.1% | \$ 4,257 | \$ 4,249 |
| Woodland Hills | 1500 W. Thornton Pkwy. | Thorton | CO | 80260 | MH | 55 | | | 434 | 434 | 76.5% | 77.2% | \$ 6,656 | \$ 6,726 |
| Total Colorado Market Northeast | | | | | | 445 | 7 | 0 | 3,454 | 3,374 | 80.9% | 79.1% | \$ 6,828 | \$ 6,761 |
| Stonegate Manor (a) | 1 Stonegate Drive | North Windham | CT | 06256 | MH | 114 | | | 372 | 372 | 96.0% | | \$ 4,841 | |
| Waterford | 205 Joan Drive | Bear | DE | 19701 | MH | 159 | | | 731 | 731 | 96.3% | 96.4% | \$ 6,752 | \$ 6,570 |
| Whispering Pines | 32045 Janice Road | Lewes | DE | 19958 | MH | 67 | 2 | | 393 | 393 | 86.3% | 82.7% | \$ 5,223 | \$ 5,051 |
| Mariners Cove | 35356 Sussex Lane #1 | Millsboro | DE | 19966 | MH | 101 | | | 375 | 375 | 97.9% | 97.6% | \$ 7,163 | \$ 7,058 |
| Aspen Meadows | 303 Palace Lane | Rehoboth | DE | 19971 | MH | 46 | | | 200 | 200 | 100.0% | 100.0% | \$ 5,668 | \$ 5,574 |
| Camelot Meadows | 303 Palace Lane | Rehoboth | DE | 19971 | MH | 61 | | | 301 | 301 | 100.0% | 100.0% | \$ 5,392 | \$ 5,210 |
| McNicol | 303 Palace Lane | Rehoboth | DE | 19971 | MH | 25 | | | 93 | 93 | 97.8% | 97.8% | \$ 5,079 | \$ 4,941 |
| Sweetbriar | 83 Big Burn Lane | Rehoboth | DE | 19958 | MH | 38 | | | 146 | 146 | 98.6% | 98.6% | \$ 4,944 | \$ 4,853 |
| The Glen (a) | 214 Washington Street | Norwell | MA | 02061 | MH | 24 | | | 36 | 36 | 100.0% | | \$ 7,243 | |
| Gateway to Cape Cod | 90 Stevens Rd PO Box 217 | Rochester | MA | 02770 | RV | 80 | | | 194 | 38 | 100.0% | 100.0% | \$ 2,175 | \$ 2,075 |
| Hillcrest (a) | 401 Beech Street | Rockland | MA | 02370 | MH | 19 | | | 82 | 82 | 97.6% | | \$ 6,232 | |
| Old Chatham RV | 310 Old Chatham Road | South Dennis | MA | 02660 | RV | 47 | 11 | | 312 | 274 | 100.0% | 100.0% | \$ 3,837 | \$ 3,820 |
| Sturbridge | 19 Mashapaug Rd | Sturbridge | MA | 01566 | RV | 223 | | | 155 | 44 | 100.0% | 100.0% | \$ 2,099 | \$ 2,510 |
| Fernwood (a) | 1901 Fernwood Drive | Capitol Heights | MD | 20743 | MH | 40 | | | 329 | 329 | 93.6% | | \$ 5,545 | |
| Williams Estates and Peppermint Woods (a) | 3300 Eastern Blvd. | Baltimore | MD | 21220 | MH | 121 | | | 804 | 804 | 96.8% | | \$ 6,473 | |
| Mount Desert Narrows | 1219 State Highway 3 | Bar Harbor | ME | 04609 | RV | 90 | 12 | | 206 | 9 | 100.0% | 100.0% | \$ 2,287 | \$ 2,152 |
| Patten Pond | 1470 Bucksport Road | Ellsworth | ME | 04605 | RV | 43 | 60 | | 137 | 27 | 100.0% | 100.0% | \$ 2,015 | \$ 1,616 |
| Moody Beach | 266 Post Road | Moody | ME | 04054 | RV | 48 | | | 203 | 70 | 100.0% | 100.0% | \$ 2,906 | \$ 2,946 |
| | | | ME | 04064 | RV | 58 | | | 550 | 485 | 100.0% | 100.0% | \$ 3,192 | \$ 3,141 |

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| | | | | | | | | | | | | | |
|-----------------------------|---|-------------------|----|-------|----|-------|-----|-----|-------|-------|--------|--------|-------------------|
| Pinehurst RV Park | 7 Oregon Avenue, P.O. Box 174 | Old Orchard Beach | | | | | | | | | | | |
| Narrows Too | 1150 Bar Harbor Road | Trenton | ME | 04605 | RV | 42 | | | 207 | 20 | 100.0% | 100.0% | \$ 2,086 \$ 1,848 |
| Forest Lake | 192 Thousand Trails Dr | Advance | NC | 27006 | RV | 306 | 81 | | 305 | 43 | 100.0% | 100.0% | \$ 2,240 \$ 2,196 |
| Scenic | 1314 Tunnel Rd. | Asheville | NC | 28805 | MH | 28 | | | 205 | 205 | 76.6% | 78.5% | \$ 3,953 \$ 3,923 |
| Waterway RV | 850 Cedar Point Blvd. | Cedar Point | NC | 28584 | RV | 27 | | | 336 | 328 | 100.0% | 100.0% | \$ 3,635 \$ 3,587 |
| Twin Lakes | 1618 Memory Lane | Chocowinity | NC | 27817 | RV | 132 | | | 419 | 309 | 100.0% | 100.0% | \$ 2,960 \$ 2,970 |
| Green Mountain Park | 2495 Dimmette Rd | Lenoir | NC | 28645 | RV | 1,077 | 400 | 360 | 447 | 125 | 100.0% | 100.0% | \$ 1,560 \$ 1,312 |
| Lake Gaston | 561 Fleming Dairy Road | Littleton | NC | 27850 | RV | 69 | | | 235 | 126 | 100.0% | 100.0% | \$ 2,287 \$ 2,273 |
| Lake Myers RV | 2862 US Highway 64 West | Mocksville | NC | 27028 | RV | 74 | | | 425 | 301 | 100.0% | 100.0% | \$ 2,219 \$ 2,233 |
| Goose Creek | 350 Red Barn Road | Newport | NC | 28570 | RV | 92 | 6 | 51 | 735 | 648 | 100.0% | 100.0% | \$ 3,719 \$ 3,634 |
| Sandy Beach RV | 677 Clement Hill Road | Contoocook | NH | 03229 | RV | 40 | | | 190 | 99 | 100.0% | 100.0% | \$ 3,454 \$ 3,334 |
| Tuxbury Resort | 88 Whitehall Road | South Hampton | NH | 03827 | RV | 193 | 100 | | 305 | 180 | 100.0% | 100.0% | \$ 3,035 \$ 3,125 |
| Lake & Shore | 515 Courson Tavern Rd | Ocean View | NJ | 08230 | RV | 162 | | | 401 | 224 | 100.0% | 100.0% | \$ 4,204 \$ 3,780 |
| Chestnut Lake | 631 Chestnut Neck Rd | Port Republic | NJ | 08241 | RV | 32 | | | 185 | 30 | 100.0% | 100.0% | \$ 2,343 \$ 2,247 |
| Sea Pines | US Route #9 Box 1535 | Swainton | NJ | 08210 | RV | 75 | | | 549 | 236 | 100.0% | 100.0% | \$ 3,154 \$ 3,032 |
| Pine Ridge at Crestwood (a) | 2 Fox Street | Whiting | NJ | 08759 | MH | 188 | | | 1,035 | 1,035 | 92.8% | | \$ 4,836 |
| Rondout Valley Resort | 105 Mettachonts Rd | Accord | NY | 12404 | RV | 184 | 94 | | 398 | 46 | 100.0% | 100.0% | \$ 2,792 \$ 2,849 |
| Alpine Lake | 78 Heath Road | Corinth | NY | 12822 | RV | 200 | 54 | | 500 | 293 | 100.0% | 100.0% | \$ 2,924 \$ 2,857 |
| Lake George Escape | 175 E. Schroon River Road, P.O. Box 431 | Lake George | NY | 12845 | RV | 178 | 30 | | 576 | 23 | 100.0% | 100.0% | \$ 4,673 \$ 4,995 |
| The Woodlands (a) | 6237 South Transit Road | Lockport | NY | 14094 | MH | 225 | | | 1,182 | 1,182 | 87.7% | | \$ 5,176 |
| Greenwood Village | 370 Chapman Boulevard | Manorville | NY | 11949 | MH | 79 | 14 | 7 | 512 | 512 | 100.0% | 100.0% | \$ 8,194 \$ 7,463 |
| Brennan Beach | 80 Brennan Beach | Pulaski | NY | 13142 | RV | 201 | | | 1,377 | 1,186 | 100.0% | 100.0% | \$ 2,196 \$ 2,079 |
| Lake George Schroon Valley | 1730 Schroon River Rd | Warrensburg | NY | 12885 | RV | 151 | | | 151 | 28 | 100.0% | 100.0% | \$ 1,461 \$ 1,742 |

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|-----------------------------------|------------------------------------|------------------|-------|-------|-------|----------------------|----------------------------------|--------------------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|----------------------------|----------------------------|
| Greenbriar Village ^(a) | 63A Greenbriar Drive | Bath | PA | 18104 | MH | 63 | | | 319 | 319 | 98.4% | | \$ 6,304 | |
| Sun Valley | 451 E. Maple Grove Rd. | Bowmansville | PA | 17507 | RV | 86 | | | 265 | 174 | 100.0% | 100.0% | \$ 2,657 | \$ 2,574 |
| Green Acres | 8785 Turkey Ridge Road | Breinigsville | PA | 18031 | MH | 149 | | | 595 | 595 | 92.9% | 90.8% | \$ 7,110 | \$ 7,019 |
| Gettysburg Farm | 6200 Big Mountain Rd | Dover | PA | 17315 | RV | 124 | | | 265 | 58 | 100.0% | 100.0% | \$ 1,934 | \$ 1,885 |
| Timothy Lake South | RR #6, Box 6627 Timothy Lake Rd | East Stroudsburg | PA | 18301 | RV | 65 | | | 327 | 22 | 100.0% | 100.0% | \$ 1,960 | \$ 1,857 |
| Timothy Lake North | RR #6, Box 6627 Timothy Lake Rd | East Stroudsburg | PA | 18301 | RV | 93 | | | 323 | 110 | 100.0% | 100.0% | \$ 1,897 | \$ 1,914 |
| Circle M | 2111 Millersville Road | Lancaster | PA | 17603 | RV | 103 | | | 380 | 64 | 100.0% | 100.0% | \$ 2,331 | \$ 2,267 |
| Hershey Preserve | 493 S. Mt. Pleasant Rd | Lebanon | PA | 17042 | RV | 196 | 20 | | 297 | 38 | 100.0% | 100.0% | \$ 2,789 | \$ 2,553 |
| Robin Hill | 149 Robin Hill Rd. | Lenhartsville | PA | 19534 | RV | 44 | | | 270 | 158 | 100.0% | 100.0% | \$ 2,882 | \$ 2,792 |
| PA Dutch County | 185 Lehman Road | Manheim | PA | 17545 | RV | 102 | | | 269 | 59 | 100.0% | 100.0% | \$ 1,718 | \$ 1,811 |
| Spring Gulch | 475 Lynch Road | New Holland | PA | 17557 | RV | 114 | | | 420 | 111 | 100.0% | 100.0% | \$ 3,979 | \$ 3,853 |
| Lil Wolf ^(a) | 3411 Lil Wolf Drive | Orefield | PA | 18069 | MH | 56 | | | 271 | 271 | 97.0% | | \$ 4,888 | |
| Scotrun | PO Box 428 Route 611 | Scotrun | PA | 18355 | RV | 63 | | | 178 | 90 | 100.0% | 100.0% | \$ 1,931 | \$ 1,942 |
| Appalachian | 60 Motel Drive | Shartlesville | PA | 19554 | RV | 86 | 30 | 200 | 358 | 172 | 100.0% | 100.0% | \$ 2,581 | \$ 2,629 |
| Mountain View - PA ^(a) | 4 East Zimmer Drive | Walnutport | PA | 18088 | MH | 45 | | | 188 | 188 | 94.7% | | \$ 5,036 | |
| Carolina Landing | 120 Carolina Landing Dr | Fair Play | SC | 29643 | RV | 73 | | | 192 | 36 | 100.0% | 100.0% | \$ 1,423 | \$ 1,339 |
| Inlet Oaks | 180 Burr Circle | Murrells Inlet | SC | 29576 | MH | 35 | | | 172 | 172 | 98.3% | 98.8% | \$ 3,949 | \$ 3,830 |
| The Oaks at Point South | 1292 Campground Rd | Yemassee | SC | 29945 | RV | 10 | | | 93 | | | | | |
| Meadows of Chantilly | 4200 Airline Parkway | Chantilly | VA | 22021 | MH | 82 | | | 500 | 500 | 99.6% | 99.8% | \$ 10,680 | \$ 10,300 |
| Harbor View | 15 Harbor View Circle | Colonial Beach | VA | 22443 | RV | 69 | | | 146 | | | | | |
| Lynchburg | 405 Mollies Creek Rd | Gladys | VA | 24554 | RV | 170 | 59 | | 222 | 16 | 100.0% | 100.0% | \$ 1,220 | \$ 1,180 |
| Chesapeake Bay | 12014 Trails Lane | Gloucester | VA | 23061 | RV | 282 | 80 | | 392 | 112 | 100.0% | 100.0% | \$ 2,928 | \$ 2,883 |
| Virginia Landing | 40226 Upshur Neck Rd | Quinby | VA | 23423 | RV | 863 | 178 | | 233 | 8 | 100.0% | 100.0% | \$ 810 | \$ 804 |
| Regency Lakes ^(a) | 108 Chamberlian Court | Winchester | VA | 22603 | MH | 165 | | | 523 | 523 | 89.7% | | \$ 5,098 | |
| Williamsburg | 4301 Rochambeau Drive | Williamsburg | VA | 23188 | RV | 65 | | | 211 | 33 | 100.0% | 100.0% | \$ 1,874 | \$ 1,816 |

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| Total | | | | | | | | | | | | | | | |
|--------------------------|------------------------|--------------|----|-------|----|-----|-----|-----|-------|-----|--------|--------|----------|----------|--|
| Northeast | | | | | | | | | | | | | | | |
| Market | | | | | | | | | | | | | | | |
| Midwest | | | | | | | | | | | | | | | |
| Hidden Cove | 687 Country Road 3919 | Arley | AL | 35541 | RV | 99 | 60 | 200 | 79 | 27 | 100.0% | 100.0% | \$ 2,192 | \$ 1,880 | |
| Maple Grove (a) | 8597 W. Irving Lane | Boise | ID | 83704 | MH | 38 | | | 271 | 271 | 74.5% | | \$ 4,682 | | |
| Shenandoah Estates (a) | 5603 Bull Run Lane | Boise | ID | 83714 | MH | 24 | | | 154 | 154 | 98.1% | | \$ 4,247 | | |
| West Meadow Estates (a) | 120 West Driftwood | Boise | ID | 83713 | MH | 29 | | | 178 | 178 | 96.1% | | \$ 5,196 | | |
| O'Connell s | 970 Green Wing Road | Amboy | IL | 61310 | RV | 286 | 100 | 600 | 668 | 349 | 100.0% | 100.0% | \$ 2,769 | \$ 2,794 | |
| Pine Country | 5710 Shattuck Road | Belvidere | IL | 61008 | RV | 131 | | | 126 | 78 | 100.0% | 100.0% | \$ 1,461 | \$ 1,532 | |
| Willow Lake Estates | 161 West River Road | Elgin | IL | 60123 | MH | 111 | | | 617 | 617 | 70.3% | 65.2% | \$ 8,915 | \$ 9,118 | |
| Golf Vista Estates | 4951 Augusta Boulevard | Monee | IL | 60449 | MH | 144 | 4 | | 408 | 408 | 92.6% | 90.4% | \$ 7,108 | \$ 7,154 | |
| Indian Lakes | 7234 E. SR Highway 46 | Batesville | IN | 47006 | RV | 545 | 159 | 318 | 1,000 | 243 | 100.0% | 100.0% | \$ 1,600 | \$ 1,676 | |
| Horseshoe Lakes | 12962 S. 225 W. | Clinton | IN | 47842 | RV | 289 | 96 | 96 | 123 | 30 | 100.0% | 100.0% | \$ 1,148 | \$ 1,219 | |
| Twin Mills RV | 1675 W SR 120 | Howe | IN | 46746 | RV | 137 | 5 | 50 | 501 | 168 | 100.0% | 100.0% | \$ 2,176 | \$ 2,168 | |
| Hoosier Estates (a) | 830 Campbell Street | Lebanon | IN | 46052 | MH | 60 | | | 288 | 288 | 92.4% | | \$ 2,876 | | |
| Lakeside | 7089 N. Chicago Road | New Carlisle | IN | 46552 | RV | 13 | | | 91 | 76 | 100.0% | 100.0% | \$ 2,261 | \$ 2,383 | |
| Oak Tree Village | 254 Sandalwood Ave. | Portage | IN | 46368 | MH | 76 | | | 361 | 361 | 67.0% | 68.1% | \$ 5,254 | \$ 5,185 | |
| North Glen Village (a) | 18200 U.S. 31 N #292 | Westfield | IN | 46074 | MH | 88 | | | 289 | 289 | 83.4% | | \$ 3,471 | | |
| Diamond Caverns Resort | 1878 Mammoth Cave Pkwy | Park City | KY | 42160 | RV | 714 | 350 | 469 | 220 | 1 | 100.0% | 100.0% | \$ 1,473 | \$ 1,477 | |
| Lake in the Hills (a) | 2700 Shimmons Road | Auburn Hills | MI | 48326 | MH | 51 | | | 237 | 237 | 84.8% | | \$ 5,485 | | |
| Bear Cave Resort | 4085 N. Red Bud Trail | Buchanan | MI | 49107 | RV | 25 | 10 | | 136 | 12 | 100.0% | 100.0% | \$ 1,762 | \$ 1,781 | |
| Fairchild Lake (a) | 49645 Au Lac Drive | Chesterfield | MI | 48051 | MH | 78 | | | 344 | 344 | 72.1% | | \$ 5,474 | | |
| Old Orchard (a) | 10500 Lapeer Road | Davison | MI | 48423 | MH | 41 | | | 200 | 200 | 68.5% | | \$ 5,162 | | |
| Grand Blanc Crossing (a) | 8225 Embury Road | Grand Blanc | MI | 48439 | MH | 221 | | | 478 | 478 | 49.8% | | \$ 5,102 | | |

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| Property | Address | City | State | ZIP | MH/RV | Acres (c) | Developable Acres (d) | Expansion Sites (e) | Total Number of Sites as of 12/31/11 | Total Number of Annual Sites as of 12/31/11 | Annual Site Occupancy as of 12/31/11 | Annual Site Occupancy as of 12/31/10 | Annual Rent as of 12/31/11 | Annual Rent as of 12/31/10 |
|--------------------------------|-----------------------------|-----------------|-------|--------|-------|-----------|-----------------------|---------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|----------------------------|----------------------------|
| Holly Hills (a) | 16181 Lancaster Way | Holly | MI | 48442 | MH | 198 | | | 241 | 241 | 62.2% | | \$ 4,684 | |
| Royal Estates (a) | 8300 Ravine Road | Kalamazoo | MI | 49009 | MH | 63 | | | 183 | 183 | 79.2% | | \$ 4,731 | |
| Westbridge Manor (a) | 45301 Chateau Thierry Blvd. | Macomb | MI | 48044 | MH | 400 | | | 1,424 | 1,424 | 55.6% | | \$ 5,386 | |
| Westbrook (a) | 45013 Catalpa Blvd. | Macomb | MI | 48044 | MH | 79 | | | 387 | 387 | 95.6% | | \$ 6,195 | |
| Oakland Glens (a) | 41875 Carousel Street | Novi | MI | 48377 | MH | 118 | | | 724 | 724 | 56.5% | | \$ 5,309 | |
| Avon on the Lake (a) | 2889 Sandpiper | Rochester Hills | MI | 48309 | MH | 83 | | | 616 | 616 | 73.2% | | \$ 6,332 | |
| Saint Claire | 1299 Wadhams Rd | Saint Claire | MI | 48079 | RV | 210 | 100 | | 229 | 16 | 100.0% | 100.0% | \$ 1,837 | \$ 1,795 |
| Cranberry Lake (a) | 9620 Highland Road | White Lake | MI | 48386 | MH | 54 | | | 328 | 328 | 78.7% | | \$ 6,116 | |
| Ferrand Estates (a) | 2680 44th Street | Wyoming | MI | 449519 | MH | 80 | | | 419 | 419 | 75.9% | | \$ 5,137 | |
| Swan Creek (a) | 6988 McKean | Ypsilanti | MI | 48197 | MH | 59 | | | 294 | 294 | 87.1% | | \$ 5,475 | |
| Cedar Knolls (a) | 12571 Garland Avenue | Apple Valley | MN | 55124 | MH | 93 | | | 457 | 457 | 84.0% | | \$ 6,721 | |
| Cimarron Park (a) | 901 Lake Elmo Ave N | Lake Elmo | MN | 55042 | MH | 230 | | | 505 | 505 | 84.6% | | \$ 6,804 | |
| Rockford Riverview Estates (a) | 135 Highview Road | Rockford | MN | 55373 | MH | 88 | | | 429 | 429 | 84.4% | | \$ 4,101 | |
| Rosemount Woods (a) | 13925 Bunratty Avenue | Rosemount | MN | 55068 | MH | 50 | | | 182 | 182 | 94.0% | | \$ 6,394 | |
| Buena Vista (a) | 4301 El Tora Boulevard | Fargo | ND | 58103 | MH | 76 | | | 398 | 398 | 92.7% | | \$ 4,463 | |
| Meadow Park (a) | 3220 12th Avenue North | Fargo | ND | 58102 | MH | 17 | | | 116 | 116 | 89.7% | | \$ 3,480 | |
| Kenisee Lake | 2021 Mill Creek Rd | Jefferson | OH | 44047 | RV | 143 | 50 | | 119 | 31 | 100.0% | 100.0% | \$ 1,208 | \$ 1,224 |
| Wilmington | 1786 S.R. 380 | Wilmington | OH | 45177 | RV | 109 | 41 | | 169 | 53 | 100.0% | 100.0% | \$ 1,680 | \$ 1,684 |
| Natchez Trace | 1363 Napier Rd | Hohenwald | TN | 38462 | RV | 672 | 140 | | 531 | 80 | 100.0% | 100.0% | \$ 1,199 | \$ 1,188 |
| Cherokee Landing | PO Box 37 | Middleton | TN | 38052 | RV | 254 | 124 | | 339 | 1 | 100.0% | | \$ 1,117 | |
| Fremont | E. 6506 Highway 110 | Fremont | WI | 54940 | RV | 98 | 5 | | 325 | 82 | 100.0% | 100.0% | \$ 2,670 | \$ 2,724 |
| Yukon Trails | N2330 Co Rd. HH | Lyndon Station | WI | 53944 | RV | 150 | 30 | | 214 | 92 | 100.0% | 100.0% | \$ 1,766 | \$ 1,735 |
| Plymouth Rock | N. 7271 Lando St. | Plymouth | WI | 53073 | RV | 133 | | | 610 | 409 | 100.0% | 100.0% | \$ 2,124 | \$ 2,180 |

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| | | | | | | | | | | | | | | |
|---------------------|----------------------------|--------------------|----|-------|----|-----|----|-----|-----|-----|--------|--------|----------|----------|
| Tranquil Timbers | 3668 Grondin Road | Sturgeon Bay | WI | 54235 | RV | 125 | | | 270 | 172 | 100.0% | 100.0% | \$ 1,908 | \$ 1,910 |
| Arrowhead | W1530 Arrowhead Road | Wisconsin Dells | WI | 53965 | RV | 166 | 40 | 200 | 377 | 175 | 100.0% | 100.0% | \$ 1,773 | \$ 1,698 |

| | | | | | | | | | | | | | | | |
|-------------------------------------|--|--|--|--|--|--|--------------|--------------|--------------|---------------|---------------|--------------|--------------|-----------------|-----------------|
| Total Midwest Market | | | | | | | 6,763 | 1,314 | 1,933 | 15,538 | 11,506 | 78.0% | 89.7% | \$ 4,833 | \$ 3,898 |
| Nevada and Utah | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | |
|------------------------------|------------------------------|-------------------|----|-------|----|----|--|--|-----|-----|--------|--------|----------|----------|
| Mountain View - NV (a) | 148 Day Street | Henderson | NV | 89074 | MH | 72 | | | 354 | 354 | 96.3% | | \$ 8,150 | |
| Las Vegas | 4295 Boulder Highway | Las Vegas | NV | 89121 | RV | 11 | | | 217 | 9 | 100.0% | 100.0% | \$ 2,869 | \$ 2,843 |
| Bonanza | 3700 East Stewart Ave | Las Vegas | NV | 89110 | MH | 43 | | | 353 | 353 | 63.2% | 63.5% | \$ 6,342 | \$ 6,232 |
| Boulder Cascade | 1601 South Sandhill Rd | Las Vegas | NV | 89104 | MH | 39 | | | 299 | 299 | 80.6% | 81.6% | \$ 6,621 | \$ 6,514 |
| Cabana | 5303 East Twain | Las Vegas | NV | 89122 | MH | 37 | | | 263 | 263 | 97.3% | 97.0% | \$ 6,991 | \$ 6,926 |
| Flamingo West | 8122 West Flamingo Rd. | Las Vegas | NV | 89147 | MH | 37 | | | 258 | 258 | 97.3% | 96.1% | \$ 7,685 | \$ 7,685 |
| Villa Borega | 1111 N. Lamb Boulevard | Las Vegas | NV | 89110 | MH | 40 | | | 293 | 293 | 79.5% | 79.2% | \$ 6,879 | \$ 6,648 |
| Westwood Village | 1111 N. 2000 West | Farr West | UT | 84404 | MH | 46 | | | 314 | 314 | 98.4% | 94.6% | \$ 4,781 | \$ 4,686 |
| All Seasons | 290 N. Redwood Rd | Salt Lake City | UT | 84116 | MH | 19 | | | 121 | 121 | 100.0% | 87.6% | \$ 5,499 | \$ 5,414 |
| St. George | 5800 N. Highway 91 | Hurricane | UT | 84737 | RV | 26 | | | 123 | 8 | 100.0% | 100.0% | \$ 2,100 | \$ 2,000 |

| | | | | | | | | | | | | | | | |
|---|--|--|--|--|--|--|------------|----------|----------|--------------|--------------|--------------|--------------|-----------------|-----------------|
| Total Nevada and Utah Market | | | | | | | 370 | 0 | 0 | 2,595 | 2,272 | 87.7% | 84.6% | \$ 6,675 | \$ 6,304 |
| Northwest | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | |
|---|--|--------------------|----|------------|----|-----|-----|-----|-----|----|--------|--------|----------|----------|
| Cultus Lake (Canada) | 1855 Columbia Valley Hwy | Lindell Beach | BC | V2R 4W6 | RV | 15 | | | 178 | 33 | 100.0% | 100.0% | \$ 3,430 | \$ 3,238 |
| Coach Royale (a) | 181 North Liberty Street | Boise | ID | 83704 | MH | 12 | | | 91 | 91 | 73.6% | | \$ 4,475 | |
| Thousand Trails Bend Pacific City | 17480 S Century Dr 30000 Sandlake Rd | Bend Cloverdale | OR | 97707 | RV | 289 | 100 | 145 | 351 | 10 | 100.0% | 100.0% | \$ 2,993 | \$ 2,770 |
| South Jetty | 05010 South Jetty Rd | Florence | OR | 97439 | RV | 57 | | | 204 | 3 | 100.0% | 100.0% | \$ 2,178 | \$ 2,250 |
| Seaside Resort | 1703 12th Ave | Seaside | OR | 97138 | RV | 80 | | | 251 | 20 | 100.0% | 100.0% | \$ 3,233 | \$ 3,134 |
| Whaler s Rest Resort | 50 SE 123rd St | South Beach | OR | 97366 | RV | 39 | | | 170 | 19 | 100.0% | 100.0% | \$ 3,454 | \$ 3,280 |

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| Property | Address | City | State | ZIP | MH/RV | Acres ^(c) | Developable Acres ^(d) | Expansion Sites ^(e) | Total Number of Sites as of 12/31/11 | Total Number of Annual Sites as of 12/31/11 | Annual Site Occupancy as of 12/31/11 | Annual Site Occupancy as of 12/31/10 | Annual Rent as of 12/31/11 | Annual Rent as of 12/31/10 |
|-------------------------------|---------------------------|--------------|-------|-------|-------|----------------------|----------------------------------|--------------------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|----------------------------|----------------------------|
| Mt. Hood | 65000 E Highway 26 | Welches | OR | 97067 | RV | 115 | 30 | 202 | 436 | 78 | 100.0% | 100.0% | \$ 5,460 | \$ 5,336 |
| Shadowbrook | 13640 S.E. Hwy 212 | Clackamas | OR | 97015 | MH | 21 | | | 156 | 156 | 96.8% | 96.8% | \$ 7,520 | \$ 7,350 |
| Falcon Wood Village | 1475 Green Acres Road | Eugene | OR | 97408 | MH | 23 | | | 183 | 183 | 87.4% | 86.9% | \$ 5,939 | \$ 5,741 |
| Quail Hollow ^(b) | 2100 N.E. Sandy Blvd. | Fairview | OR | 97024 | MH | 21 | | | 137 | 137 | 92.7% | 94.2% | \$ 7,446 | \$ 7,297 |
| Birch Bay | 8418 Harborview Rd | Blaine | WA | 98230 | RV | 31 | | | 246 | 17 | 100.0% | 100.0% | \$ 2,485 | \$ 2,417 |
| Mt. Vernon | 5409 N. Darrk Ln | Bow | WA | 98232 | RV | 311 | | | 251 | 28 | 100.0% | 100.0% | \$ 2,906 | \$ 2,616 |
| Chehalis | 2228 Centralia-Alpha Rd | Chehalis | WA | 98532 | RV | 309 | 85 | | 360 | 24 | 100.0% | 100.0% | \$ 2,228 | \$ 1,680 |
| Grandy Creek | 7370 Russell Rd | Concrete | WA | 98237 | RV | 63 | | | 179 | 2 | 100.0% | 100.0% | \$ 2,643 | \$ 2,650 |
| Tall Chief | 29290 SE 8th Street | Fall City | WA | 98024 | RV | 71 | | | 180 | 23 | 100.0% | 100.0% | \$ 2,435 | \$ 1,847 |
| La Conner ^(b) | 16362 Sneec Oosh Rd | La Conner | WA | 98257 | RV | 106 | 5 | | 319 | 28 | 100.0% | 100.0% | \$ 3,648 | \$ 3,452 |
| Leavenworth | 20752-4 Chiwawa Loop Rd | Leavenworth | WA | 98826 | RV | 255 | 50 | | 266 | 8 | 100.0% | 100.0% | \$ 1,890 | \$ 1,730 |
| Thunderbird Resort | 26702 Ben Howard Rd | Monroe | WA | 98272 | RV | 45 | 2 | | 136 | 9 | 100.0% | 100.0% | \$ 2,530 | \$ 2,386 |
| Little Diamond | 1002 McGowen Rd | Newport | WA | 99156 | RV | 360 | 119 | | 520 | 8 | 100.0% | 100.0% | \$ 1,540 | \$ 1,514 |
| Oceana Resort | 2733 State Route 109 | Oceana City | WA | 98569 | RV | 16 | | | 84 | 5 | 100.0% | 100.0% | \$ 1,752 | \$ 1,526 |
| Crescent Bar Resort | 9252 Crescent Bar Rd NW | Quincy | WA | 98848 | RV | 14 | | | 115 | 6 | 100.0% | 100.0% | \$ 2,749 | \$ 2,664 |
| Long Beach | 2215 Willows Rd | Seaview | WA | 98644 | RV | 17 | | | 144 | 5 | 100.0% | 100.0% | \$ 2,365 | \$ 2,335 |
| Paradise Resort | 173 Salem Plant Rd | Silver Creek | WA | 98585 | RV | 60 | | | 214 | 10 | 100.0% | 100.0% | \$ 2,034 | \$ 1,636 |
| Cascade Resort ^(g) | 34500 SE 99th St | Snoqualmie | WA | 98065 | RV | 20 | | | 163 | | | | | |
| Kloshe Illahee | 2500 S. 370th Street | Federal Way | WA | 98003 | MH | 50 | | | 258 | 258 | 98.4% | 97.3% | \$ 9,099 | \$ 9,054 |
| Total Northwest Market | | | | | | 2,689 | 391 | 347 | 7,016 | 2,310 | 91.9% | 95.8% | \$ 6,228 | \$ 6,296 |
| Texas | | | | | | | | | | | | | | |
| Bay Landing | 2305 Highway 380 W | Bridgeport | TX | 76426 | RV | 443 | 235 | | 293 | 41 | 100.0% | 100.0% | \$ 1,981 | \$ 1,953 |
| Colorado River | 1062 Thousand Trails Lane | Columbus | TX | 78934 | RV | 218 | 51 | | 132 | 22 | 100.0% | 100.0% | \$ 2,939 | \$ 2,771 |
| Lake Texoma | 209 Thousand Trails Dr | Gordonville | TX | 76245 | RV | 201 | 79 | | 301 | 150 | 100.0% | 100.0% | \$ 1,800 | \$ 1,732 |
| Lakewood | 4525 Graham Road | Harlingen | TX | 78552 | RV | 30 | | | 301 | 116 | 100.0% | 100.0% | \$ 2,024 | \$ 1,976 |
| Paradise Park RV | 1201 N. Expressway 77 | Harlingen | TX | 78552 | RV | 60 | | | 563 | 296 | 100.0% | 100.0% | \$ 3,152 | \$ 3,109 |
| Sunshine RV | 1900 Grace Avenue | Harlingen | TX | 78550 | RV | 84 | | | 1,027 | 413 | 100.0% | 100.0% | \$ 2,505 | \$ 2,543 |
| Tropic Winds | 1501 N Loop 499 | Harlingen | TX | 78550 | RV | 112 | 74 | | 531 | 143 | 100.0% | 100.0% | \$ 1,964 | \$ 1,794 |
| Medina Lake | 215 Spettle Rd | Lakehills | TX | 78063 | RV | 208 | 50 | | 387 | 60 | 100.0% | 100.0% | \$ 2,177 | \$ 2,067 |
| | | Mercedes | TX | 78570 | RV | 49 | | | 493 | 193 | 100.0% | 100.0% | \$ 2,111 | \$ 2,137 |

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| | | | | | | | | | | | | | | |
|--------------------------------|--------------------------|------------|----|-------|----|---------------|--------------|--------------|----------------|---------------|---------------|---------------|-----------------|-----------------|
| Paradise South Lake | 9909 N. Mile 2 West Rd. | | | | | | | | | | | | | |
| Tawakoni | 1246 Rains Co. Rd 1470 | Point | TX | 75472 | RV | 480 | 11 | | 320 | 65 | 100.0% | 100.0% | \$ 1,766 | \$ 1,831 |
| Fun n Sun RV | 1400 Zillock Rd | San Benito | TX | 78586 | RV | 135 | 40 | | 1,435 | 625 | 100.0% | 100.0% | \$ 3,094 | \$ 3,098 |
| Southern Comfort | 1501 South Airport Drive | Weslaco | TX | 78596 | RV | 40 | | | 403 | 336 | 100.0% | 100.0% | \$ 2,747 | \$ 2,707 |
| Country Sunshine Lake | 1601 South Airport Road | Weslaco | TX | 78596 | RV | 37 | | | 390 | 183 | 100.0% | 100.0% | \$ 2,782 | \$ 2,714 |
| Whitney Lake | 417 Thousand Trails Dr | Whitney | TX | 76692 | RV | 403 | 158 | | 261 | 35 | 100.0% | 100.0% | \$ 2,367 | \$ 2,305 |
| Lake Conroe | 11720 Old Montgomery Rd | Willis | TX | 77318 | RV | 129 | 30 | 300 | 363 | 117 | 100.0% | 100.0% | \$ 3,602 | \$ 3,595 |
| Total Texas Market | | | | | | 2,629 | 728 | 300 | 7,200 | 2,795 | 100.0% | 100.0% | \$ 2,655 | \$ 2,661 |
| Grand Total All Markets | | | | | | 38,134 | 5,263 | 8,457 | 138,057 | 98,512 | 91.4% | 92.4% | \$ 5,600 | \$ 5,471 |

- (a) Property acquired in 2011.
- (b) Land is leased by the Company under a non-cancelable operating lease. (See Note 11 in the Notes to Consolidated Financial Statements contained in this Form 10-K.)
- (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 vacancy 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 the Company during all of 2011. Property is leased to a third party operator or was closed for all or a portion of 2011.

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Item 3. Legal Proceedings

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

Item 4. [Removed and Reserved.]

Table of Contents**PART II****Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.**

The Company's common stock is traded on the New York Stock Exchange (NYSE) under the symbol ELS. On February 27, 2012, the reported closing price per share of ELS common stock on the NYSE was \$67.41 and there were approximately 12,554 beneficial holders of record. The high and low sales prices and closing sales prices on the NYSE and distributions for the Company's common stock during 2011 and 2010 are set forth in the table below:

| | Close | High | Low | Distributions Declared |
|-------------|----------|----------|----------|------------------------|
| 2011 | | | | |
| 1st Quarter | \$ 57.65 | \$ 58.35 | \$ 54.35 | 0.375 |
| 2nd Quarter | 62.44 | 64.92 | 55.83 | 0.375 |
| 3rd Quarter | 62.70 | 73.27 | 56.27 | 0.375 |
| 4th Quarter | 66.69 | 67.27 | 58.37 | 0.375 |
| 2010 | | | | |
| 1st Quarter | \$ 53.88 | \$ 54.95 | \$ 46.01 | 0.300 |
| 2nd Quarter | 48.23 | 58.51 | 46.65 | 0.300 |
| 3rd Quarter | 54.48 | 56.26 | 46.63 | 0.300 |
| 4th Quarter | 55.93 | 59.51 | 53.05 | 0.300 |

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 |
|--------------------|---|---|--|--|
| 10/1/11 - 10/31/11 | | | None | None |
| 11/1/11 - 11/30/11 | 376 | \$ 62.77 | None | None |
| 12/1/11 - 12/31/11 | | | None | None |

- ^(a) Of the common stock repurchased from October 1, 2011 through December 31, 2011, 376 shares were repurchased at the open market price and represent common stock surrendered to the Company to satisfy income tax withholding obligations due as a result of the vesting of Restricted Share Grants. Certain executive officers of the Company may from time to time adopt non-discretionary, written trading plans that comply with Commission Rule 10b5-1, or otherwise monetize their equity-based compensation. Commission Rule 10b5-1 provides executives with a method to monetize their equity-based compensation in an automatic and non-discretionary manner over time.

Table of Contents**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 the historical financial statements of the Company. 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, | | | | |
|---|--------------------------|----------------|----------------|----------------|----------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 |
| Revenues: | | | | | |
| Community base rental income | \$ 318,851 | \$ 259,351 | \$ 253,379 | \$ 245,833 | \$ 236,933 |
| Resort base rental income | 130,489 | 129,481 | 124,822 | 111,876 | 102,372 |
| Right-to-use annual payments ⁽¹⁾ | 49,122 | 49,831 | 50,765 | 19,667 | |
| Right-to-use contracts current period, gross ⁽¹⁾ | 17,856 | 19,496 | 21,526 | 10,951 | |
| Right-to-use contracts, deferred, net of prior period amortization ⁽¹⁾ | (11,936) | (14,856) | (18,882) | (10,611) | |
| Utility and other income | 53,843 | 48,357 | 47,685 | 41,633 | 36,849 |
| Gross revenues from home sales | 6,088 | 6,120 | 7,136 | 21,845 | 33,333 |
| Brokered resale revenues, net | 806 | 918 | 758 | 1,094 | 1,528 |
| Ancillary services revenues, net | 1,502 | 2,504 | 2,745 | 1,197 | 2,436 |
| Interest income | 7,000 | 4,419 | 5,119 | 3,095 | 1,732 |
| Income from other investments, net ⁽²⁾ | 6,452 | 5,740 | 8,168 | 17,006 | 22,476 |
| Total revenue | 580,073 | 511,361 | 503,221 | 463,586 | 437,659 |
| Expenses: | | | | | |
| Property operating and maintenance | 200,623 | 185,786 | 180,870 | 152,363 | 127,342 |
| Real estate taxes | 37,619 | 32,110 | 31,674 | 29,457 | 27,429 |
| Sales and marketing, gross ⁽¹⁾ | 11,219 | 12,606 | 13,536 | 7,116 | |
| Sales and marketing, deferred commissions, net ⁽¹⁾ | (4,789) | (5,525) | (5,729) | (3,644) | |
| Property management | 35,076 | 32,639 | 33,383 | 25,451 | 18,385 |
| Depreciation on real estate and other costs | 79,981 | 68,125 | 69,049 | 66,193 | 63,554 |
| Amortization of in-place leases ⁽³⁾ | 28,479 | | | | |
| Cost of home sales | 5,683 | 5,396 | 7,471 | 24,069 | 30,713 |
| Home selling expenses | 1,589 | 2,078 | 2,383 | 5,776 | 7,555 |
| General and administrative | 23,833 | 22,559 | 22,279 | 20,617 | 15,591 |
| Transaction costs ⁽³⁾ | 18,493 | | | | |
| Rent control initiatives | 1,009 | 1,120 | 456 | 1,555 | 2,657 |
| Impairment ⁽⁴⁾ | | 3,635 | | | |
| Depreciation on corporate assets | 1,034 | 1,080 | 1,039 | 390 | 437 |
| Interest and related amortization | 99,668 | 91,151 | 98,311 | 99,430 | 103,070 |
| Total expenses | 539,517 | 452,760 | 454,722 | 428,773 | 396,733 |
| Income before equity in income of unconsolidated joint ventures | 40,556 | 58,601 | 48,499 | 34,813 | 40,926 |
| Equity in income of unconsolidated joint ventures | 1,948 | 2,027 | 2,896 | 3,753 | 2,696 |
| Consolidated income from continuing operations | 42,504 | 60,628 | 51,395 | 38,566 | 43,622 |
| Discontinued Operations: | | | | | |
| Discontinued operations | | | 181 | 257 | 289 |
| (Loss) income from real estate | | (231) | 4,685 | (79) | 12,036 |
| (Loss) income from discontinued operation | | (231) | 4,866 | 178 | 12,325 |
| Consolidated net income | 42,504 | 60,397 | 56,261 | 38,744 | 55,947 |
| Income allocated to non-controlling interests - Common OP Units | (3,105) | (5,903) | (6,113) | (4,297) | (7,705) |
| Income allocated to non-controlling interests - Perpetual Preferred OP Units | (2,801) | (16,140) | (16,143) | (16,144) | (16,140) |

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| | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|
| Series A Redeemable Perpetual Preferred Stock Dividends ⁽⁵⁾ | (13,357) | | | | |
| Series B Redeemable Preferred Stock Dividends | (466) | | | | |
| Net income available for Common Shares | \$ 22,775 | \$ 38,354 | \$ 34,005 | \$ 18,303 | \$ 32,102 |

Table of Contents**Equity LifeStyle Properties, Inc.****Consolidated Historical Financial Information**

(continued)

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

| | As of December 31, | | | | |
|---|--------------------|--------------|--------------|--------------|--------------|
| | 2011 | 2010 | 2009 | 2008 | 2007 |
| Earnings per Common Share Basic: | | | | | |
| Income from continuing operations available for Common Shares | \$ 0.64 | \$ 1.26 | \$ 1.08 | \$ 0.74 | \$ 0.92 |
| Income from discontinued operation | \$ | \$ | \$ 0.15 | \$ 0.01 | \$ 0.41 |
| Net income available for Common Share | \$ 0.64 | \$ 1.26 | \$ 1.23 | \$ 0.75 | \$ 1.33 |
| Earnings per Common Share Fully Diluted: | | | | | |
| Income from continuing operations available for Common Shares | \$ 0.64 | \$ 1.25 | \$ 1.07 | \$ 0.74 | \$ 0.90 |
| Income from discontinued operation | \$ | \$ | \$ 0.15 | \$ 0.01 | \$ 0.41 |
| Net income available for Common Share | \$ 0.64 | \$ 1.25 | \$ 1.22 | \$ 0.75 | \$ 1.31 |
| Distributions declared per Common Share outstanding | \$ 1.50 | \$ 1.20 | \$ 1.10 | \$ 0.80 | \$ 0.60 |
| Weighted average Common Shares outstanding basic | 35,591 | 30,517 | 27,582 | 24,466 | 24,089 |
| Weighted average Common OP Units outstanding | 4,413 | 4,730 | 5,075 | 5,674 | 5,870 |
| Weighted average Common Shares outstanding fully diluted | 40,330 | 35,518 | 32,944 | 30,498 | 30,414 |
| Balance Sheet Data: | | | | | |
| Real estate, before accumulated depreciation ⁽⁶⁾ | \$ 4,079,373 | \$ 2,584,987 | \$ 2,538,215 | \$ 2,491,021 | \$ 2,396,115 |
| Total assets | 3,496,101 | 2,048,395 | 2,166,319 | 2,091,647 | 2,033,695 |
| Total mortgages and term loan | 2,284,683 | 1,412,919 | 1,547,901 | 1,662,403 | 1,659,392 |
| Non-controlling interest ⁽⁵⁾ | | 200,000 | 200,000 | 200,000 | 200,000 |
| Series A Preferred Stock ⁽⁵⁾ | 200,000 | | | | |
| Total equity ⁽⁷⁾ | 799,280 | 260,158 | 254,427 | 96,234 | 88,717 |
| Other Data: | | | | | |
| Funds from operations ⁽⁸⁾ | \$ 143,182 | \$ 123,162 | \$ 118,082 | \$ 97,615 | \$ 92,752 |
| Total Properties (at end of period) ⁽³⁾ | 382 | 307 | 304 | 309 | 311 |
| Total sites (at end of period) ⁽³⁾ | 141,132 | 111,002 | 110,575 | 112,211 | 112,779 |

- (1) New activity starting on August 14, 2008 due to the acquisition of the operations of Privileged Access, LP (Privileged Access).
- (2) Between November 10, 2004 and August 13, 2008, Income from other investments, net included rental income from the lease of membership Properties to Thousand Trails (TT) or its subsequent owner, Privileged Access. On August 14, 2008, the Company acquired substantially all of the assets and certain liabilities of Privileged Access, which included the operations of TT. The lease of membership Properties to TT was terminated upon closing. As a result of the lease termination, beginning August 14, 2008, Income from other investments, net no longer included rental income from the lease of membership Properties. (See Note 2(n) in the Notes to Consolidated Financial Statements contained in this Form 10-K.)
- (3) During the year ended December 31, 2011, the Company acquired a portfolio of 74 manufactured home communities and one RV resort (the Acquisition Properties) containing 30,129 sites on approximately 6,400 acres located in 16 states and certain manufactured homes and loans secured by manufactured homes located at the Acquisition Properties which the Company refers to as the Home Related Assets. (See Note

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19 in the Notes to the Consolidated Financial Statements contained in this Form 10-K for further discussion on the Acquisition.) The in-place leases acquired in the Acquisition have an estimated useful life of one-year. Transaction costs consist primarily of the following costs incurred related to the Acquisition: seller's debt defeasance costs, transfer tax, professional fees, and costs related to due diligence items such as title, survey, zoning and environmental.

- (4) Represents a non-cash charge related to the write-off of goodwill of approximately \$3.6 million. The goodwill was recorded in connection with the Company's August 2009 acquisition of a small Florida internet and media based advertising business.
- (5) On March 4, 2011, the Company, on behalf of selling stockholders, closed on a public offering of 8.0 million shares of Series A Preferred Stock, par value \$0.01 per share, liquidation preference of \$25.00 per share, at a price of \$24.75 per share. 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. Holders of the Series A Preferred Stock have preference rights with respect to liquidation and distributions over the common stock. The Company has the option at any time to redeem the Series A Preferred Stock at a redemption price of \$25.00 per share, plus accumulated and unpaid dividends. The Company did not receive any proceeds from the offering.
- (6) The Company believes that the book value of the Properties, which reflects the historical costs of such real estate assets less accumulated depreciation, is less than the current market value of the Properties.
- (7) On June 7, 2011, the Company issued 6,037,500 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, the Company issued 1,708,276 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, to partially fund the Acquisition, which is discussed in more detail in Note 19 in the Notes to the Consolidated Financial Statements contained in this Form 10-K. All of the Series B Preferred Stock was redeemed for Common Stock prior to December 31, 2011. On June 29, 2009, the Company issued 4.6 million shares of common stock in an equity offering for proceeds of approximately \$146.4 million, net of offering costs.
- (8) Refer to Item 7 contained in this Form 10-K for information regarding why the Company presents funds from operations and for a reconciliation of this non-GAAP financial measure to net income.

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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.

2011 Accomplishments

Closed on the acquisition of 74 manufactured home communities and one RV resort for a purchase price of approximately \$1.5 billion including assumed debt. The newly acquired properties were located in 16 states and contain 30,129 sites. (See Note 19 in the Notes to the Consolidated Financial Statements contained in this Form 10-K for further discussion on the Acquisition.)

Issued 6.0 million shares of common stock in an equity offering for proceeds of approximately \$344.0 million, net of offering costs.

Closed on approximately \$200.0 million of secured financing with a weighted average interest rate of 5.02% per annum maturing in 2021.

Closed on a \$200.0 million term loan that matures on June 30, 2017.

Amended the Company’s Line of Credit to increase the borrowing capacity from \$100 million to \$380 million and extended the maturity date to September 18, 2015.

Raised the annual dividend to \$1.50 per share in 2011, up from \$1.20 per share in 2010.

Overview and Outlook

Occupancy in the Company’s Properties as well as its ability to increase rental rates directly affects revenues. The Company’s revenue streams are predominantly derived from customers renting its sites on a long-term basis.

The Company has approximately 95,100 annual sites, approximately 9,000 seasonal sites, which are leased to customers generally for three to six months, and approximately 9,700 transient sites, occupied by customers who lease sites on a short-term basis. The revenue from seasonal and transient sites is generally higher during the first and third quarters. The Company expects to service over 100,000 customers at its transient sites and the Company considers this revenue stream to be its most volatile as it is subject to weather conditions, gas prices, and other factors affecting the marginal RV customer’s vacation and travel preferences. Finally, the Company has approximately 24,300 sites designated as right-to-use sites, which are primarily utilized to service the approximately 105,000 customers who have right-to-use contracts. The Company also has interests in Properties containing approximately 3,100 sites for which revenue is classified as Equity in income from unconsolidated joint ventures in the Consolidated Statements of Operations.

| | Total Sites as of Dec. 31, 2011 |
|-------------------------------|--|
| Community sites | 74,100 |
| Resort sites: | |
| Annual | 21,000 |
| Seasonal | 9,000 |
| Transient | 9,700 |
| Right-to-use ⁽¹⁾ | 24,300 |
| Joint Ventures ⁽²⁾ | 3,100 |

- (1) Includes approximately 3,000 sites rented on an annual basis.
- (2) Joint Venture income is included in Equity in income of unconsolidated joint ventures.

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A significant portion of the Company's rental agreements on community sites are directly or indirectly tied to published CPI statistics that are issued during June through September each year. The Company currently expects its 2012 Core community base rental income to increase approximately 2.3% as compared to 2011. The Company has already notified 75% of its community site customers of rent increases reflecting this revenue growth.

The Company believes that the disruption in the site-built housing market is contributing to the low new home sales volumes it is experiencing as potential customers are not able to sell their existing site-built homes. Customers have also become more price sensitive, which is reflected in an increase in used home sale volumes.

In this environment, the Company believes that customer demand for rentals, which do not require a down payment, is high. The Company is adapting to this by renting its vacant new homes. This may represent an attractive source of occupancy if the Company can convert renters to new homebuyers in the future. The Company is also focusing on smaller, more energy efficient and more affordable homes in its manufactured home Properties.

The Company's manufactured home rental operations have been increasing since 2007. For the year ended December 31, 2011, occupied manufactured home rentals increased to 4,423, or 387.7%, from 907 for the year ended December 31, 2007. Net operating income increased to approximately \$23.1 million in 2011 from approximately \$5.9 million in 2007. The Company believes that unlike the home sales business, at this time the Company competes effectively with other types of rentals (i.e. apartments). The Company is currently evaluating whether it wants to continue to invest in additional rental units.

In the Company's resort Properties, the Company continues to work on extending customer stays. The Company has had success lengthening customer stays.

The Company has introduced low-cost membership products that focus on the installed base of almost eight million RV owners. Such products may include right-to-use contracts that entitle the customer to use certain properties (the Agreements). The Company is offering a Zone Park Pass (ZPP), which can be purchased for one to four zones of the United States and requires annual payments of \$499. This replaces high cost products that were sold at Properties after tours and lengthy sales presentations. The Company historically incurred significant costs to generate leads, conduct tours and make the sales presentations.

A single zone pass requires no upfront payment while passes for additional zones require modest upfront payments. For the year ended December 31, 2011, the Company sold approximately 7,500 ZPPs.

Existing customers may be offered an upgrade Agreement from time-to-time. The upgrade Agreement is currently distinguishable from a new Agreement that a customer would enter into by (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 and (4) access to additional Properties, which may include discounts at non-membership RV Properties. Each upgrade requires a nonrefundable upfront payment. The Company may finance the nonrefundable upfront payment under any Agreement.

Table of Contents**Property Acquisitions, Joint Ventures and Dispositions**

The following chart lists the Properties or portfolios acquired, invested in, or sold since January 1, 2010:

| Property | Transaction Date | Sites |
|--|-------------------|----------------|
| Total Sites as of January 1, 2010 | | 110,575 |
| Property or Portfolio (# of Properties in parentheses): | | |
| Acquisitions: | | |
| Desert Vista (1) | April 21, 2010 | 125 |
| St. George (1) | April 21, 2010 | 123 |
| Tall Chief (1) | April 21, 2010 | 180 |
| Valley Vista (1) | April 21, 2010 | 145 |
| Acquisition Properties (35) | July 1, 2011 | 12,044 |
| Acquisition Properties (16) | August 1, 2011 | 7,817 |
| Acquisition Properties (7) | September 1, 2011 | 3,105 |
| Acquisition Properties (2) | October 3, 2011 | 1,573 |
| Acquisition Properties (1) | October 11, 2011 | 521 |
| Acquisition Properties (7) | October 21, 2011 | 2,810 |
| Acquisition Properties (7) | December 7, 2011 | 2,259 |
| Expansion Site Development and other: | | |
| Sites added (reconfigured) in 2010 | | 19 |
| Sites added (reconfigured) in 2011 | | 1 |
| Dispositions: | | |
| Creekside (1) | January 10, 2010 | (165) |
| Total Sites as of December 31, 2011 | | 141,132 |

Since January 1, 2010 the gross investment in real estate increased from \$2,538 million to \$4,079 million as of December 31, 2011, due primarily to the aforementioned acquisitions and dispositions of Properties during the period.

Markets

The following table identifies the Company's largest markets by number of sites and provides information regarding the Company's Properties (excluding five Properties owned through Joint Ventures).

| Major Market | Number of Properties | Total Sites | Percent of Total Sites | Percent of Total Property Operating Revenues ⁽¹⁾ |
|--------------|----------------------|-------------|------------------------|---|
| Florida | 117 | 50,959 | 36.9% | 38.5% |
| Northeast | 66 | 23,703 | 17.2% | 3.6% |
| Arizona | 39 | 13,853 | 10.0% | 10.8% |
| California | 48 | 13,739 | 10.0% | 17.8% |
| Midwest | 47 | 16,746 | 12.1% | 16.7% |
| Texas | 15 | 7,200 | 5.2% | 2.9% |
| Northwest | 25 | 5,808 | 4.2% | 3.5% |
| Colorado | 10 | 3,454 | 2.5% | 3.6% |
| Other | 10 | 2,595 | 1.9% | 2.6% |
| Total | 377 | 138,057 | 100.0% | 100.0% |

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- ⁽¹⁾ Property operating revenues for this calculation excludes approximately \$19.1 million of property operating revenue not allocated to Properties, which consists primarily of upfront payments from right-to-use contracts.

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2011 Acquisition Disclosure

On May 31, 2011, the Company's operating partnership entered into purchase and other agreements (the "Purchase Agreements") to acquire a portfolio of 75 manufactured home communities and one RV resort (the "Acquisition Properties") containing 31,167 sites on approximately 6,500 acres located in 16 states (primarily located in Florida and the northeastern region of the United States) and certain manufactured homes and loans secured by manufactured homes located at the Acquisition Properties which the Company refers to as the "Home Related Assets" and collectively with the Acquisition Properties, as the "Acquisition Portfolio," for a stated purchase price of \$1.43 billion (the "Acquisition"). The Company completed the acquisition of 75 Acquisition Properties, containing 30,129 sites, during the six months ended December 31, 2011. Total transaction costs associated with the Acquisition for the year ended December 31, 2011 were approximately \$18.5 million.

The purchase price of the Acquisition was funded primarily through:

the net proceeds of approximately \$344.0 million from the Company's June 2011 public offering of 6,037,500 shares of common stock;

the assumption by the Company of fixed-rate, non-recourse mortgage indebtedness secured by 35 of the Acquisition Properties of approximately \$515.0 million, with stated interest rates ranging from 4.65% to 8.87% per annum and maturity dates ranging from 2012 to 2023;

the Company's issuance to the seller of: (i) 1,708,276 shares of the Company's common stock, and (ii) 1,740,000 shares of Series B Preferred Stock which in the Purchase Agreements have a stipulated aggregate value of \$200.0 million;

\$200.0 million of mortgage notes payable through two 10-year secured financings the Company entered into during the three months ended September 30, 2011 with a weighted average interest rate of approximately 5.02% per annum (see Note 8 in the Notes to the Consolidated Financial Statements contained in this Form 10-K for a description of the mortgage notes payable.); and

a \$200.0 million senior unsecured term loan (the "Term Loan") entered into on July 1, 2011 that matures on June 30, 2017 and has a one-year extension option, an interest rate of LIBOR plus 1.85% to 2.80% per annum and, subject to certain conditions, may be prepaid at any time without premium or penalty after July 1, 2014 (see Note 8 in the Notes to the Consolidated Financial Statements contained in this Form 10-k for a description of the Term Loan.)

The terms of the Purchase Agreement provided for a July 1, 2011 closing for one remaining Acquisition Property in Michigan, and as a result of underwriting issues related to the property the Company and seller agreed that the Company's acquisition of the Michigan property would be deemed terminated. The Company is continuing to perform due diligence on the Michigan property, but there can be no assurance that the Company will acquire the property. (See Note 19 in the Notes to the Consolidated Financial Statements contained in this Form 10-K.)

Critical Accounting Policies and Estimates

The Company's consolidated financial statements have been prepared in accordance with U.S. GAAP, which requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosures. The Company believes that the following critical accounting policies, among others, affect its more significant judgments and estimates used in the preparation of its consolidated financial statements.

Long-Lived Assets

For business combinations for which the acquisition date is on or after January 1, 2009, the purchase price of Properties is determined in accordance the Codification Topic "Business Combinations" (FASB ASC 805)

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which requires the Company to recognize all the assets acquired and all the liabilities assumed in a transaction at the acquisition-date fair value with limited exceptions. The Company also expenses transaction costs as they are incurred. Certain purchase price adjustments may be made within one year following any acquisition and applied retroactively to the date of acquisition.

In making estimates of fair values for purposes of allocating purchase price, the Company utilizes a number of sources, including independent appraisals that may be available in connection with the acquisition or financing of the respective Property and other market data. The Company also considers information obtained about each Property as a result of its due diligence, marketing and leasing activities in estimating the fair value of the tangible and intangible assets acquired.

Real estate is recorded at cost less accumulated depreciation. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. The Company generally uses a 30-year estimated life for buildings acquired and structural and land improvements (including site development), a ten-year estimated life for building upgrades and a five-year estimated life for furniture, fixtures and equipment and a one year life applied for acquired in-place leases. New rental units are generally depreciated using a 20-year estimated life from each model year down to a salvage value of 40% of the original costs. Used rental units are generally depreciated based on the estimated life of the unit with no estimated salvage value.

Expenditures for ordinary maintenance and repairs are expensed to operations as incurred, and significant renovations and improvements that improve the asset and extend the useful life of the asset are capitalized over their estimated useful life.

The values of above-and below-market leases are amortized and recorded as either an increase (in the case of below-market leases) or a decrease (in the case of above-market leases) to rental income over the remaining term of the associated lease. The value associated with in-place leases is amortized over the expected term, which includes an estimated probability of lease renewal.

The Company accounts for its Properties held for disposition in accordance with the Codification Sub-Topic Impairment or Disposal of Long Lived Assets (FASB ASC 360-10-35). The Company periodically evaluates its long-lived assets to be held and used, including its investments in real estate, for impairment indicators. The Company's judgments regarding the existence of impairment indicators are based on factors such as operational performance, market conditions and legal factors. Future events could occur which would cause the Company to conclude that impairment indicators exist and an impairment loss is warranted.

For long-lived assets to be held and used, if an impairment indicator exists, the Company compares the expected future undiscounted cash flows against the carrying amount of that asset. If the sum of the estimated undiscounted cash flows is less than the carrying amount of the asset, the Company would record an impairment loss if the estimated fair value is less than the carrying amount of the asset.

For Properties to be disposed of, an impairment loss is recognized when the fair value of the Property, less the estimated cost to sell, is less than the carrying amount of the Property measured at the time the Company has made a decision to dispose of the property, has a commitment to sell the Property and/or is actively marketing the Property for sale. A Property to be disposed of is reported at the lower of its carrying amount or its estimated fair value, less costs to sell. Subsequent to the date that a Property is held for disposition, depreciation expense is not recorded in accordance with FASB ASC 360-10-35. Accordingly, the results of operations for all assets sold or held for sale have been classified as discontinued operations in all periods presented.

Revenue Recognition

The Company accounts for leases with its customers as operating leases. Rental income is recognized over the term of the respective lease or the length of a customer's stay, the majority of which are for a term of not

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greater than one year. The Company will reserve for receivables when it believes the ultimate collection is less than probable. The Company's provision for uncollectible rents receivable was approximately \$4.4 million and \$3.0 million as of December 31, 2011 and December 31, 2010, respectively.

The Company accounts for the upfront payment related to the entry or upgrade of right-to-use contracts in accordance with the Codification Topic Revenue Recognition (FASB ASC 605). A right-to-use contract gives the customer the right to a set schedule of usage at a specified group of Properties. Customers may choose to upgrade their contracts to increase their usage and the number of Properties they may access. A contract requires the customer to make annual payments during the term of the contract and may require an upfront nonrefundable payment. The stated term of a right-to-use contract is at least one year and the customer may renew his contract by continuing to make the annual payments. The Company will recognize the upfront non-refundable payments over the estimated customer life which, based on historical attrition rates, the Company has estimated to be from one to 31 years. For example, the Company has currently estimated that 7.9% of customers who enter a new right-to-use contract will terminate their contract after five years. Therefore, the upfront nonrefundable payments from 7.9% of the contracts entered in any particular period are amortized on a straight-line basis over a period of five years as five years is the estimated customer life for 7.9% of the Company's customers who enter a contract. The historical attrition rates for upgrade contracts are lower than for new contracts, and therefore, the nonrefundable upfront payments for upgrade contracts are amortized at a different rate than for new contracts. The decision to recognize this revenue in accordance with FASB ASC 605 was made after corresponding during September and October of 2008 with the Office of the Chief Accountant at the SEC.

Right-to-use annual payments by customers under the terms of the right-to-use contracts are deferred and recognized ratably over the one-year period in which the services are provided.

Income from home sales is recognized when the earnings process is complete. The earnings process is complete when the home has been delivered, the purchaser has accepted the home and title has transferred.

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with the Codification Topic Stock Compensation (FASB ASC 718). The Company uses the Black-Scholes-Merton formula to estimate the value of stock options granted to employees, consultants and directors.

Non-controlling Interests

In December 2007, the FASB issued the Codification Topic Consolidation, an amendment of Accounting Research Bulletin No. 51 (FASB ASC 810). FASB ASC 810 seeks to improve uniformity and transparency in reporting of the net income attributable to non-controlling interests in the consolidated financial statements of the reporting entity. The statement requires, among other provisions, the disclosure, clear labeling and presentation of non-controlling interests in the Consolidated Balance Sheets and Consolidated Statements of Operations. Per FASB ASC 810, a non-controlling interest is the portion of equity (net assets) in a subsidiary not attributable, directly or indirectly, to a parent. The ownership interests in the subsidiary that are held by owners other than the parent are non-controlling interests. Under FASB ASC 810, such non-controlling interests are reported on the consolidated balance sheets within equity, separately from the Company's equity. However, securities that are redeemable for cash or other assets at the option of the holder, not solely within the control of the issuer, must be classified outside of permanent equity. This would result in certain outside ownership interests being included as redeemable non-controlling interests outside of permanent equity in the consolidated balance sheets. The Company makes this determination based on terms in applicable agreements, specifically in relation to redemption provisions. Additionally, with respect to non-controlling interests for which the Company has a choice to settle the contract by delivery of its own shares, the Company considered the guidance in the Codification Topic Derivatives and Hedging Contracts in Entity's Own Equity (FASB ASC 815-40) to evaluate whether it controls the actions or events necessary to issue the maximum number of shares that could be required to be delivered under share settlement of the contract.

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In accordance with FASB ASC 810, the Company presents the non-controlling interest for Common OP Units in the Equity section of the consolidated balance sheets. The caption Common OP Units on the consolidated balance sheets also includes \$0.5 million of private REIT Subsidiaries preferred stock. The Company's Perpetual Preferred OP Units are presented in the mezzanine section on the consolidated balance sheets.

Notes Receivable

During the year ended December 31, 2011, the Company purchased Chattel Loans that were recorded at fair value at the time of acquisition under the Codification Topic Loans and Debt Securities Acquired with Deteriorated Credit Quality (FASB ASC 310-30). (See Note 19 in the Notes to Consolidated Financial Statements contained in this Form 10-K for a detailed description of our recent Acquisition.) The fair value of these Chattel Loans includes an estimate of losses that are expected to be incurred over the estimated remaining lives of the receivables, and therefore no allowance for losses was recorded for these Chattel Loans as of the transaction date. The fair value is estimated based on a number of factors including customer delinquency status, FICO scores, the original down payment amount and below-market stated interest rates. Through December 31, 2011, the credit performance of these Chattel Loans has generally been consistent with the assumptions used in determining its initial fair value, and the Company's original expectations regarding the amounts and timing of future cash flows has not changed. A probable decrease in management's expectation of future cash collections related to these Chattel Loans could result in the need to record an allowance for credit losses in the future. Due to the size of the Chattel Loan pool and maturity dates ranging up to 29 years, future credit losses or changes to interest income could be significant. (See Notes 2(h) and 7 in the Notes to Consolidated Financial Statements contained in this Form 10-K.)

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements with any unconsolidated investments or joint ventures that it believes have or are reasonably likely to have a material effect on its financial condition, results of operations, liquidity or capital resources.

Recent Accounting Pronouncements

In January 2010, the FASB issued Accounting Standards Update (ASU) 2010-06, Improving Disclosures about Fair Value Measurements (ASU 2010-06), which expands required disclosures related to an entity's fair value measurements. Certain provisions of ASU 2010-06 were effective for interim and annual reporting periods beginning after December 15, 2009, and the Company adopted those provisions as of January 1, 2010. The remaining provisions, which were effective for interim and annual reporting periods beginning after December 15, 2010, require additional disclosures related to purchases, sales, issuances and settlements in an entity's reconciliation of recurring level three investments. The Company adopted the final provisions of ASU 2010-06 as of January 1, 2011. The adoption of ASU 2010-06 did not impact the Company's consolidated financial statements.

In December 2010, FASB issued ASU No. 2010-29, Business Combinations (Topic 805): Disclosure of Supplementary Pro Forma Information for Business Combinations. This ASU specifies that when financial statements are presented, the revenue and earnings of the combined entity should be disclosed as though the business combination that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. ASU No. 2010-29 is effective for business combinations with acquisition dates on or after January 1, 2011. The adoption of this update increased the required disclosures for the Company's Notes to Consolidated Financial Statements by requiring the Company to disclose pro forma information. (See Note 19 in the Notes to Consolidated Financial Statements contained in this Form 10-K.)

In December 2010, the FASB issued ASU No. 2010-28, Intangibles-Goodwill and Other (Topic 350): When to Perform Step 2 of the Goodwill Impairment Test for Reporting Units with Zero or Negative Carrying

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Amounts. This ASU requires that reporting units with zero or negative carrying amounts perform Step 2 of the goodwill impairment test if it is more likely than not that a goodwill impairment exists. ASU No. 2010-28 is effective for the Company beginning with this interim period. The adoption of this update did not have an impact on the Company's consolidated financial statements.

In May 2011, the FASB issued ASU No. 2011-04, Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. This ASU is intended to eliminate differences between U.S. GAAP and IFRS for fair value measurement and reporting. ASU No. 2011-04 is effective for the Company beginning the first quarter of 2012. The Company has not yet determined the impact, if any, that the adoption of ASU 2011-04 will have on its consolidated financial statements and disclosures.

In June 2011, the FASB issued ASU No. 2011-05 Comprehensive Income (Topic 220): Presentation of Comprehensive Income. ASU No. 2011-05 amends current guidance found in FASB ASC 220, Comprehensive Income. ASU No. 2011-05 requires entities to present comprehensive income in either: (i) one continuous financial statement or (ii) two separate but consecutive statements that display net income and the components of other comprehensive income. Totals and individual components of both net income and other comprehensive income must be included in either presentation. ASU No. 2011-05 is effective for the Company beginning with the first quarter of 2012. The Company plans to apply the provisions of this guidance once adopted.

In September 2011, the FASB issued ASU 2011-08, Intangibles - Goodwill and Other (ASU 2011-08). ASU 2011-08 amends current guidance to allow an entity to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. Under this amendment an entity would not be required to calculate the fair value of a reporting unit unless the entity determines, based on a qualitative assessment, that it is more likely than not that its fair value is less than its carrying amount. ASU 2011-08 applies to all companies that have goodwill reported in their financial statements. The provisions of ASU 2011-08 are effective for reporting periods beginning after December 15, 2011. The adoption of this update did not have an impact on the Company's consolidated financial statements as the Company has chosen not to adopt this guidance early.

Table of Contents**Results of Operations****Comparison of Year Ended December 31, 2011 to Year Ended December 31, 2010**

The following table summarizes certain financial and statistical data for the Property Operations for all Properties owned and operated for the same period in both years (Core Portfolio) and the Total Portfolio for the years ended December 31, 2011 and 2010 (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 year ended December 31, 2011 to December 31, 2010 includes all Properties acquired on or prior to December 31, 2009 and which were owned and operated by the Company during the years ended December 31, 2011 and December 31, 2010. Growth percentages exclude the impact of GAAP deferrals of up-front payments from right-to-use contracts entered and related commissions.

| | Core Portfolio | | | | Total Portfolio | | | |
|--|----------------|------------|--------------------------|-------------|-----------------|------------|--------------------------|-------------|
| | 2011 | 2010 | Increase / (Decrease) | % Change | 2011 | 2010 | Increase / (Decrease) | % Change |
| Community base rental income | \$ 266,584 | \$ 259,292 | \$ 7,292 | 2.8% | \$ 318,851 | \$ 259,351 | \$ 59,500 | 22.9% |
| Resort base rental income | 129,978 | 129,241 | 737 | 0.6% | 130,489 | 129,481 | 1,008 | 0.8% |
| Right-to-use annual payment | 49,050 | 49,788 | (738) | (1.5%) | 49,122 | 49,831 | (709) | (1.4%) |
| Right-to-use contracts current period, gross | 17,856 | 19,496 | (1,640) | (8.4%) | 17,856 | 19,496 | (1,640) | (8.4%) |
| Utility and other income | 49,406 | 48,288 | 1,118 | 2.3% | 53,843 | 48,357 | 5,486 | 11.3% |
| Property operating revenues, excluding deferrals | 512,874 | 506,105 | 6,769 | 1.3% | 570,161 | 506,516 | 63,645 | 12.6% |
| Property operating and maintenance | 185,799 | 185,148 | 651 | 0.4% | 200,623 | 185,786 | 14,837 | 8.0% |
| Real estate taxes | 32,055 | 32,042 | 13 | 0.0% | 37,619 | 32,110 | 5,509 | 17.2% |
| Sales and marketing, gross | 11,214 | 12,606 | (1,392) | (11.0%) | 11,219 | 12,606 | (1,387) | (11.0%) |
| Property operating expenses, excluding deferrals and Property management | 229,068 | 229,796 | (728) | (0.3%) | 249,461 | 230,502 | 18,959 | 8.2% |
| Income from property operations, excluding deferrals and Property management | 283,806 | 276,309 | 7,497 | 2.7% | 320,700 | 276,014 | 44,686 | 16.2% |
| Property management | 33,118 | 32,658 | 460 | 1.4% | 35,076 | 32,639 | 2,437 | 7.5% |
| Income from property operations, excluding deferrals | \$ 250,688 | \$ 243,651 | \$ 7,037 | 2.9% | \$ 285,624 | \$ 243,375 | \$ 42,249 | 17.4% |

Property Operating Revenues

The 1.3% increase in the Core Portfolio property operating revenues primarily reflects (i) a 2.2% increase in rates in community base rental income and a 0.6% increase in occupancy (ii) a 0.6% increase in revenues in core resort base income, as described in the table below and (iii) a decrease of 8.4% in right-to-use contracts. The reduction in entry of right-to-use contracts is due to the Company's introduction of low-cost membership products in 2010 and the phase-out of memberships with higher initial upfront payments.

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

| | Core Portfolio | | | | Total Portfolio | | | |
|-----------|----------------|-----------|-------------------------|-------------|-----------------|-----------|-------------------------|-------------|
| | 2011 | 2010 | Increase/ (Decrease) | % Change | 2011 | 2010 | Increase/ (Decrease) | % Change |
| Annual | \$ 83,252 | \$ 79,829 | \$ 3,423 | 4.3% | \$ 83,329 | \$ 79,842 | \$ 3,487 | 4.4% |
| Seasonal | 20,527 | 21,579 | (1,052) | (4.9%) | 20,717 | 21,598 | (881) | (4.1%) |
| Transient | 26,199 | 27,833 | (1,634) | (5.9%) | 26,443 | 28,041 | (1,598) | (5.7%) |

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| | | | | | | | | |
|---------------------------|------------|------------|--------|------|------------|------------|----------|------|
| Resort base rental income | \$ 129,978 | \$ 129,241 | \$ 737 | 0.6% | \$ 130,489 | \$ 129,481 | \$ 1,008 | 0.8% |
|---------------------------|------------|------------|--------|------|------------|------------|----------|------|

Table of Contents**Property Operating Expenses**

The 0.3% decrease in property operating expenses in the Core Portfolio reflects (i) a 0.4% increase in property operating and maintenance expenses and (ii) a 11.0% decrease in sales and marketing expenses. Sales and marketing expenses are all related to the costs incurred for the entry or upgrade of right-to-use contracts. The decrease in sales and marketing expenses is due to reduced commissions as a result of reduced high-cost right-to-use contracts activity.

The increase in Total Portfolio income from property operations is primarily due to the acquisition of 75 Acquisition Properties during the year ended December 31, 2011. (See Note 19 in the notes to the Consolidated Financial Statements contained in this Form 10-K for details regarding these closings.)

Home Sales Operations

The following table summarizes certain financial and statistical data for the Home Sales Operations for the years ended December 31, 2011 and 2010 (amounts in thousands, except sales volumes).

| | 2011 | 2010 | Variance | % Change |
|--|-----------------|-----------------|-----------------|----------------|
| Gross revenues from new home sales | \$ 2,278 | \$ 2,695 | \$ (417) | (15.5%) |
| Cost of new home sales | (2,133) | (2,550) | 417 | (16.4%) |
| Gross profit from new home sales | 145 | 145 | 0 | 0.0% |
| Gross revenues from used home sales | 3,810 | 3,425 | 385 | 11.2% |
| Cost of used home sales | (3,550) | (2,846) | (704) | (24.7%) |
| Gross profit from used home sales | 260 | 579 | (319) | (55.1%) |
| Brokered resale revenues, net | 806 | 918 | (112) | (12.2%) |
| Home selling expenses | (1,589) | (2,078) | 489 | 23.5% |
| Ancillary services revenues, net | 1,502 | 2,504 | (1,002) | (40.0%) |
| Income from home sales operations and other | \$ 1,124 | \$ 2,068 | \$ (944) | (45.6%) |
| Home sales volumes: | | | | |
| New home sales ⁽¹⁾ | 51 | 82 | (31) | (37.8%) |
| Used home sales ⁽²⁾ | 893 | 795 | 98 | 12.3% |
| Brokered home resale | 711 | 673 | 38 | 5.6% |

(1) Includes third party home sales of three and 19 for the years ended December 31, 2011 and 2010, respectively.

(2) Includes third party home sales of one and 10 for the years ended December 31, 2011 and 2010, respectively.

Income from home sales operations decreased primarily as a result of decreased profit on used home sales and a decrease in ancillary revenues.

Table of Contents**Rental Operations**

The following table summarizes certain financial and statistical data for manufactured home Rental Operations for the years ended December 31, 2011 and 2010 (dollars in thousands). The amounts below are included in Ancillary services revenue, net, in the Home Sales Operations table in the previous section, unless otherwise noted.

| | 2011 | 2010 | Variance | % Change |
|---|------------------|------------------|-----------------|--------------|
| Manufactured homes: | | | | |
| New Home | \$ 12,416 | \$ 8,283 | \$ 4,133 | 49.9% |
| Used Home | 19,460 | 12,003 | 7,457 | 62.1% |
| Rental operations revenue ⁽¹⁾ | 31,876 | 20,286 | 11,590 | 57.1% |
| Rental operations expense | (4,450) | (2,930) | (1,520) | (51.9%) |
| Depreciation | (4,280) | (2,827) | (1,453) | (51.4%) |
| Income from rental operations | \$ 23,146 | \$ 14,529 | \$ 8,617 | 59.3% |
| Net investment in new manufactured home rental units | \$ 78,122 | \$ 59,123 | \$ 18,999 | 32.1% |
| Net investment in used manufactured home rental units | \$ 54,653 | \$ 23,192 | \$ 31,461 | 135.7% |
| Number of occupied rentals new, end of period | 1,352 | 801 | 551 | 68.8% |
| Number of occupied rentals used, end of period | 3,071 | 1,644 | 1,427 | 86.8% |

⁽¹⁾ Approximately \$23.9 million and \$15.4 million as of December 31, 2011 and 2010, respectively, are included in Community base rental income in the Property Operations table.

The increase in income from rental operations and depreciation expense is primarily due to the increase in the number of rental units resulting from the acquisition of 75 Acquisition Properties during the year ended December 31, 2011.

In the ordinary course of business, the Company acquires used homes from customers through purchase, lien, sale or abandonment. In a vibrant new home sale market older homes may be removed from sites and replaced with new homes. In other cases, due to the nature of tenancy rights afforded to purchasers, used homes are rented in order to control the site either in the condition received or after warranted rehabilitation.

Other Income and Expenses

The following table summarizes other income and expenses for the years ended December 31, 2011 and 2010 (amounts in thousands).

| | 2011 | 2010 | Variance | % Change |
|---|---------------------|---------------------|--------------------|----------------|
| Depreciation on real estate and other costs | \$ (79,981) | \$ (68,125) | \$ (11,856) | (17.4%) |
| Amortization of in-place leases | (28,479) | | (28,479) | (100.0%) |
| Interest income | 7,000 | 4,419 | 2,581 | 58.4% |
| Income from other investments, net | 6,452 | 5,740 | 712 | 12.4% |
| General and administrative | (23,833) | (22,559) | (1,274) | (5.6%) |
| Transaction costs | (18,493) | | (18,493) | (100.0%) |
| Rent control initiatives | (1,009) | (1,120) | 111 | 9.9% |
| Impairment | | (3,635) | 3,635 | 100.0% |
| Depreciation on corporate assets | (1,034) | (1,080) | 46 | 4.3% |
| Interest and related amortization | (99,668) | (91,151) | (8,517) | (9.3%) |
| Total other expenses, net | \$ (239,045) | \$ (177,511) | \$ (61,534) | (34.7%) |

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Depreciation on real estate and other costs, amortization of in-place leases, interest income and interest expense increased primarily due to the purchase of 75 Acquisition Properties during the year ended December 31, 2011. Transaction costs consist primarily of the following costs incurred related to the Acquisition: seller's debt defeasance costs, transfer tax, professional fees, and costs related to due diligence items such as title, survey, zoning and environmental. Impairment decreased due to a non-cash write-off of \$3.6 million in the year ended December 31, 2010 of goodwill associated with a 2009 acquisition of a Florida internet and media based advertising business.

Comparison of Year Ended December 31, 2010 to Year Ended December 31, 2009

The following table summarizes certain financial and statistical data for the Property Operations for all Properties owned and operated for the same period in both years (Core Portfolio) and the Total Portfolio for the years ended December 31, 2010 and 2009 (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 year ended December 31, 2010 to December 31, 2009 includes all Properties acquired on or prior to December 31, 2008 and which were owned and operated by the Company during the years ended December 31, 2010 and December 31, 2009. Growth percentages exclude the impact of GAAP deferrals of up-front payments from right-to-use contracts entered and related commissions.

| | Core Portfolio | | | | Total Portfolio | | | |
|--|----------------|------------|-----------------------|----------|-----------------|------------|-----------------------|----------|
| | 2010 | 2009 | Increase / (Decrease) | % Change | 2010 | 2009 | Increase / (Decrease) | % Change |
| Community base rental income | \$ 259,292 | \$ 253,265 | \$ 6,027 | 2.4% | \$ 259,351 | \$ 253,379 | \$ 5,972 | 2.4% |
| Resort base rental income | 125,932 | 121,933 | 3,999 | 3.3% | 129,481 | 124,822 | 4,659 | 3.7% |
| Right-to-use annual payment | 49,788 | 50,766 | (978) | (1.9%) | 49,831 | 50,765 | (934) | (1.8%) |
| Right-to-use contracts current period, gross | 19,496 | 21,526 | (2,030) | (9.4%) | 19,496 | 21,526 | (2,030) | (9.4%) |
| Utility and other income | 48,039 | 47,449 | 590 | 1.2% | 48,357 | 47,685 | 672 | 1.4% |
| Property operating revenues, excluding deferrals | 502,547 | 494,939 | 7,608 | 1.5% | 506,516 | 498,177 | 8,339 | 1.7% |
| Property operating and maintenance | 182,910 | 178,951 | 3,959 | 2.2% | 185,786 | 180,870 | 4,916 | 2.7% |
| Real estate taxes | 31,877 | 31,533 | 344 | 1.1% | 32,110 | 31,674 | 436 | 1.4% |
| Sales and marketing, gross | 12,606 | 13,544 | (938) | (6.9%) | 12,606 | 13,536 | (930) | (6.9%) |
| Property operating expenses, excluding deferrals and Property management | 227,393 | 224,028 | 3,365 | 1.5% | 230,502 | 226,080 | 4,422 | 2.0% |
| Income from property operations, excluding deferrals and Property management | 275,154 | 270,911 | 4,243 | 1.6% | 276,014 | 272,097 | 3,917 | 1.4% |
| Property management | 32,362 | 33,228 | (866) | (2.6%) | 32,639 | 33,383 | (744) | (2.2%) |
| Income from property operations, excluding deferrals | \$ 242,792 | \$ 237,683 | \$ 5,109 | 2.1% | \$ 243,375 | \$ 238,714 | \$ 4,661 | 2.0% |

Property Operating Revenues

The 1.5% increase in the Core Portfolio property operating revenues primarily reflects (i) a 2.4% increase in rates in community base rental income (ii) a 3.3% increase in revenues in core resort base income, as described in the table below and (iii) a decrease of 9.4% in right-to-use contracts. The reduction in entry of right-to-use contracts is due to the Company's recent introduction of low-cost membership products in the spring of 2010 and the phase-out of memberships with higher initial upfront payments.

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

| | Core Portfolio | | | | Total Portfolio | | | |
|---------------------------|----------------|------------|-------------------------|----------|-----------------|------------|-------------------------|----------|
| | 2010 | 2009 | Increase/ (Decrease) | % Change | 2010 | 2009 | Increase/ (Decrease) | % Change |
| Annual | \$ 77,618 | \$ 74,381 | \$ 3,237 | 4.4% | \$ 79,842 | \$ 76,200 | \$ 3,642 | 4.8% |
| Seasonal | 21,529 | 20,588 | 941 | 4.6% | 21,598 | 20,617 | 981 | 4.8% |
| Transient | 26,785 | 26,964 | (179) | (0.7%) | 28,041 | 28,005 | 36 | 0.1% |
| Resort base rental income | \$ 125,932 | \$ 121,933 | \$ 3,999 | 3.3% | \$ 129,481 | \$ 124,822 | \$ 4,659 | 3.7% |

Property Operating Expenses

The 1.5% increase in property operating expenses in the Core Portfolio reflects (i) a 2.2% increase in property operating and maintenance expenses (ii) a 1.1% increase in property taxes and (iii) a 6.9% decrease in sales and marketing expenses. Sales and marketing expenses are all related to the costs incurred for the entry or upgrade of right-to-use contracts. The decrease in sales and marketing expenses is due to reduced commissions as a result of reduced high-cost right-to-use contracts activity. Total Portfolio property management expenses primarily decreased due to decreased payroll expenses for 2010.

Home Sales Operations

The following table summarizes certain financial and statistical data for the Home Sales Operations for the years ended December 31, 2010 and 2009 (amounts in thousands, except sales volumes).

| | 2010 | 2009 | Variance | % Change |
|---|----------|----------|----------|----------|
| Gross revenues from new home sales | \$ 2,695 | \$ 3,397 | \$ (702) | (20.7%) |
| Cost of new home sales | (2,550) | (4,681) | 2,131 | 45.5% |
| Gross profit (loss) from new home sales | 145 | (1,284) | 1,429 | 111.3% |
| Gross revenues from used home sales | 3,425 | 3,739 | (314) | (8.4%) |
| Cost of used home sales | (2,846) | (2,790) | (56) | (2.0%) |
| Gross profit from used home sales | 579 | 949 | (370) | (39.0%) |
| Brokered resale revenues, net | 918 | 758 | 160 | 21.1% |
| Home selling expenses | (2,078) | (2,383) | 305 | 12.8% |
| Ancillary services revenues, net | 2,504 | 2,745 | (241) | (8.8%) |
| Income from home sales operations and other | \$ 2,068 | \$ 785 | \$ 1,283 | 163.4% |
| Home sales volumes: | | | | |
| New home sales ⁽¹⁾ | 82 | 113 | (31) | (27.4%) |
| Used home sales ⁽²⁾ | 795 | 747 | 48 | 6.4% |
| Brokered home resale | 673 | 612 | 61 | 10.0% |

⁽¹⁾ Includes third party home sales of 19 and 28 for the years ended December 31, 2010 and 2009, respectively.

⁽²⁾ Includes third party home sales of 10 and seven for the years ended December 31, 2010 and 2009, respectively.

Income from home sales operations increased primarily as a result of increased profit on new home sales. The 2009 gross loss from new home sales includes an inventory reserve of approximately \$0.9 million.

Table of Contents**Rental Operations**

The following table summarizes certain financial and statistical data for manufactured home Rental Operations for the years ended December 31, 2010 and 2009 (dollars in thousands). Except as otherwise noted, the amounts below are included in Ancillary services revenue, net, in the Home Sales Operations table in the previous section.

| | 2010 | 2009 | Variance | % Change |
|---|-----------|-----------|-----------|----------|
| Manufactured homes: | | | | |
| New Home | \$ 8,283 | \$ 6,570 | \$ 1,713 | 26.1% |
| Used Home | 12,003 | 9,187 | 2,816 | 30.7% |
| Rental operations revenue ⁽¹⁾ | 20,286 | 15,757 | 4,529 | 28.7% |
| Rental operations expense | (2,930) | (2,212) | (718) | (32.5%) |
| Depreciation | (2,827) | (2,361) | (466) | (19.7%) |
| Income from rental operations, net of depreciation | \$ 14,529 | \$ 11,184 | \$ 3,345 | 29.9% |
| Net investment in new manufactured home rental units | \$ 59,123 | \$ 47,845 | \$ 11,278 | 23.6% |
| Net investment in used manufactured home rental units | \$ 23,192 | \$ 16,669 | \$ 6,523 | 39.1% |
| Number of occupied rentals new, end of period | 801 | 626 | 175 | 28.0% |
| Number of occupied rentals used, end of period | 1,644 | 1,117 | 527 | 47.2% |

⁽¹⁾ Approximately \$15.4 million and \$11.9 million as of December 31, 2010 and 2009, respectively, are included in Community base rental income in the Property Operations table.

The increase in income from rental operations and depreciation expense is primarily due to the increase in the number of rental units.

Other Income and Expenses

The following table summarizes other income and expenses for the years ended December 31, 2010 and 2009 (amounts in thousands).

| | 2010 | 2009 | Variance | % Change |
|---|--------------|--------------|----------|----------|
| Depreciation on real estate and other costs | \$ (68,125) | \$ (69,049) | \$ 924 | 1.3% |
| Interest income | 4,419 | 5,119 | (700) | (13.7%) |
| Income from other investments, net | 5,740 | 8,168 | (2,428) | (29.7%) |
| General and administrative | (22,559) | (22,279) | (280) | (1.3%) |
| Rent control initiatives | (1,120) | (456) | (664) | (145.6%) |
| Impairment | (3,635) | | (3,635) | (100.0%) |
| Depreciation on corporate assets | (1,080) | (1,039) | (41) | (3.9%) |
| Interest and related amortization | (91,151) | (98,311) | 7,160 | 7.3% |
| Total other expenses, net | \$ (177,511) | \$ (177,847) | \$ 336 | 0.2% |

Interest income is lower primarily due to lower notes receivable amounts outstanding. Income from other investments, net, decreased primarily due to reduced insurance proceeds of \$1.3 million and the 2009 gain on sale of Caledonia of \$0.8 million. Rent control initiatives are higher due to increased activity in the San Rafael legal appeal (see Note 18 in the Notes to Consolidated Financial Statements contained in this Form 10-K). Impairment is a non-cash write-off of \$3.6 million in goodwill associated with a 2009 acquisition of a Florida internet and media based advertising business. Interest expense is lower primarily due to lower mortgage notes payable amounts outstanding.

Table of Contents**Equity in Income of Unconsolidated Joint Ventures**

For the year ended December 31, 2010, equity in income of unconsolidated joint ventures decreased \$0.9 million primarily due to a \$1.1 million gain in 2009 on the sale of the Company's 25% interest in two Diversified Portfolio joint ventures, offset by \$0.4 million of distributions that exceeded the Company's basis in its joint venture and were recorded in income in 2010.

Liquidity and Capital Resources**Liquidity**

As of December 31, 2011 the Company had \$70.5 million in cash and cash equivalents and \$380.0 million available on its line of credit. The Company expects to meet its short-term liquidity requirements, including its distributions, generally through its working capital, net cash provided by operating activities and availability under its existing line of credit. The Company expects to meet certain long-term liquidity requirements such as scheduled debt maturities, property acquisitions and capital improvements by use of its current cash balance, long-term collateralized and uncollateralized borrowings including borrowings under its existing line of credit and the issuance of debt securities or additional equity securities in the Company, in addition to net cash provided by operating activities. The Company has approximately \$34.6 million of scheduled debt maturities in 2012 (excluding scheduled principal payments on debt maturing in 2012 and beyond). The Company expects to satisfy its 2012 maturities with its existing cash balance.

The table below summarizes cash flow activity for the years ended December 31, 2011, 2010, and 2009 (amounts in thousands).

| | For the years ended December 31, | | |
|--|-------------------------------------|--------------|------------|
| | 2011 | 2010 | 2009 |
| Net cash provided by operating activities | \$ 174,086 | \$ 163,309 | \$ 150,525 |
| Net cash used in investing activities | (700,293) | (98,933) | (34,892) |
| Net cash provided by (used) in financing activities | 584,008 | (196,845) | (15,817) |
| Net increase (decrease) in cash and cash equivalents | \$ 57,801 | \$ (132,469) | \$ 99,816 |

Operating Activities

Net cash provided by operating activities increased \$10.8 million for the year ended December 31, 2011 from \$163.3 million for the year ended December 31, 2010. The increase in 2011 was primarily due an increase in net income net of depreciation expense and amortization of in-place leases. Net cash provided by operating activities increased \$12.8 million for the year ended December 31, 2010 from \$150.5 million for the year ended December 31, 2009. The increase in 2010 was primarily due to a \$9.2 million increase in consolidated income from continuing operations and an increase in rents received in advance.

Investing Activities

Net cash used in investing activities reflects the impact of the following investing activities:

Acquisitions**2011 Acquisitions**

During the year ended December 31, 2011, the Company closed on 75 of the Acquisition Properties and certain Home Related Assets associated with such 75 Acquisition Properties for a purchase price of

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approximately \$1.5 billion. The Company funded the purchase price of this closing with (i) the issuance of 1,708,276 shares of its common stock, to the seller with an aggregate value of approximately \$111 million, (ii) the issuance of 1,740,000 shares of Series B Preferred Stock to the seller with an aggregate value of approximately \$113 million, (iii) the assumption of mortgage debt secured by 35 Acquisition Properties with an aggregate value of approximately \$548 million, (iv) the net proceeds of approximately \$344 million, net of offering costs, from a common stock offering of 6,037,500 shares, (v) approximately \$200 million of cash from the Term Loan the Company closed on July 1, 2011, and (vi) approximately \$200 million of cash from new secured financings originated during the third quarter of 2011. The assumed mortgage debt has stated interest rates ranging from 4.65% to 8.87% per annum and matures from dates ranging from 2012 to 2023. (See Note 19 in the Notes to Consolidated Financial Statements contained in this Form 10-K for a description of the Company's recent acquisitions.)

2009 Acquisitions

On February 13, 2009, the Company acquired the remaining 75% interests in three Diversified Portfolio joint ventures known as (i) Robin Hill, a 270-site property in Lenhartsville, Pennsylvania, (ii) Sun Valley, a 265-site property in Brownsville, Pennsylvania, and (iii) Plymouth Rock, a 609-site property in Elkhart Lake, Wisconsin. The gross purchase price was approximately \$19.2 million, and the Company assumed mortgage loans of approximately \$12.9 million with a value of approximately \$11.9 million and a weighted average interest rate of 6% per annum.

On August 31, 2009, the Company acquired an internet and media based advertising business located in Orlando, Florida for approximately \$3.7 million.

Dispositions

On February 13, 2009, the Company sold its 25% interest in two Diversified Portfolio joint ventures known as (i) Pine Haven, a 625-site property in Ocean View, New Jersey and (ii) Round Top, a 319-site property in Gettysburg, Pennsylvania. A gain on sale of approximately \$1.1 million was recognized during the quarter ended March 31, 2009 and is included in Equity in income of unconsolidated joint ventures.

On April 17, 2009, the Company sold Caledonia, a 247-site Property in Caledonia, Wisconsin, for proceeds of approximately \$2.2 million. The Company recognized a gain on sale of approximately \$0.8 million which is included in Income from other investments, net. In addition, the Company received approximately \$0.3 million of deferred rent due from the previous tenant.

On July 20, 2009, the Company sold Casa Village, a 490-site Property in Billings, Montana for a stated purchase price of approximately \$12.4 million. The buyer assumed \$10.6 million of mortgage debt that had a stated interest rate of 6.02% and was scheduled to mature in 2013. The Company recognized a gain on the sale of approximately \$5.1 million. Cash proceeds from the sale, net of closing costs were approximately \$1.1 million.

The operating results of all properties sold or held for disposition have been reflected in the discontinued operations of the Consolidated Statements of Operations contained in this Form 10-K, except for Caledonia.

Notes Receivable Activity

The notes receivable activity during the year ended December 31, 2011 of \$0.9 million in cash outflow reflects net repayments of \$2.3 million from the Company's Chattel Loans, net repayments of \$0.7 million from its Contract Receivables and lending of \$3.8 million to Lakeland RV. (See Note 7 in the Notes to the Consolidated Financial Statements contained in this Form 10-K.)

The notes receivable activity during the year ended December 31, 2010 of \$1.2 million in cash inflow reflects net repayments of \$0.4 million from the Company's Chattel Loans, net repayments of \$0.7 million from its Contract Receivables and a net inflow of \$0.1 million on other notes receivable.

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The notes receivable activity during the year ended December 31, 2009 of \$0.9 million in cash inflow reflects net repayments of \$0.5 million from the Company's Chattel Loans, net repayments of \$2.3 million from its Contract Receivables and a net outflow of \$1.9 million on other notes receivable.

Capital improvements

The table below summarizes capital improvements activity for the years ended December 31, 2011, 2010, and 2009 (amounts in thousands).

| | For the years ended December 31, ⁽¹⁾ | | |
|-----------------------------------|---|------------------|------------------|
| | 2011 | 2010 | 2009 |
| Recurring Cap Ex ⁽²⁾ | \$ 23,315 | \$ 20,794 | \$ 17,415 |
| Development ⁽³⁾ | 2,467 | 7,008 | 5,476 |
| New home investments | 28,542 | 12,523 | 2,607 |
| Used home investments | 7,266 | 7,254 | 3,032 |
| Total Property | 61,590 | 47,579 | 28,530 |
| Corporate ⁽⁴⁾ | 442 | 1,050 | 1,584 |
| Total Capital improvements | \$ 62,032 | \$ 48,629 | \$ 30,114 |

⁽¹⁾ Excludes noncash activity of approximately \$0.8 million, \$3.7 million, and \$1.4 million for new homes purchased with dealer financing and approximately \$2.7 million, \$0.6 million and \$0.8 million of repossessions for the years ended December 31, 2011, 2010 and 2009, respectively.

⁽²⁾ Recurring capital expenditures (Recurring CapEx) are primarily comprised of common area improvements, furniture, and mechanical improvements.

⁽³⁾ Development primarily represents costs to improve and upgrade Property infrastructure or amenities.

⁽⁴⁾ For the years ended December 31, 2010 and 2009, this includes approximately \$0.7 and \$1.2 million, respectively, spent to renovate the corporate headquarters, of which approximately \$0.7 and \$0.9 million, respectively, was reimbursed by the landlord as a tenant allowance.

Financing Activities

Net cash used in financing activities reflects the impact of the following:

Mortgages and Credit Facilities**Financing, Refinancing and Early Debt Retirement***2011 Activity*

During the year ended December 31, 2011, the Company paid off nine maturing mortgages totalling approximately \$52.5 million, with a weighted average interest rate of 7.04% per annum.

During the year ended December 31, 2011, the Company closed on approximately \$200.0 million of new financing on 20 manufactured home communities and three resort properties with a weighted average interest rate of 5.02% per annum, maturing in 2021. The Company also assumed approximately \$548 million of mortgage debt, which includes a fair market value adjustment of approximately \$34 million, secured by 35 Acquisition Properties with a stated interest rates ranging from 4.65% to 8.87% per annum, maturing in various years from 2013 to 2023.

On July 1, 2011, the Company closed on a \$200.0 million Term Loan that matures on June 30, 2017 and has a one-year extension option, an interest rate of LIBOR plus 1.85% to 2.80% per annum and, subject to certain conditions, may be prepaid at any time without premium or penalty after July 1, 2014. Prior to July 1, 2014, a

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prepayment penalty of 2% of the amount prepaid would be owed. The spread over LIBOR is variable based on leverage measured quarterly throughout the loan term. The Term Loan contains an upfront arrangement fee of approximately \$0.5 million, an upfront commitment fee of approximately \$1.3 million, an annual administrative agency fee of \$20,000, as well as customary representations, warranties and negative and affirmative covenants, and provides for acceleration of principal and payment of all other amounts payable thereunder upon the occurrence of certain events of default.

2010 Activity

During the year ended December 31, 2010, the Company closed on approximately \$61.6 million of new financing on three manufactured home Properties, with a weighted average interest rate of 6.91% that matures in ten years. The Company also closed on approximately \$15.0 million of new financing on one resort Property, with a stated interest rate of 6.50% that matures in ten years. The Company used the proceeds from the financings to pay off approximately \$184.2 million on 13 Properties, with a weighted average interest rate of 6.98% and approximately \$5.1 million of dealer financing on rental unit purchases.

2009 Activity

On February 13, 2009, in connection with the acquisition of the remaining 75% interests in the Diversified Portfolio joint venture, the Company assumed mortgages of approximately \$11.9 million with a weighted average interest rate of 5.95% and weighted average maturity of five years.

On December 17, 2009, the Company paid off the \$2 million unsecured note payable to Privileged Access.

During the year ended December 31, 2009, the Company closed on approximately \$107.3 million of new financing, on six manufactured home properties, with a weighted average interest rate of 6.32% that mature in 10 years. The Company used the proceeds from the financing to pay off approximately \$106.7 million on 20 Properties, with a weighted average interest rate of 7.36%.

Secured Property Debt

As of December 31, 2011 the Company's secured long-term debt balance was approximately \$2.1 billion, with a weighted average interest rate in 2011 of approximately 5.8% per annum. The debt bears interest at rates between 4.7% and 8.9% per annum and matures on various dates primarily ranging from 2012 to 2023. The weighted average term to maturity for the long-term debt is approximately 5.3 years. The Company expects to satisfy its secured debt maturities of approximately \$34.6 million occurring prior to December 31, 2012 with its existing cash balance.

Unsecured Debt

On May 19, 2011, the Company amended its unsecured Line of Credit (LOC) to increase its borrowing capacity under the LOC from \$100 million to a maximum borrowing capacity of \$380 million and to extend the maturity date to September 18, 2015. The LOC accrues interest at an annual rate equal to the applicable LIBOR rate plus 1.65% to 2.50% and contains a 0.30% to 0.40% facility fee as well as certain other customary negative and affirmative covenants. The Company has an eight-month extension option under the LOC, subject to payment by it of certain administrative fees and the satisfaction of certain other enumerated conditions. The spread over LIBOR and the facility fee pricing are variable based on leverage measured quarterly throughout the term of the LOC. The Company incurred commitment and arrangement fees of approximately \$3.6 million to enter into the amended LOC.

The weighted average interest rate for the year ended December 31, 2011 and 2010 for the Company's unsecured debt was approximately 3.9% and 0.0% per annum, respectively. No amounts were outstanding on the line of credit at any time during the year ended December 31, 2010.

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On July 1, 2011, the Company closed on a \$200.0 million Term Loan that matures on June 30, 2017 and has a one-year extension option, an interest rate of LIBOR plus 1.85% to 2.80% per annum and, subject to certain conditions, may be prepaid at any time after July 1, 2014 without premium or penalty, or before July 1, 2014 with a prepayment penalty of 2% of the amount prepaid. The spread over LIBOR is variable based on leverage throughout the loan. The Term Loan contains an arrangement fee of approximately \$0.5 million, an upfront fee of approximately \$1.3 million, an annual administrative agency fee of \$20,000, as well as customary representations, warranties and negative and affirmative covenants, and provides for acceleration of principal and payment of all other amounts payable thereunder upon the occurrence of certain events of default.

Other Loans

During the year ended December 31, 2011, the Company borrowed approximately \$0.8 million secured by individual manufactured homes. The financing, provided by the dealer, requires quarterly payments, bears interest at 6.0% and matures on July 16, 2016.

During the years ended December 31, 2010 and 2009, the Company borrowed approximately \$3.7 million and \$1.5 million, respectively, which is secured by individual manufactured homes. This financing provided by the dealer requires monthly payments, bears interest at 8.5% and matures on the earlier of: 1) the date the home is sold, or 2) November 20, 2016. All amounts outstanding were paid off prior to December 31, 2010.

Certain of the Company's mortgages and credit agreements contain covenants and restrictions including restrictions as to the ratio of secured or unsecured debt versus encumbered or unencumbered assets, the ratio of fixed charges-to-earnings before interest, taxes, depreciation and amortization (EBITDA), limitations on certain holdings and other restrictions.

Contractual Obligations

As of December 31, 2011, the Company was subject to certain contractual payment obligations as described in the table below (dollars in thousands):

| | Total | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Thereafter |
|--------------------------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Long Term Borrowings ⁽¹⁾ | \$ 2,253,311 | \$ 64,156 | \$ 149,628 | \$ 212,574 | \$ 588,535 | \$ 235,053 | \$ 299,060 | \$ 704,305 |
| Interest Expense ⁽²⁾ | 621,926 | 123,661 | 117,044 | 105,401 | 93,576 | 58,874 | 47,972 | 75,398 |
| Total Contractual Obligations | \$ 2,875,237 | \$ 187,817 | \$ 266,672 | \$ 317,975 | \$ 682,111 | \$ 293,927 | \$ 347,032 | \$ 779,703 |
| Weighted average interest rates | 5.51% | 5.49% | 5.46% | 5.45% | 5.37% | 5.28% | 5.86% | 6.39% |

⁽¹⁾ Balance excludes net premiums and discounts of \$31.4 million, primarily due to the fair market value adjustment of the assumption of \$515.0 million of secured debt from the Acquisition Properties. Balances include debt maturing and scheduled periodic principal payments

⁽²⁾ Amounts include interest expected to be incurred on the Company's secured debt based on obligations outstanding as of December 31, 2011.

The Company does not include insurance, property taxes and cancelable contracts in the contractual obligations table above.

The Company leases land under non-cancelable operating leases at certain of the Properties expiring in various years from 2013 to 2054, with terms which require twelve equal payments per year plus additional rents calculated as a percentage of gross revenues. For the year ended December 31, 2011, ground lease rent was approximately \$2.5 million and for the years ended December 31, 2010 and 2009, ground lease rent was approximately \$1.9 million. Minimum future rental payments under the ground leases are approximately

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\$3.3 million for 2012 and 2013, approximately \$1.9 million in each of 2014, 2015 and 2016, and approximately \$14.9 million thereafter. The decrease in future minimum rental payments assumes that the Company will exercise its option to acquire land at the recently acquired Colony Cove Property on January 1, 2014. The option exercise date is subject to certain assumptions and the timing of the option exercise may be before or after January 1, 2014.

With respect to maturing debt, the Company has staggered the maturities of its long-term mortgage debt over an average of approximately five years, with approximately \$589 million (which is due in 2015) in principal maturities coming due in any single year. The Company believes that it will be able to refinance its maturing debt obligations on a secured or unsecured basis; however, to the extent the Company is unable to refinance its debt as it matures, it believes that it will be able to repay such maturing debt from operating cash flow, asset sales and/or the proceeds from equity issuances. With respect to any refinancing of maturing debt, the Company's future cash flow requirements could be impacted by significant changes in interest rates or other debt terms, including required amortization payments.

Equity Transactions

In order to qualify as a REIT for federal income tax purposes, the Company must distribute 90% or more of its taxable income (excluding capital gains) to its stockholders. The following regular quarterly distributions have been declared and paid to common stockholders and non-controlling interests since January 1, 2009.

| Distribution Amount Per Share | For the Quarter Ending | Stockholder Record Date | Payment Date |
|-------------------------------|------------------------|-------------------------|------------------|
| \$0.2500 | March 31, 2009 | March 27, 2009 | April 10, 2009 |
| \$0.2500 | June 30, 2009 | June 26, 2009 | July 10, 2009 |
| \$0.3000 | September 30, 2009 | September 25, 2009 | October 9, 2009 |
| \$0.3000 | December 31, 2009 | December 24, 2009 | January 8, 2010 |
| \$0.3000 | March 31, 2010 | March 26, 2010 | April 9, 2010 |
| \$0.3000 | June 30, 2010 | June 25, 2010 | July 9, 2010 |
| \$0.3000 | September 30, 2010 | September 24, 2010 | October 8, 2010 |
| \$0.3000 | December 31, 2010 | December 31, 2010 | January 14, 2011 |
| \$0.3750 | March 31, 2011 | March 25, 2011 | April 8, 2011 |
| \$0.3750 | June 30, 2011 | June 24, 2011 | July 8, 2011 |
| \$0.3750 | September 30, 2011 | September 30, 2011 | October 14, 2011 |
| \$0.3750 | December 31, 2011 | December 30, 2011 | January 13, 2012 |

2011 Activity

On November 9, 2011, the Company announced that in 2012 the annual distribution per common share will be \$1.75 per share up from \$1.50 per share in 2011 and \$1.20 per share in 2010. This decision recognizes the Company's investment opportunities and the importance that the Company places on its dividend to its stockholders.

On October 14, 2011, the Company paid to Series B preferred stockholders of record on September 30, 2011 a \$0.375 per share distribution on the Company's Series B Preferred Stock.

On each of December 30, 2011, September 30, 2011 and June 30, 2011, the Company paid a \$0.502125 per share distribution on the Company's Series A Preferred Stock to preferred stockholders. On March 31, 2011, the Company paid to preferred stockholders of record on March 21, 2011 a \$0.156217 per share pro-rata distribution on the Company's Series A Preferred Stock.

On March 31, 2011, the Company paid pro-rata distributions of 8.0625% per annum on the \$150 million Series D 8% Units and 7.95% per annum on the \$50 million of Series F 7.95% Units, which were exchanged on March 4, 2011 for the Series A Preferred Stock.

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During the year ended December 31, 2011, the Company issued 1,708,276 shares of common stock and 1,740,000 shares of Series B Preferred Stock. All of the shares were issued to partially fund the Acquisition discussed in detail in Note 19 in the Notes to the Consolidated Financial Statements contained in this Form 10-K.

On October 24, 2011, the Company, on behalf of a selling stockholder, closed on a public offering of 3,162,069 shares of common stock. The 3,162,069 shares of common stock sold included 1,453,793 shares of common stock issued by the Company upon redemption of 1,453,793 shares of Series B Preferred Stock. The Company did not receive any proceeds from the offering.

On June 7, 2011, the Company issued 6,037,500 shares of common stock in an equity offering for approximately \$344.0 million in proceeds, net of offering costs. The proceeds were used to partially fund the Acquisition discussed in detail in Note 19 in the Notes to Consolidated Financial Statements contained in this Form 10-K.

During the year ended December 31, 2011, the Company received approximately \$5.4 million in proceeds from the issuance of shares of common stock through stock option exercises and the Company's Employee Stock Purchase Plan (ESPP).

2010 Activity

On December 31, 2010, September 30, 2010, June 30, 2010 and March 31, 2010, the Operating Partnership paid distributions of 8.0625% per annum on the \$150 million Series D 8% Units and 7.95% per annum on the \$50 million of Series F 7.95% Units.

During the year ended December 31, 2010, the Company received approximately \$2.2 million in proceeds from the issuance of shares of common stock, through stock option exercises and the Company's ESPP.

2009 Activity

On June 29, 2009, the Company issued 4.6 million shares of common stock in an equity offering for approximately \$146.4 million in proceeds, net of offering costs.

On December 31, 2009, September 30, 2009, June 30, 2009 and March 31, 2009, the Operating Partnership paid distributions of 8.0625% per annum on the \$150 million Series D 8% Units and 7.95% per annum on the \$50 million of Series F 7.95% Units.

During the year ended December 31, 2009, the Company received approximately \$5.5 million in proceeds from the issuance of shares of common stock, through stock option exercises and the Company's ESPP.

Inflation

Substantially all of the leases at the Properties allow for monthly or annual rent increases which provide the Company with the opportunity to achieve increases, where justified by the market, as each lease matures. Such types of leases generally minimize the risks of inflation to the Company. In addition, the Company's resort Properties are not generally subject to leases and rents are established for these sites on an annual basis. The Company's right-to-use contracts generally provide for an annual dues increase, but dues may be frozen under the terms of certain contracts if the customer is over 61 years old.

Funds From Operations

Funds from Operations (FFO) is a non-GAAP financial measure. The Company believes FFO, as defined by the Board of Governors of the National Association of Real Estate Investment Trusts (NAREIT), is

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generally an appropriate measure of performance for an equity REIT. While FFO is a relevant and widely used measure of operating performance for equity REITs, it does not represent cash flow from operations or net income as defined by GAAP, and it should not be considered as an alternative to these indicators in evaluating liquidity or operating performance.

The Company defines FFO as net income, computed in accordance with GAAP, excluding gains or actual or estimated losses from sales of properties, plus real estate related depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect FFO on the same basis. The Company receives up-front non-refundable payments from the entry of right-to-use contracts. In accordance with GAAP, the upfront non-refundable payments and related commissions are deferred and amortized over the estimated customer life. Although the NAREIT definition of FFO does not address the treatment of nonrefundable right-to-use payments, the Company believes that it is appropriate to adjust for the impact of the deferral activity in its calculation of FFO. The Company believes that FFO is helpful to investors as one of several measures of the performance of an equity REIT. The Company further believes that by excluding the effect of depreciation, amortization and gains or actual or estimated losses from sales of real estate, all of which are based on historical costs and which may be of limited relevance in evaluating current performance, FFO can facilitate comparisons of operating performance between periods and among other equity REITs. The Company believes that the adjustment to FFO for the net revenue deferral of upfront non-refundable payments and expense deferral of right-to-use contract commissions also facilitates the comparison to other equity REITs. Investors should review FFO, along with GAAP net income and cash flow from operating activities, investing activities and financing activities, when evaluating an equity REIT's operating performance. The Company computes FFO in accordance with its interpretation of standards established by NAREIT, which may not be comparable to FFO reported by other REITs that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently than the Company does. FFO does not represent cash generated from operating activities in accordance with GAAP, nor does it represent cash available to pay distributions and should not be considered as an alternative to net income, determined in accordance with GAAP, as an indication of the Company's financial performance, or to cash flow from operating activities, determined in accordance with GAAP, as a measure of its liquidity, nor is it indicative of funds available to fund our cash needs, including its ability to make cash distributions.

The following table presents a calculation of FFO for the years ended December 31, 2011, 2010 and 2009 (amounts in thousands):

| | 2011 | 2010 | 2009 |
|--|-------------------|-------------------|-------------------|
| Computation of funds from operations: | | | |
| Net income available for common shares | \$ 22,775 | \$ 38,354 | \$ 34,005 |
| Income allocated to common OP Units | 3,105 | 5,903 | 6,113 |
| Series B Redeemable Preferred Stock Dividends | 466 | | |
| Right-to-use contract upfront payments, deferred, net | 11,936 | 14,856 | 18,882 |
| Right-to-use contract commissions, deferred, net | (4,789) | (5,525) | (5,729) |
| Depreciation on real estate assets and other | 79,981 | 68,125 | 69,049 |
| Amortization of in-place leases | 28,479 | | |
| Depreciation on unconsolidated joint ventures | 1,229 | 1,218 | 1,250 |
| Loss (gain) on real estate | | 231 | (5,488) |
| Funds from operations available for common shares | \$ 143,182 | \$ 123,162 | \$ 118,082 |
| Weighted average common shares outstanding fully diluted | 40,330 | 35,518 | 32,944 |

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Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the risk of loss from adverse changes in market prices and interest rates. The Company's earnings, cash flows and fair values relevant to financial instruments are dependent on prevailing market interest rates. The primary market risk the Company faces is long-term indebtedness, which bears interest at fixed and variable rates. The fair value of the Company's long-term debt obligations is affected by changes in market interest rates. At December 31, 2011, approximately 100% or approximately \$2.1 billion of the Company's outstanding secured debt had fixed interest rates, which minimizes the market risk until the debt matures. For each increase in interest rates of 1% (or 100 basis points), the fair value of the total outstanding debt would decrease by approximately \$107.4 million. For each decrease in interest rates of 1% (or 100 basis points), the fair value of the total outstanding debt would increase by approximately \$113.3 million.

At December 31, 2011 none of the Company's outstanding secured debt was short-term. The Company's \$200.0 million Term Loan, closed on July 1, 2011, has variable rates based on LIBOR plus 1.85% to 2.80% per annum.

FORWARD-LOOKING STATEMENTS

This report includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When used, words such as anticipate, expect, believe, project, intend, may be and will be and similar words or phrases, or the negative thereof, context requires otherwise, are intended to identify forward-looking statements and may include, without limitation, information regarding the Company's expectations, goals or intentions regarding the future, and the expected effect of the Acquisition on the Company. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, including, but not limited to:

the Company's ability to control costs, real estate market conditions, the actual rate of decline in customers, the actual use of sites by customers and its success in acquiring new customers at its Properties (including those that it may acquire);

the Company's ability to maintain historical rental rates and occupancy with respect to Properties currently owned or that the Company may acquire;

the Company's assumptions about rental and home sales markets;

the Company's assumptions and guidance concerning 2012 estimated net income and funds from operations;

in the age-qualified Properties, home sales results could be impacted by the ability of potential homebuyers to sell their existing residences as well as by financial, credit and capital markets volatility;

results from home sales and occupancy will continue to be impacted by local economic conditions, lack of affordable manufactured home financing and competition from alternative housing options including site-built single-family housing;

impact of government intervention to stabilize site-built single family housing and not manufactured housing;

effective integration of the Acquisition Properties and the Company's estimates regarding the future performance of the Acquisition Properties;

unanticipated costs or unforeseen liabilities associated with the Acquisition;

ability to obtain financing or refinance existing debt on favorable terms or at all;

the effect of interest rates;

the dilutive effects of issuing additional securities;

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the effect of accounting for the entry of contracts with customers representing a right-to-use the Properties under the Codification
Topic *Revenue Recognition*; and

other risks indicated from time to time in the Company's filings with the Securities and Exchange Commission.

These forward-looking statements are based on management's present expectations and beliefs about future events. As with any projection or forecast, these statements are inherently susceptible to uncertainty and changes in circumstances. The Company is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements whether as a result of such changes, new information, subsequent events or otherwise.

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Item 8. Financial Statements and Supplementary Data

See Index to Consolidated Financial Statements on page F-1 of this Form 10-K.

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Item 9. Changes In and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial and accounting officer), maintains a system of disclosure controls and procedures, designed to provide reasonable assurance that information the Company is required to disclose in the reports that the Company files under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms. Notwithstanding the foregoing, a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that it will detect or uncover failures within the Company to disclose material information otherwise required to be set forth in the Company's periodic reports.

The Company's management with the participation of the Chief Executive Officer and the Chief Financial Officer has evaluated the effectiveness of the Company's disclosure controls and procedures as of December 31, 2011. Based on that evaluation as of the end of the period covered by this annual report, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective to give reasonable assurances to the timely collection, evaluation and disclosure of information relating to the Company that would potentially be subject to disclosure under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder as of December 31, 2011.

Changes in Internal Control Over Financial Reporting

As previously announced and discussed in this Form 10-K, the Company acquired 75 Acquisition Properties during the year ended December 31, 2011. The Company is in the process of integrating the operations of these Acquisition Properties with those of the Company and incorporating the internal controls and procedures of these Acquisition Properties into its internal control over financial reporting. The Company does not expect this acquisition to materially affect its internal control over financial reporting. The Company will report on its assessment of the combined operations within the one-year time period provided by the Sarbanes-Oxley Act of 2002 and the applicable SEC rules and regulations concerning business combinations. As a result, management excluded certain internal controls, primarily related to the Acquisition Properties, from its assessment of the effectiveness of its internal controls over financial reporting as of December 31, 2011. The Acquisition Properties operations included in the 2011 consolidated financial statements of the Company constituted approximately \$1,453.2 million and \$835.8 million of total and net assets, respectively, as of December 31, 2011 and approximately \$60.0 million of revenues for the year then ended.

Excluding the operations of the 75 Acquisition Properties, there were no material changes in the Company's internal control over financial reporting during the quarter ended December 31, 2011.

Report of Management on Internal Control Over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP.

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Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of the 75 Acquisition Properties, which are included in the 2011 consolidated financial statements of the Company and constituted \$1,453.2 million and \$835.8 million of total and net assets, respectively, as of December 31, 2011 and \$60.0 million of revenues for the year then ended. Management maintains, in all material respects, effective internal control over financial reporting as of December 31, 2011, using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework*.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2011 has been audited by the Company's independent registered public accounting firm, as stated in their report on Page F-2 of the Consolidated Financial Statements.

Item 9B. Other Information

Pursuant to the authority granted in the Stock Option and Award Plan, in November 2011 the Compensation Committee approved the annual award of stock options to be granted to the Chairman of the Board, the Compensation Committee Chairperson and Lead Director, the Executive Committee Chairperson, and the Audit Committee Chairperson and Audit Committee Financial Expert on January 31, 2012 for their services rendered in 2011. On January 31, 2012, Mr. Samuel Zell was awarded options to purchase 100,000 shares of common stock, which he elected to receive as 20,000 shares of restricted common stock, for services rendered as Chairman of the Board; Mrs. Sheli Rosenberg was awarded options to purchase 25,000 shares of common stock, which she elected to receive as 5,000 shares of restricted common stock, for services rendered as Lead Director and Chairperson of the Compensation Committee; Mr. Howard Walker was awarded options to purchase 15,000 shares of common stock, which he elected to receive as 3,000 shares of restricted common stock, for services rendered as Chairperson of the Executive Committee; and Mr. Philip Calian was awarded options to purchase 15,000 shares of common stock, which he elected to receive as 3,000 shares of restricted common stock, for services rendered as Audit Committee Financial Expert and Audit Committee Chairperson. One-third of the options to purchase common stock and the shares of restricted common stock covered by these awards vests on each of December 31, 2012, December 31, 2013 and December 31, 2014.

Table of Contents**PART III****Items 10 and 11 Directors, Executive Officers and Corporate Governance, and Executive Compensation**

The information required by Item 10 and 11 will be contained in the Proxy Statement on Schedule 14A for the 2012 Annual Meeting and is therefore incorporated by reference, and thus Item 10 and 11 has been omitted in accordance with General Instruction G.(3) to Form 10-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information regarding securities authorized for issuance under equity compensation plans required by Item 12 follows:

| Plan Category | Number of securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a) | Weighted-average Exercise Price of Outstanding Options, Warrants and Rights (b) | Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in column (a)) (c) |
|---|--|--|--|
| Equity compensation plans approved by security holders ⁽¹⁾ | 632,800 | 44.14 | 743,345 |
| Equity compensation plans not approved by security holders ⁽²⁾ | N/A | N/A | 289,716 |
| Total | 632,800 | 44.14 | 1,033,061 |

⁽¹⁾ Includes shares of common stock under the Company's Stock Option and Award Plan adopted in December 1992, and amended and restated from time to time, most recently amended effective March 23, 2001. The Stock Option and Award Plan and certain amendments thereto were approved by the Company's stockholders.

⁽²⁾ Represents shares of common stock under the Company's Employee Stock Purchase Plan, which was adopted by the Board of Directors in July 1997, as amended in May 2006. Under the Employee Stock Purchase Plan, eligible employees make monthly contributions which are used to purchase shares of common stock at a purchase price equal to 85% of the lesser of the closing price of a share of common stock on the first or last trading day of the purchase period. Purchases of common stock under the Employee Stock Purchase Plan are made on the first business day of the next month after the close of the purchase period. Under New York Stock Exchange rules then in effect, stockholder approval was not required for the Employee Stock Purchase Plan because it is a broad-based plan available generally to all employees.

The information required by Item 403 of Regulation S-K Security Ownership of Certain Beneficial Owners and Management required by Item 12 will be contained in the Proxy Statement on Schedule 14A for the 2012 Annual Meeting and is therefore incorporated by reference, and thus has been omitted in accordance with General Instruction G.(3) to Form 10-K.

Items 13 and 14 Certain Relationships and Related Transactions, and Director Independence, and Principal Accountant Fees and Services

The information required by Item 13 and Item 14 will be contained in the Proxy Statement on Schedule 14A for the 2012 Annual Meeting and is therefore incorporated by reference, and thus Item 13 and 14 has been omitted in accordance with General Instruction G.(3) to Form 10-K.

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PART IV

Item 15. Exhibits and Financial Statements Schedules

1. Financial Statements

See Index to Financial Statements and Schedules on page F-1 of this Form 10-K.

2. Financial Statement Schedules

See Index to Financial Statements and Schedules on page F-1 of this Form 10-K.

3. Exhibits:

In reviewing the agreements included as exhibits to this Annual Report on Form 10-K, please remember they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about the Company or the other parties to the agreements. The agreements contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;

have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;

may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and

were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Additional information about the Company may be found elsewhere in this Annual Report on Form 10-K and its other public filings, which are available without charge through the SEC's website at <http://www.sec.gov>.

2^(a) Admission Agreement between Equity Financial and Management Co., Manufactured Home Communities, Inc. and MHC Operating Partnership

2.1^(x) Purchase and Sale Agreement, dated May 31, 2011, by and among, MHC Operating Limited Partnership, a subsidiary of Equity LifeStyle Properties, Inc., and the entities listed as Sellers on the signature page thereto

2.2^(x) Purchase and Sale Agreement, dated May 31, 2011, by and among MH Financial Services, L.L.C., Hometown America Management, L.L.C., Hometown America Management, L.P., and Hometown America Management Corp., as sellers, and Realty Systems, Inc. and MHC Operating Limited Partnership, collectively, as purchaser

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- 3.1^(k) Amended and Restated Articles of Incorporation of Equity Lifestyle Properties, Inc. effective May 15, 2007
- 3.2^(u) Articles Supplementary designating Equity Lifestyle Properties, Inc. s 8.034% Series A Cumulative Redeemable Perpetual Preferred Stock, liquidation preference \$25.00 per share, par value \$0.01 per share effective March 4, 2011
- 3.3^(z) Articles Supplementary designating Equity Lifestyle Properties, Inc. s Series B Subordinated Non-Voting Cumulative Redeemable Preferred Stock, par value \$0.01 per share effective July 1, 2011

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|----------------------|---|
| 3.4 ^(l) | Second Amended and Restated Bylaws effective August 8, 2007 |
| 3.5 ^(f) | Amended and Restated Articles Supplementary of Equity LifeStyle Properties, Inc. effective March 16, 2005 |
| 3.6 ^(f) | Articles Supplementary of Equity LifeStyle Properties, Inc. effective June 23, 2005 |
| 4.1 ^(q) | Amended and Restated 8.0625% Series D Cumulative Redeemable Perpetual Preference Units Term Sheet and Joinder to Second Amended and Restated Agreement of Limited Partnership |
| 4.2 ^(q) | 7.95% Series F Cumulative Redeemable Perpetual Preference Units Term Sheet and Joinder to Second Amended and Restated Agreement of Limited Partnership |
| 4.3 ^(q) | Form of Specimen Stock Certificate Evidencing the Common Stock of Equity LifeStyle Properties, Inc., par value \$0.01 per share |
| 4.4 ^(u) | Form of Stock Certificate evidencing the 8.034% Series A Cumulative Redeemable Perpetual Preferred Stock liquidation preference \$25.00 per share, par value \$0.01 per share |
| 4.5 ^(y) | Registration Rights Agreement, entered into by and between Equity LifeStyle Properties, Inc. and Hometown America, L.L.C. dated July 1, 2011 |
| 9 | Not applicable |
| 10.4 ^(b) | Second Amended and Restated MHC Operating Limited Partnership Agreement of Limited Partnership, dated March 15, 1996 |
| 10.5 ^(e) | Amendment to Second Amended and Restated Agreement of Limited Partnership for MHC Operating Limited Partnership, dated February 27, 2004 |
| 10.10 ^(c) | Form of Manufactured Home Communities, Inc. 1997 Non-Qualified Employee Stock Purchase Plan |
| 10.11 ^(d) | Amended and Restated Manufactured Home Communities, Inc. 1992 Stock Option and Stock Award Plan effective March 23, 2001 |
| 10.19 ^(e) | Agreement of Plan of Merger (Thousand Trails), dated August 2, 2004 |
| 10.20 ^(e) | Amendment No. 1 to Agreement of Plan of Merger (Thousand Trails), dated September 30, 2004 |
| 10.21 ^(e) | Amendment No. 2 to Agreement of Plan of Merger (Thousand Trails), dated November 9, 2004 |
| 10.27 ⁽ⁱ⁾ | Credit Agreement (\$225 million Revolving Facility) dated June 29, 2006 |
| 10.28 ⁽ⁱ⁾ | Second Amended and Restated Loan Agreement (\$50 million Revolving Facility) dated July 14, 2006 |
| 10.31 ^(h) | Amendment No. 3 to Agreement and Plan of Merger (Thousand Trails) dated April 14, 2006 |
| 10.33 ^(j) | Amendment of Non-Qualified Employee Stock Purchase Plan dated May 3, 2006 |
| 10.34 ^(j) | Form of Indemnification Agreement |
| 10.37 ^(m) | First Amendment to Credit Agreement (\$400 million Revolving Facility) dated September 21, 2007 |
| 10.38 ^(m) | First Amendment to Second Amended and Restated Loan Agreement (\$20 million Revolving Facility) dated September 21, 2007 |
| 10.43 ^(p) | Form of Trust Agreement Establishing Howard Walker Deferred Compensation Trust, dated December 8, 2000 |
| 10.44 ^(r) | Underwriting Agreement, dated June 23, 2009 by and among Equity LifeStyle Properties, Inc., MHC Operating Limited Partnership, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Wachovia Capital Markets, LLC |

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|----------------------|--|
| 10.45 ^(s) | Second Amendment to Credit Agreement (Revolving Facility) and Guarantor Consent and Confirmation, dated June 29, 2010, by and among the Company, MHC Operating Limited Partnership, MHC Trust, T1000 Trust, Wells Fargo Bank, N.A. and each of the Lenders set forth therein |
| 10.46 ^(w) | Amended and Restated Credit Agreement (\$380 million Unsecured Revolving Facility) dated May 19, 2011 |
| 10.47 ^(t) | Exchange Agreement dated March 1, 2011 by and among the Company, the Operating Partnership and the Selling Stockholders |
| 10.48 ^(v) | 8.034% Series G Cumulative Redeemable Perpetual Preference Units Term Sheet and Joinder to the Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership dated March 4, 2011 |
| 10.49 ^(w) | Amended and Restated Guaranty dated May 19, 2011 |
| 10.50 ^(z) | Term Loan Agreement, dated July 1, 2011, by and among the Company, the Operating Partnership, Wells Fargo Securities, LLC, Bank of America, N.A., Wells Fargo Bank, National Association and each of the financial institutions initially a signatory thereto together with their successors and assignees |
| 10.51 ^(z) | Guaranty, dated July 1, 2011, by and among the Company, MHC Trust, MHC T1000 Trust and Wells Fargo Bank, National Association |
| 10.52 ^(z) | Series H Subordinated Non-Voting Cumulative Redeemable Preference Units Term Sheet and Joinder to the Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership dated July 1, 2011 |
| 11 | Not applicable |
| 12 ^(aa) | Computation of Ratio of Earnings to Fixed Charges |
| 13 | Not applicable |
| 14 ⁽ⁱ⁾ | Equity LifeStyle Properties, Inc. Business Ethics and Conduct Policy, dated July 2006 |
| 16 | Not applicable |
| 18 | Not applicable |
| 21 ^(aa) | Subsidiaries of the registrant |
| 22 | Not applicable |
| 23 ^(aa) | Consent of Independent Registered Public Accounting Firm |
| 24.1 ^(aa) | Power of Attorney for Philip C. Calian dated February 21, 2012 |
| 24.2 ^(aa) | Power of Attorney for David J. Contis dated February 20, 2012 |
| 24.3 ^(aa) | Power of Attorney for Thomas E. Dobrowski dated February 17, 2012 |
| 24.4 ^(aa) | Power of Attorney for Sheli Z. Rosenberg dated February 16, 2012 |
| 24.5 ^(aa) | Power of Attorney for Howard Walker dated February 24, 2012 |
| 24.6 ^(aa) | Power of Attorney for Gary Waterman dated February 21, 2012 |
| 24.7 ^(aa) | Power of Attorney for Samuel Zell dated February 24, 2012 |
| 31.1 ^(aa) | Certification of Chief Financial Officer Pursuant To Section 302 of the Sarbanes-Oxley Act Of 2002 |
| 31.2 ^(aa) | Certification of Chief Executive Officer Pursuant To Section 302 of the Sarbanes-Oxley Act Of 2002 |

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- 32.1^(aa) Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350
- 32.2^(aa) Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350
- 101^(bb) The following materials from Equity LifeStyle Properties, Inc. s Annual Report on Form 10-K for the year ended December 31, 2011, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Changes in Equity, (iv) the Consolidated Statements of Cash Flow, and (v) the Notes to Consolidated Financial Statements, furnished herewith.

The following documents are incorporated herein by reference.

- (a) Included as an exhibit to the Company s Form S-11 Registration Statement, File No. 33-55994
- (b) Included as an exhibit to the Company s Report on Form 10-Q for the quarter ended June 30, 1996
- (c) Included as Exhibit A to the Company s definitive Proxy Statement dated March 28, 1997, relating to Annual Meeting of Stockholders held on May 13, 1997
- (d) Included as Appendix A to the Company s Definitive Proxy Statement dated March 30, 2001
- (e) Included as an exhibit to the Company s Report on Form 8-K dated November 16, 2004
- (f) Included as an exhibit to the Company s Report on Form 10-Q dated June 30, 2005
- (g) Included as an exhibit to the Company s Report on Form 10-K dated December 31, 2005
- (h) Included as an exhibit to the Company s Report on Form 8-K dated April 14, 2006
- (i) Included as an exhibit to the Company s Report on Form 10-Q dated June 30, 2006
- (j) Included as an exhibit to the Company s Report on Form 10-K dated December 31, 2006
- (k) Included as an exhibit to the Company s Report on Form 8-K dated May 18, 2007
- (l) Included as an exhibit to the Company s Report on Form 8-K dated August 8, 2007
- (m) Included as an exhibit to the Company s Report on Form 8-K dated September 21, 2007
- (n) Included as an exhibit to the Company s Report on Form 8-K dated January 4, 2008
- (o) Included as an exhibit to the Company s Report on Form 10-Q dated March 31, 2008
- (p) Included as an exhibit to the Company s Report on Form 8-K dated December 8, 2000, filed on September 25, 2008
- (q) Included as an exhibit to the Company s Report on Form S-3 ASR dated May 6, 2009
- (r) Included as an exhibit to the Company s Report on Form 8-K dated June 23, 2009
- (s) Included as an exhibit to the Company s Report on Form 8-K dated July 2, 2010
- (t) Included as an exhibit to the Company s Report on Form 8-K dated March 1, 2011
- (u) Included as an exhibit to the Company s Registration Statement on Form 8-A filed on March 4, 2011
- (v) Included as an exhibit to the Company s Report on Form 8-K dated March 4, 2011
- (w) Included as an exhibit to the Company s Report on Form 8-K dated May 19, 2011
- (x) Included as an exhibit to the Company s Report on Form 8-K dated May 31, 2011
- (y) Included as an exhibit to the Company s Report on Form 10-Q dated June 30, 2011
- (z) Included as an exhibit to the Company s Report on Form 8-K dated July 1, 2011
- (aa) Filed herewith
- (bb) Users of this data are advised that pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

EQUITY LIFESTYLE PROPERTIES, INC.,

a Maryland corporation

Date: February 28, 2012

By */s/* THOMAS P. HENEGHAN
Thomas P. Heneghan
President and Chief Executive Officer

(Principal Executive Officer)

Date: February 28, 2012

By */s/* MARGUERITE NADER
Marguerite Nader
Executive Vice President and

Chief Financial Officer
(Principal Financial Officer

and Principal Accounting Officer)

Table of Contents**Equity LifeStyle Properties, Inc. Signatures**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

| Name | Title | Date |
|---|---|-------------------|
| /s/ THOMAS P. HENEGHAN Thomas P. Heneghan | President and Chief Executive Officer (Principal Executive Officer), and Director *Attorney-in-Fact | February 28, 2012 |
| /s/ MARGUERITE NADER Marguerite Nader | Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer) *Attorney-in-Fact | February 28, 2012 |
| * SAMUEL ZELL Samuel Zell | Chairman of the Board | February 28, 2012 |
| *HOWARD WALKER Howard Walker | Vice-Chairman of the Board | February 28, 2012 |
| *PHILIP C. CALIAN Philip C. Calian | Director | February 28, 2012 |
| *DAVID J. CONTIS David J. Contis | Director | February 28, 2012 |
| *THOMAS E. DOBROWSKI Thomas E. Dobrowski | Director | February 28, 2012 |
| * SHELI Z. ROSENBERG Sheli Z. Rosenberg | Director | February 28, 2012 |
| *GARY WATERMAN Gary Waterman | Director | February 28, 2012 |

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**INDEX TO FINANCIAL STATEMENTS
EQUITY LIFESTYLE PROPERTIES, INC.**

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| <u>Report of Independent Registered Public Accounting Firm</u> | F-3 |
| <u>Consolidated Balance Sheets as of December 31, 2011 and 2010</u> | F-4 |
| <u>Consolidated Statements of Operations for the years ended December 31, 2011, 2010 and 2009</u> | F-5 and F-6 |
| <u>Consolidated Statements of Changes in Equity for the years ended December 31, 2011, 2010 and 2009</u> | F-7 |
| <u>Consolidated Statements of Cash Flows for the years ended December 31, 2011, 2010 and 2009</u> | F-8 and F-9 |
| <u>Notes to Consolidated Financial Statements</u> | F-10 |
| <u>Schedule II Valuation and Qualifying Accounts</u> | S-1 |
| <u>Schedule III Real Estate and Accumulated Depreciation</u> | S-2 |

Note that certain schedules have been omitted, as they are not applicable to the Company.

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of Equity Lifestyle Properties, Inc.

We have audited Equity Lifestyle Properties, Inc.'s (Equity Lifestyle Properties or the Company) internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Equity Lifestyle Properties' management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Item 9A. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Report of Management on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of the Acquisition Properties (as defined in Note 19 in the Notes to the Consolidated Financial Statements contained in this Form 10-K), which are included in the 2011 consolidated financial statements of the Company and constituted \$1,453.2 million and \$835.8 million of total and net assets, respectively, as of December 31, 2011 and \$60.0 million of revenues for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of the Acquisition Properties.

In our opinion, Equity Lifestyle Properties, Inc., maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets as of December 31, 2011 and 2010, and the related consolidated statements of operations, equity, and cash flows for each of the three years in the period ended December 31, 2011, and the financial statement schedules listed in the Index at Item 15, of Equity Lifestyle Properties, Inc., and our report dated February 28, 2012, expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP
ERNST & YOUNG LLP

Chicago, Illinois
February 28, 2012

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of Equity Lifestyle Properties, Inc.

We have audited the accompanying consolidated balance sheets of Equity Lifestyle Properties, Inc. (Equity Lifestyle Properties or the Company), as of December 31, 2011 and 2010, and the related consolidated statements of operations, changes in equity and cash flows for each of the three years in the period ended December 31, 2011. Our audits also included the financial statement schedules listed in the Index at Item 15. These financial statements and the schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and the schedules based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Equity Lifestyle Properties at December 31, 2011 and 2010, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedules, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Equity Lifestyle Properties' internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 28, 2012 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP
ERNST & YOUNG LLP

Chicago, Illinois
February 28, 2012

Table of Contents**Equity LifeStyle Properties, Inc.****Consolidated Balance Sheets****As of December 31, 2011 and 2010****(amounts in thousands, except for share data)**

| | December 31, 2011 | December 31, 2010 |
|---|------------------------------|------------------------------|
| Assets | | |
| Investment in real estate: | | |
| Land | \$ 1,018,521 | \$ 544,462 |
| Land improvements | 2,591,225 | 1,762,122 |
| Buildings and other depreciable property | 469,627 | 278,403 |
| | 4,079,373 | 2,584,987 |
| Accumulated depreciation | (813,926) | (700,665) |
| Net investment in real estate | 3,265,447 | 1,884,322 |
| Cash and cash equivalents | 70,460 | 12,659 |
| Short-term investments | | 52,266 |
| Notes receivable, net | 64,239 | 25,726 |
| Investment in joint ventures | 8,557 | 8,446 |
| Rents and other customer receivables, net | 1,155 | 419 |
| Deferred financing costs, net | 23,039 | 10,688 |
| Inventory | 2,948 | 3,177 |
| Deferred commission expense | 19,687 | 14,898 |
| Escrow deposits and other assets | 40,569 | 35,794 |
| Total Assets | \$ 3,496,101 | \$ 2,048,395 |
| Liabilities and Equity | | |
| Liabilities: | | |
| Mortgage notes payable | \$ 2,084,683 | \$ 1,412,919 |
| Term loan | 200,000 | |
| Unsecured lines of credit | | |
| Accrued payroll and other operating expenses | 62,062 | 52,782 |
| Deferred revenue - upfront payments from right-to-use contracts | 56,285 | 44,349 |
| Deferred revenue - right-to-use annual payments | 11,877 | 12,642 |
| Accrued interest payable | 10,737 | 7,174 |
| Rents and other customer payments received in advance and security deposits | 54,234 | 47,738 |
| Distributions payable | 16,943 | 10,633 |
| Total Liabilities | 2,496,821 | 1,588,237 |
| Commitments and contingencies | | |
| Non-controlling interests - Perpetual Preferred OP Units | | 200,000 |
| 8.034% Series A Cumulative Redeemable Perpetual Preferred Stock | | |
| \$0.01 par value, 8,000,000 shares authorized, issued and outstanding as of December 31, 2011 and none issued and outstanding as of December 31, 2010, at liquidation value | 200,000 | |
| Equity: | | |
| Stockholders' Equity: | | |
| Preferred stock, \$.01 par value 2,000,000 shares authorized; none issued and outstanding as of December 31, 2011 and 2010 | | |

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| | | |
|--|---------------------|---------------------|
| Common stock, \$.01 par value 100,000,000 shares authorized for 2011 and 2010; 41,078,200 and 30,972,353 shares issued and outstanding for 2011 and 2010, respectively | 412 | 310 |
| Paid-in capital | 998,483 | 463,722 |
| Distributions in excess of accumulated earnings | (270,021) | (237,002) |
| Accumulated other comprehensive loss | (2,547) | |
| Total Stockholders' Equity | 726,327 | 227,030 |
| Non-controlling interests - Common OP Units | 72,953 | 33,128 |
| Total Equity | 799,280 | 260,158 |
| Total Liabilities and Equity | \$ 3,496,101 | \$ 2,048,395 |

The accompanying notes are an integral part of the financial statements

Table of Contents**Equity LifeStyle Properties, Inc.****Consolidated Statements of Operations****For the Years Ended December 31, 2011, 2010, 2009****(amounts in thousands, except for share and per share data)**

| | 2011 | 2010 | 2009 |
|--|----------------|----------------|----------------|
| Revenues: | | | |
| Community base rental income | \$ 318,851 | \$ 259,351 | \$ 253,379 |
| Resort base rental income | 130,489 | 129,481 | 124,822 |
| Right-to-use annual payments | 49,122 | 49,831 | 50,765 |
| Right-to-use contracts current period, gross | 17,856 | 19,496 | 21,526 |
| Right-to-use contracts, deferred, net of prior period amortization | (11,936) | (14,856) | (18,882) |
| Utility and other income | 53,843 | 48,357 | 47,685 |
| Gross revenues from home sales | 6,088 | 6,120 | 7,136 |
| Brokered resale revenues, net | 806 | 918 | 758 |
| Ancillary services revenues, net | 1,502 | 2,504 | 2,745 |
| Interest income | 7,000 | 4,419 | 5,119 |
| Income from other investments, net | 6,452 | 5,740 | 8,168 |
| Total revenues | 580,073 | 511,361 | 503,221 |
| Expenses: | | | |
| Property operating and maintenance | 200,623 | 185,786 | 180,870 |
| Real estate taxes | 37,619 | 32,110 | 31,674 |
| Sales and marketing, gross | 11,219 | 12,606 | 13,536 |
| Sales and marketing, deferred commissions, net | (4,789) | (5,525) | (5,729) |
| Property management | 35,076 | 32,639 | 33,383 |
| Depreciation on real estate and other costs | 79,981 | 68,125 | 69,049 |
| Amortization of in-place leases | 28,479 | | |
| Cost of home sales | 5,683 | 5,396 | 7,471 |
| Home selling expenses | 1,589 | 2,078 | 2,383 |
| General and administrative | 23,833 | 22,559 | 22,279 |
| Transaction costs | 18,493 | | |
| Rent control initiatives | 1,009 | 1,120 | 456 |
| Goodwill impairment | | 3,635 | |
| Depreciation on corporate assets | 1,034 | 1,080 | 1,039 |
| Interest and related amortization | 99,668 | 91,151 | 98,311 |
| Total expenses | 539,517 | 452,760 | 454,722 |
| Income before equity in income of unconsolidated joint ventures | 40,556 | 58,601 | 48,499 |
| Equity in income of unconsolidated joint ventures | 1,948 | 2,027 | 2,896 |
| Consolidated income from continuing operations | 42,504 | 60,628 | 51,395 |
| Discontinued Operations: | | | |
| Discontinued operations | | | 181 |
| (Loss) income from discontinued real estate | | (231) | 4,685 |
| (Loss) income from discontinued operations | | (231) | 4,866 |

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| | | | |
|-------------------------|--------|--------|--------|
| Consolidated net income | 42,504 | 60,397 | 56,261 |
|-------------------------|--------|--------|--------|

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Table of Contents**Equity LifeStyle Properties, Inc.****Consolidated Statements of Operations****For the Years Ended December 31, 2011, 2010, 2009****(amounts in thousands, except for share and per share data)**

| | 2011 | 2010 | 2009 |
|--|------------------|------------------|------------------|
| Income allocated to non-controlling interests Common OP Units | (3,105) | (5,903) | (6,113) |
| Income allocated to non-controlling interests Perpetual Preferred OP Units | (2,801) | (16,140) | (16,143) |
| Series A Redeemable Perpetual Preferred Stock Dividends | (13,357) | | |
| Series B Redeemable Preferred Stock Dividends | (466) | | |
| Net income available for Common Shares | \$ 22,775 | \$ 38,354 | \$ 34,005 |
| Earnings per Common Share Basic: | | | |
| Income from continuing operations available for Common Shares | \$ 0.64 | \$ 1.26 | \$ 1.08 |
| Income from discontinued operations | \$ | \$ | \$ 0.15 |
| Net income available for Common Shares | \$ 0.64 | \$ 1.26 | \$ 1.23 |
| Earnings per Common Share Fully Diluted: | | | |
| Income from continuing operations available for Common Shares | \$ 0.64 | \$ 1.25 | \$ 1.07 |
| Income from discontinued operations | \$ | \$ | \$ 0.15 |
| Net income available for Common Shares | \$ 0.64 | \$ 1.25 | \$ 1.22 |
| Weighted average Common Shares outstanding basic | 35,591 | 30,517 | 27,582 |
| Weighted average Common Shares outstanding fully diluted | 40,330 | 35,518 | 32,944 |

The accompanying notes are an integral part of the financial statements

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Equity LifeStyle Properties, Inc.
Consolidated Statements of Changes In Equity
For the Years Ended December 31, 2011, 2010, 2009

(amounts in thousands)

| | Common Stock | Paid-in Capital | Distributions in Excess of Accumulated Comprehensive Earnings | Non-controlling Interests Common OP Units | Series B Preferred Stock | Accumulated Other Comprehensive Loss | Total Equity |
|---|-----------------|--------------------|---|--|--------------------------------|---|------------------|
| Balance, December 31, 2008 | \$ 238 | \$ 320,084 | \$ (241,609) | \$ 17,521 | \$ | \$ | \$ 96,234 |
| Conversion of OP Units to common stock | | 2,516 | | (2,516) | | | |
| Issuance of common stock through exercise of options | 2 | 3,537 | | | | | 3,539 |
| Issuance of common stock through employee stock purchase plan | | 1,344 | | | | | 1,344 |
| Issuance of common stock through stock offering | 46 | 146,317 | | | | | 146,363 |
| Compensation expenses related to stock options and restricted stock | 15 | 4,640 | | | | | 4,655 |
| Repurchase of common stock or Common OP Units | | (1,193) | | (188) | | | (1,381) |
| Adjustment for Common OP Unitholders in the Operating Partnership | | (20,549) | | 20,549 | | | |
| Net income | | | 34,005 | 6,113 | | | 40,118 |
| Distributions | | | (30,863) | (5,582) | | | (36,445) |
| Balance, December 31, 2009 | 301 | 456,696 | (238,467) | 35,897 | | | 254,427 |
| Conversion of OP Units to common stock | 9 | 3,662 | | (3,671) | | | |
| Issuance of common stock through exercise of options | | 1,106 | | | | | 1,106 |
| Issuance of common stock through employee stock purchase plan | | 1,076 | | | | | 1,076 |
| Compensation expenses related to stock options and restricted stock | | 5,436 | | | | | 5,436 |
| Repurchase of common stock or Common OP Units | | (2,054) | | | | | (2,054) |
| Adjustment for Common OP Unitholders in the Operating Partnership | | (751) | | 751 | | | |
| Acquisition of non-controlling interests | | (1,449) | | (132) | | | (1,581) |
| Net income | | | 38,354 | 5,903 | | | 44,257 |
| Distributions | | | (36,889) | (5,620) | | | (42,509) |
| Balance, December 31, 2010 | 310 | 463,722 | (237,002) | 33,128 | | | 260,158 |
| Conversion of OP Units to common stock | 4 | 4,063 | | (4,067) | | | |
| Issuance of common stock through exercise of options | 4 | 4,567 | | | | | 4,571 |
| Issuance of common stock through employee stock purchase plan | | 913 | | | | | 913 |
| Compensation expenses related to stock options and restricted stock | | 5,762 | | | | | 5,762 |
| Repurchase of common stock or Common OP Units | | (1,682) | | | | | (1,682) |
| | | (47,100) | | 47,100 | | | |

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| | | | | | | | |
|---|---------------|-------------------|---------------------|------------------|-----------|-------------------|-------------------|
| Adjustment for Common OP Unitholders in the Operating Partnership | | | | | | | |
| Common stock offering | 60 | 343,989 | | | | | 344,049 |
| Stock issued for Acquisition | 17 | 110,478 | | | 113,788 | | 224,283 |
| Adjustment for fair market value of swap | | | | | | (2,547) | (2,547) |
| Redemption of Series B Preferred Stock for Common stock | 17 | 113,771 | | | (113,788) | | |
| Net income | | | 22,775 | 3,105 | 466 | | 26,346 |
| Distributions | | | (55,794) | (6,313) | (466) | | (62,573) |
| Balance, December 31, 2011 | \$ 412 | \$ 998,483 | \$ (270,021) | \$ 72,953 | \$ | \$ (2,547) | \$ 799,280 |

The accompanying notes are an integral part of the financial statements

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Table of Contents**Equity LifeStyle Properties, Inc.****Consolidated Statements of Cash Flows****For the Years Ended December 31, 2011, 2010, 2009****(amounts in thousands)**

| | 2011 | 2010 | 2009 |
|---|-----------|-----------|-----------|
| Cash Flows From Operating Activities: | | | |
| Consolidated net income | \$ 42,504 | \$ 60,397 | \$ 56,261 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Loss (gain) on sale of discontinued real estate and other | | 231 | (5,483) |
| Depreciation expense | 86,463 | 73,347 | 73,670 |
| Amortization of in-place leases | 28,479 | | |
| Amortization loan cost | 5,305 | 3,325 | 3,090 |
| Debt premium amortization | (1,817) | 13 | (1,232) |
| Equity in income of unconsolidated joint ventures | (3,176) | (3,245) | (4,146) |
| Distributions from unconsolidated joint ventures | 1,841 | 2,831 | 2,936 |
| Amortization of stock-related compensation | 5,762 | 5,436 | 4,655 |
| Revenue recognized from right-to-use contract upfront payment | (5,920) | (4,640) | (2,644) |
| Commission expense recognized related to right-to-use contracts | 1,946 | 1,432 | 821 |
| Accrued long term incentive plan compensation | 1,813 | 725 | 1,053 |
| Increase in provision for uncollectible rents receivable | 1,534 | 517 | 654 |
| Increase in provision for inventory reserve | | | 839 |
| Changes in assets and liabilities: | | | |
| Notes receivable activity, net | 477 | 494 | 136 |
| Rent and other customer receivables, net | (2,270) | (516) | (40) |
| Inventory | 2,396 | 3,524 | 2,060 |
| Deferred commission expense | (6,735) | (6,957) | (6,550) |
| Escrow deposits and other assets | (8,484) | 7,730 | 7,825 |
| Goodwill impairment | | 3,635 | |
| Accrued payroll and other operating expenses | 6,736 | (7,886) | (3,504) |
| Deferred revenue upfront payments from right-to-use contracts | 17,856 | 19,496 | 21,526 |
| Deferred revenue right-to-use annual payments | (765) | 39 | (1,564) |
| Rents received in advance and security deposits | 1,696 | 3,381 | 162 |
| Net cash provided by operating activities | 175,641 | 163,309 | 150,525 |
| Cash Flows From Investing Activities: | | | |
| Acquisition of real estate and other | (651,089) | | (8,219) |
| Acquisition of notes receivable | (40,362) | | |
| Proceeds from disposition of rental properties and other | 252 | | 3,278 |
| Net tax-deferred exchange withdrawal (deposit) | | 786 | (786) |
| Proceeds from (purchase of) short-term investments | 52,266 | (52,266) | |
| Net (borrowings) repayments of notes receivable | (883) | 1,176 | 949 |
| Capital improvements | (62,032) | (48,629) | (30,114) |
| Net cash used in investing activities | (701,848) | (98,933) | (34,892) |

The accompanying notes are an integral part of the financial statements

Table of Contents**Equity LifeStyle Properties, Inc.****Consolidated Statements of Cash Flows****For the Years Ended December 31, 2011, 2010, 2009****(amounts in thousands)**

| | 2011 | 2010 | 2009 |
|---|--------------|------------|------------|
| Cash Flows From Financing Activities: | | | |
| Net proceeds from stock options and employee stock purchase plan | 5,484 | 2,182 | 4,883 |
| Net proceeds from issuance of Common Stock | 344,049 | | 146,363 |
| Distributions to Common Stockholders, Common OP Unitholders, Perpetual Preferred OP Unitholders, and Preferred Stockholders | (72,420) | (58,600) | (48,109) |
| Stock repurchase and Unit redemption | (1,682) | (2,054) | (1,381) |
| Acquisition of non-controlling interests | | (1,581) | |
| Lines of credit: | | | |
| Proceeds | 50,000 | | 50,900 |
| Repayments | (50,000) | | (143,900) |
| Principal payments and mortgage debt payoff | (75,658) | (211,656) | (130,235) |
| New mortgage notes payable financing proceeds | 200,000 | 76,615 | 107,264 |
| Term loan financing proceeds | 200,000 | | |
| Debt issuance costs | (15,765) | (1,751) | (1,602) |
| Net cash provided by (used in) financing activities | 584,008 | (196,845) | (15,817) |
| Net increase (decrease) in cash and cash equivalents | 57,801 | (132,469) | 99,816 |
| Cash and cash equivalents, beginning of year | 12,659 | 145,128 | 45,312 |
| Cash and cash equivalents, end of year | \$ 70,460 | \$ 12,659 | \$ 145,128 |
| Supplemental Information: | | | |
| Cash paid during the period for interest | \$ 99,816 | \$ 87,888 | \$ 96,030 |
| Non-cash activities (increase (decrease)): | | | |
| Inventory reclassified to Buildings and other depreciable property | \$ | \$ | \$ 6,727 |
| Manufactured homes acquired with dealer financing | \$ 830 | \$ 3,674 | \$ 1,389 |
| Dealer financing | \$ 830 | \$ 3,674 | \$ 1,389 |
| Capital improvements | \$ 2,685 | \$ 566 | \$ 763 |
| Net repayments of notes receivable | \$ (2,685) | \$ (566) | \$ (763) |
| Series A Cumulative Redeemable Perpetual Preferred Stock | \$ 200,000 | \$ | \$ |
| Perpetual Preferred OP United conversion | \$ (200,000) | \$ | \$ |
| Acquisitions | | | |
| Inventory | \$ | \$ | \$ 185 |
| Escrow deposits and other assets | \$ | \$ | \$ 11,267 |
| Accrued payroll and other operating expenses | \$ 2,643 | \$ (164) | \$ 5,195 |
| Accrued interest payable | \$ 114 | \$ | \$ |
| Notes receivable | \$ | \$ (2,556) | \$ 763 |
| Rents and other customer payments received in advance and security deposits | \$ 4,800 | \$ (76) | \$ 3,933 |
| Investment in real estate | \$ 1,431,339 | \$ 2,796 | \$ 18,879 |
| Common Stock issued | \$ 110,495 | \$ | \$ |
| Series B Subordinated Non-Voting Cumulative Redeemable Preferred Stock issued | \$ 113,788 | \$ | \$ |
| Debt assumed and financed on acquisition | \$ 548,410 | \$ | \$ 11,851 |
| Dispositions | | | |
| Other assets and liabilities, net | \$ 252 | \$ (97) | \$ (14) |

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| | | | |
|---|----|------------|-------------|
| Investment in real estate | \$ | \$ (3,531) | \$ (13,831) |
| Mortgage notes payable assumed by purchaser | \$ | \$ (3,628) | \$ (10,539) |

The accompanying notes are an integral part of the financial statements

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 1 Organization of the Company and Basis of Presentation

Equity LifeStyle Properties, Inc., a Maryland corporation, together with MHC Operating Limited Partnership (the Operating Partnership) and other consolidated subsidiaries (the Subsidiaries), is referred to herein as the Company and ELS. The Company is a fully integrated owner and operator of lifestyle-oriented properties (Properties). The Company leases individual developed areas (sites) with access to utilities for placement of factory built homes, cottages, cabins or recreational vehicles (RVs). Properties are designed and improved for several home options of various sizes and designs that are produced off-site, installed and set on designated sites (Site Set) within the Properties. At certain Properties, the Company provides access to its sites through right-to-use or membership contracts. The Company believes that it has qualified for taxation as a real estate investment trust (REIT) for U.S. federal income tax purposes since its taxable year ended December 31, 1993. The Company plans to continue to meet the requirements for taxation as a REIT. Many of these requirements, however, are highly technical and complex. The Company cannot, therefore, guarantee that it has qualified or will qualify in the future as a REIT. The determination that the Company is a REIT requires an analysis of various factual matters that may not be totally within its control and it cannot provide any assurance that the IRS will agree with its analysis. For example, to qualify as a REIT, at least 95% of the Company s gross income must come from sources that are itemized in the REIT tax laws. The Company is also required to distribute to stockholders at least 90% of its REIT taxable income computed without regard to its deduction for dividends paid and its net capital gain. As of December 31, 2011, the Company has net operating loss carryforwards of approximately \$88 million that can be utilized to offset future distribution requirements. The fact that the Company holds its assets through the Operating Partnership and its subsidiaries further complicates the application of the REIT requirements. Even a technical or inadvertent mistake could jeopardize the Company s REIT qualification. Furthermore, Congress and the IRS might make changes to the tax laws and regulations, and the courts might issue new rulings that make it more difficult, or impossible, for the Company to remain qualified as a REIT. The Company does not believe, however, that any pending or proposed tax law changes would jeopardize its REIT qualification.

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

The operations of the Company are conducted primarily through the Operating Partnership. The Company contributed the proceeds from its initial public offering and subsequent offerings to the Operating Partnership for a general partnership interest. In 2004, the general partnership interest was contributed to MHC Trust, a private REIT subsidiary owned by the Company. The financial results of the Operating Partnership and the Subsidiaries are consolidated in the Company s consolidated financial statements. In addition, since certain activities, if performed by the Company, may cause the Company to earn income which is not qualifying for the REIT gross income tests, the Company has formed taxable REIT subsidiaries, as defined in the Code, to engage in such activities.

Several Properties are wholly owned by taxable REIT subsidiaries of the Company. In addition, Realty Systems, Inc. (RSI) is a wholly owned taxable REIT subsidiary of the Company that is engaged in the business of purchasing and selling or leasing Site Set homes that are located in Properties owned and managed by the Company. RSI also provides brokerage services to residents at such Properties for those residents 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 consisting of operations such as golf courses, pro shops, stores and restaurants.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 1 Organization of the Company and Basis of Presentation (continued)

The limited partners of the Operating Partnership (the Common OP Unitholders) receive an allocation of net income that is based on their respective ownership percentage of the Operating Partnership that is shown on the Consolidated Financial Statements as Non-controlling interests Common OP Units. As of December 31, 2011, the Non-Controlling Interests Common OP Units represented 4,103,067 units of limited partnership interest (OP Units) which are convertible into an equivalent number of shares of the Company's common stock. The issuance of additional shares of common stock or Common OP Units changes the respective ownership of the Operating Partnership for the Non-controlling interests Common OP Units.

Note 2 Summary of Significant Accounting Policies

(a) Basis of Consolidation

The Company consolidates its majority-owned subsidiaries in which it has the ability to control the operations of the subsidiaries and all variable interest entities with respect to which the Company is the primary beneficiary. The Company also consolidates entities in which it has a controlling direct or indirect voting interest. All inter-company transactions have been eliminated in consolidation. For business combinations for which the acquisition date is on or after January 1, 2009, the purchase price of Properties is accounted for in accordance with the Codification Topic Business Combinations (FASB ASC 805).

The Company has applied the Codification Sub-Topic Variable Interest Entities (FASB ASC 810-10-15). The objective of FASB ASC 810-10-15 is to provide guidance on how to identify a variable interest entity (VIE) and determine when the assets, liabilities, non-controlling interests, and results of operations of a VIE need to be included in a company's consolidated financial statements. Prior to January 1, 2010, a company that held a variable interest in an entity was required to consolidate such entity if the company absorbed a majority of the entity's expected losses or received a majority of the entity's expected residual returns if they occur, or both (i.e., the primary beneficiary). The Company also applied the Codification Sub-Topic Control of Partnerships and Similar Entities (FASB ASC 810-20), which determines whether a general partner or the general partners as a group controls a limited partnership or similar entity and therefore should consolidate the entity. Beginning January 1, 2010, the Codification Sub-Topic ASC 810-10-15 adopted amendments to the variable interest consolidation model described above. The requirement to consolidate a VIE as revised in this amendment is based on the qualitative analysis considerations for primary beneficiary determination which requires a company consolidate an entity determined to be a VIE if it has both of the following characteristics: (1) the power to direct the principal activities of the entity and (2) the obligation to absorb the expected losses or the right to receive the residual returns that could be significant the entity. The Company applies apply FASB ASC 810-10-15 and FASB ASC 810-20 to all types of entity ownership (general and limited partnerships and corporate interests).

The Company applies the equity method of accounting to entities in which the Company does not have a controlling direct or indirect voting interest or for variable interest entities where it is not considered the primary beneficiary, but can exercise influence over the entity with respect to its operations and major decisions. The cost method is applied when (i) the investment is minimal (typically less than 5%) and (ii) the Company's investment is passive.

(b) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 2 Summary of Significant Accounting Policies (continued)

and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. All property, site counts and acreage amounts are unaudited.

(c) Markets

The Company has two reportable segments which are the Property Operations and Home Sales and Rental Operations segments. The Property Operations segment owns and operates land lease Properties and the Home Sales and Rental Operations segment purchases, sells and leases homes at the Properties. The distribution of the Properties throughout the United States reflects the Company's belief that geographic diversification helps insulate the portfolio from regional economic influences. The Company intends to target new acquisitions in or near markets where the Properties are located and will also consider acquisitions of Properties outside such markets.

(d) Real Estate

In accordance with FASB ASC 805, the Company recognizes all the assets acquired and all the liabilities assumed in a transaction at the acquisition-date fair value. The Company also expenses transaction costs as they are incurred. Certain purchase price adjustments may be made within one year following any acquisition and applied retroactively to the date of acquisition.

In making estimates of fair values for purposes of allocating purchase price, the Company utilizes a number of sources, including independent appraisals or valuations that may be available in connection with the acquisition or financing of the respective Property and other market data. The Company also considers information obtained about each Property as a result of its due diligence, marketing and leasing activities in estimating the fair value of the tangible and intangible assets acquired and liabilities assumed.

Real estate is recorded at cost less accumulated depreciation. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. The Company generally uses a 30-year estimated life for buildings and structural and land improvements acquired (including site development), a ten-year estimated life for building upgrades, a five-year estimated life for furniture, fixtures and equipment and a one-year life for acquired in-place leases. New rental units are generally depreciated using a 20-year estimated life from each model year down to a salvage value of 40% of the original costs. Used rental units are generally depreciated based on the estimated life of the unit with no estimated salvage value.

Expenditures for ordinary maintenance and repairs are expensed to operations as incurred and significant renovations and improvements that improve the asset and extend the useful life of the asset are capitalized over their estimated useful life.

The values of above-and below-market leases are amortized and recorded as either an increase (in the case of below-market leases) or a decrease (in the case of above-market leases) to rental income over the remaining term of the associated lease. The value associated with in-place leases is amortized over the expected term, which includes an estimated probability of lease renewal.

In accordance with the Codification Sub-Topic Impairment or Disposal of Long Lived Assets (FASB ASC 360-10-35), the Company periodically evaluates its long-lived assets to be held and used, including its investments in real estate, for impairment indicators. The Company's judgments regarding the existence of impairment indicators are based on factors such as operational performance, market conditions and legal factors. Future events could occur which would cause the Company to conclude that impairment indicators exist and an impairment loss is warranted.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 2 Summary of Significant Accounting Policies (continued)

For long-lived assets to be held and used, if an impairment indicator exists, the Company compares the expected future undiscounted cash flows against the carrying amount of that asset. If the sum of the estimated undiscounted cash flows is less than the carrying amount of the asset, the Company would record an impairment loss for the carrying amount in excess of the estimated fair value, if any, of the asset.

For Properties to be disposed of, an impairment loss is recognized when the fair value of the Property, less the estimated cost to sell, is less than the carrying amount of the Property measured at the time the Company has made the decision to dispose of the Property, has a commitment to sell the Property and/or is actively marketing the Property for sale. A Property to be disposed of is reported at the lower of its carrying amount or its estimated fair value, less costs to sell. Subsequent to the date that a Property is held for disposition, depreciation expense is not recorded. The Company accounts for its Properties held for disposition in accordance with FASB ASC 360-10-35. Accordingly, the results of operations for all assets sold or held for sale have been classified as discontinued operations in all periods presented.

(e) Identified Intangibles and Goodwill

The Company records acquired intangible assets at their estimated fair value separate and apart from goodwill. The Company amortizes identified intangible assets and liabilities that are determined to have finite lives over the period the assets and liabilities are expected to contribute directly or indirectly to the future cash flows of the property or business acquired. In accordance with FASB ASC 360-10-35, intangible assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized if the carrying amount of an intangible asset is not recoverable and its carrying amount exceeds its estimated fair value.

The excess of the cost of an acquired entity over the net of the amounts assigned to assets acquired (including identified intangible assets) and liabilities assumed is recorded as goodwill. In accordance with Codification Topic Goodwill and Other Intangible Assets (FASB ASC 350), goodwill is not amortized but is tested for impairment at a level of reporting referred to as a reporting unit on an annual basis, or more frequently if events or changes in circumstances indicate that the asset might be impaired.

As of December 31, 2011 and 2010, the carrying amounts of identified intangible assets and goodwill, a component of Escrow deposits and other assets on the Company's consolidated balance sheets, were approximately \$12.1 million and \$15.9 million respectively. As of December 31, 2011 and 2010, this amount was comprised of approximately \$4.3 million and \$8.1 million, respectively, of identified intangible assets and approximately \$7.8 million of goodwill. Accumulated amortization of identified intangibles assets was approximately \$1.2 million and \$1.6 million as of December 31, 2011 and 2010, respectively. Amortization expense for the identified intangible assets was approximately \$1.9 million and \$0.9 million for the years ended December 31, 2011 and 2010, respectively. For the year ended December 31, 2010, the Company recognized a non-cash charge for \$3.6 million of goodwill related to the August 2009 acquisition of a small Florida internet and media based advertising business to reduce the carrying value of the business to its approximate fair value. For the year ended December 31, 2011, the Company sold the Florida internet and media based advertising business and disposed of \$3.5 million of intangibles and approximately \$2.0 million of related accumulated amortization of identified intangible assets.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 2 Summary of Significant Accounting Policies (continued)**

Estimated amortization of identified intangible assets for each of the next five years are as follows (amounts in thousands):

| Year ending December 31, | Amount |
|---------------------------------|---------------|
| 2012 | \$ 349 |
| 2013 | \$ 349 |
| 2014 | \$ 349 |
| 2015 | \$ 349 |
| 2016 | \$ 251 |

(f) Cash and Cash Equivalents

The Company considers all demand and money market accounts and certificates of deposit with a maturity date, when purchased, of three months or less to be cash equivalents. The cash and cash equivalents as of December 31, 2011 and 2010 include approximately \$4.2 and \$3.0 million, respectively, of restricted cash.

(g) Short-term Investments

The Company's short-term investments consist of U.S. Treasury Bills with maturity dates in excess of three months which are treated as held-to-maturity and are carried at the amortized cost. All U.S. Treasury Bills held as of December 31, 2010 matured and were redeemed during the year ended December 31, 2011.

(h) Notes Receivable

Notes receivable generally are stated at their outstanding unpaid principal balances net of any deferred fees or costs on originated loans, unamortized discounts or premiums, and an allowance. Interest income is accrued on the unpaid principal balance. Discounts or premiums are amortized to income using the interest method. In certain cases the Company finances the sales of homes to its customers (referred to as Chattel Loans) which loans are secured by the homes. The valuation of an allowance for doubtful accounts for the Chattel Loans is calculated based on delinquency trends and a comparison of the outstanding principal balance of each note compared to the N.A.D.A. (National Automobile Dealers Association) value and the current estimated market value of the underlying manufactured home collateral.

During the year ended December 31, 2011, the Company purchased Chattel Loans that were recorded at fair value at the time of acquisition under the Codification Topic Loans and Debt Securities Acquired with Deteriorated Credit Quality (FASB ASC 310-30). (See Note 19 in the Notes to Consolidated Financial Statements contained in this Form 10-K for a detailed description of our recent Acquisition.) The fair value of these Chattel Loans includes an estimate of losses that are expected to be incurred over the estimated remaining lives of the receivables, and therefore no allowance for losses was recorded for these Chattel Loans as of the transaction date. The fair value is estimated based on a number of factors including customer delinquency status, FICO scores, the original down payment amount and below-market stated interest rates. Through December 31, 2011, the credit performance of these Chattel Loans has generally been consistent with the assumptions used in determining its initial fair value, and the Company's original expectations regarding the amounts and timing of future cash flows has not changed. A probable decrease in management's expectation of future cash collections related to these Chattel Loans could result in the need to record an allowance for credit losses in the future. Due to the size of the Chattel Loan pool and maturity dates ranging up to 29 years, future credit losses or changes to interest income could be significant.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 2 Summary of Significant Accounting Policies (continued)

The Company also provides financing for nonrefundable upfront payments on entering or upgrades of right-to-use contracts (Contracts Receivable). Based upon historical collection rates and current economic trends, when an up-front payment is financed, a reserve is established for a portion of the Contracts Receivable balance estimated to be uncollectible. The reserve and the rate at which the Company provides for losses on its Contracts Receivable could be increased or decreased in the future based on its actual collection experience. (See Note 7 in the Notes to Consolidated Financial Statements contained in this Form 10-K.)

On August 14, 2008, the Company purchased Contracts Receivable that were recorded at fair value at the time of acquisition under the FASB ASC 310-30. The fair value of these Contracts Receivable included an estimate of losses that were expected to be incurred over the estimated life of the Contracts Receivable, and therefore no allowance for losses was recorded for these Contracts Receivable as of the transaction date. Through December 31, 2011, the credit performance of these Contracts Receivable has been better than the assumptions used in determining its initial fair value, and the Company has recently updated its expectations regarding the amounts and timing of future cash flows. A probable decrease in management's expectation of future cash collections related to these Contracts Receivable could result in the need to record an allowance for credit losses in the future. A significant and probable increase in expected cash flows would generally result in an increase in interest income recognized over the remaining life of the underlying pool of Contracts Receivable.

(i) Investments in Joint Ventures

Investments in joint ventures in which the Company does not have a controlling direct or indirect voting interest, but can exercise significant influence over the entity with respect to its operations and major decisions, are accounted for using the equity method of accounting whereby the cost of an investment is adjusted for the Company's share of the equity in net income or loss from the date of acquisition and reduced by distributions received. The income or loss of each entity is allocated in accordance with the provisions of the applicable operating agreements. The allocation provisions in these agreements may differ from the ownership interests held by each investor. Differences between the carrying amount of the Company's investment in the respective entities and the Company's share of the underlying equity of such unconsolidated entities are amortized over the respective lives of the underlying assets, as applicable. (See Note 6 in the Notes to Consolidated Financial Statements contained in this Form 10-K.)

(j) Insurance Claims

The Properties are covered against losses caused by various events including fire, flood, property damage, earthquake, windstorm and business interruption by insurance policies containing various deductible requirements and coverage limits. Recoverable costs are classified in other assets as incurred. Insurance proceeds are applied against the asset when received. Recoverable costs relating to capital items are treated in accordance with the Company's capitalization policy. The book value of the original capital item is written off once the value of the impaired asset has been determined. Insurance proceeds relating to the capital costs are recorded as income in the period they are received.

Approximately 70 Florida Properties suffered damage from five hurricanes that struck the state during 2004 and 2005. The Company estimates its total claim to be approximately \$21.0 million and has made claims for full recovery of these amounts, subject to deductibles.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 2 Summary of Significant Accounting Policies (continued)

The Company has received proceeds from insurance carriers of approximately \$14.7 million through December 31, 2011. The proceeds were accounted for in accordance with the Codification Topic Contingencies (FASB ASC 450). During the years ended December 31, 2011, 2010 and 2009, approximately \$2.6 million, \$0.3 million and \$1.6 million, respectively, has been recognized as a gain on insurance recovery, which is net of approximately \$0.9 million, \$0.2 million and \$0.3 million, respectively, of contingent legal fees and included in income from other investments, net.

On June 22, 2007, the Company filed a lawsuit related to some of the unpaid claims against certain insurance carriers and its insurance broker. (See Note 18 in the Notes to Consolidated Financial Statements contained in this Form 10-K for further discussion of this lawsuit.)

(k) Derivative Instruments and Hedging Activities

Codification Topic Derivatives and Hedging (FASB ASC 815) provides the disclosure requirements for derivatives and hedging activities with the intent to provide users of financial statements an enhanced understanding of: (a) how and why an entity uses derivative instruments, (b) how the entity accounts for derivative instruments and related hedged items, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance and cash flows. Further, qualitative disclosures are required that explain the Company's objectives and strategies for using derivatives, as well as quantitative disclosures about the fair value of and gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative instruments.

As required by FASB ASC 815, the Company records all derivatives on the balance sheet at fair value. The Company's objective in utilizing interest rate derivatives is to add stability to its interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

The effective portion of changes in the fair value of derivatives designated and that qualify as cash flow hedges are recorded on the Consolidated Balance Sheets in accumulated other comprehensive loss and is subsequently reclassified into earnings on the Consolidated Statements of Operations in the period that the hedged forecasted transaction affects earnings. The ineffective portion of the change in fair value of the derivative is recognized directly in earnings. (See Note 9 in the Notes to Consolidated Financial Statements contained in this Form 10-K.)

(l) Fair Value of Financial Instruments

The Company's financial instruments include short-term investments, notes receivable, accounts receivable, accounts payable, other accrued expenses, interest rate swaps and mortgage notes payable.

Codification Topic Fair Value Measurements and Disclosures (FASB ASC 820) establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels are defined as follows:

Level 1 Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 2 Summary of Significant Accounting Policies (continued)

Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

At December 31, 2010, the Company's investments in U.S. Treasury Bills included in short-term investments of approximately \$52.3 million, were classified as held-to-maturity and were measured using unadjusted quoted market prices (Level 1). The Company's mortgage notes payable, a fair value of approximately \$2.2 billion, were measured using quoted price and observable inputs from similar assets and liabilities (Level 2). At December 31, 2011, the Company's cash flow hedges of interest rate risk included in accrued payroll and other operating expenses, were measured using quoted prices and observable inputs from similar assets and liabilities (Level 2). The Company considers its own credit risk as well as the credit risk of its counterparties when evaluating the fair value of its derivatives. Any adjustments resulting from credit risk are recorded as a change in fair value of derivatives and amortization in the current period Consolidated Statements of Operations. The fair values of the Company's remaining financial instruments approximate their carrying or contract values.

(m) Deferred Financing Costs, net

Deferred financing costs, net include fees and costs incurred to obtain long-term financing. The costs are being amortized over the terms of the respective loans on a basis that approximates level yield. Unamortized deferred financing fees are written-off when debt is retired before the maturity date. Upon amendment of the line of credit or refinancing of mortgage debt, unamortized deferred financing fees are accounted for in accordance with, Codification Sub-Topic Modifications and Extinguishments (FASB ASC 470-50-40). Accumulated amortization for such costs was \$15.1 million and \$12.6 million at December 31, 2011 and 2010, respectively.

(n) Revenue Recognition

The Company accounts for leases with its customers as operating leases. Rental income is recognized over the term of the respective lease or the length of a customer's stay, the majority of which are for a term of not greater than one year. The Company will reserve for receivables when it believes the ultimate collection is less than probable. The Company's provision for uncollectible rents receivable was approximately \$4.4 million and \$3.0 million as of December 31, 2011 and 2010, respectively. For the years ended December 31, 2011 and 2010 the Company's revenue was generated by approximately 38.5% and 37.6%, respectively, by Properties located in Florida, approximately 10.8% and 11.5%, respectively, by Properties located in Arizona and approximately 17.8% and 19.4%, respectively, by Properties located in California.

The Company accounts for the entry of right-to-use contracts in accordance with the Codification Topic Revenue Recognition (FASB ASC 605). A right-to-use contract gives the customer the right to a set schedule of usage at a specified group of Properties. Customers may choose to upgrade their contracts to increase their usage and the number of Properties they may access. A contract requires the customer to make annual payments during the term of the contract and may require an upfront nonrefundable payment. The stated term of a right-to-use contract is at least one-year and the customer may renew his contract by continuing to make the annual payments. The Company will recognize the upfront non-refundable payments over the estimated customer life which, based on historical attrition rates, the Company has estimated to be from one to 31 years. For example, the Company has currently estimated that 7.9% of customers who enter a new right-to-use contract will

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 2 Summary of Significant Accounting Policies (continued)

terminate their contract after five years. Therefore, the upfront nonrefundable payments from 7.9% of the contracts entered in any particular period are amortized on a straight-line basis over a period of five years as five years is the estimated customer life for 7.9% of the Company's customers who enter a contract. The historical attrition rates for upgrade contracts are lower than for new contracts, and therefore, the nonrefundable upfront payments for upgrade contracts are amortized at a different rate than for new contracts. The decision to recognize this revenue in accordance with FASB ASC 605 was made after corresponding during September and October 2008 with the Office of the Chief Accountant at the SEC.

Right-to-use annual payments by customers under the terms of the right-to-use contracts are deferred and recognized ratably over the one-year period in which the services are provided.

Income from home sales is recognized when the earnings process is complete. The earnings process is complete when the home has been delivered, the purchaser has accepted the home and title has transferred.

(o) Non-Controlling Interests

In December 2007, the FASB issued the Codification Topic Consolidation (FASB ASC 810), an amendment of Accounting Research Bulletin No. 51. FASB ASC 810 seeks to improve uniformity and transparency in reporting of the net income attributable to non-controlling interests in the consolidated financial statements of the reporting entity. The statement requires, among other provisions, the disclosure, clear labeling and presentation of non-controlling interests in the Consolidated Balance Sheets and Consolidated Statements of Operations. Per FASB ASC 810, a non-controlling interest is the portion of equity (net assets) in a subsidiary not attributable, directly or indirectly, to a parent. The ownership interests in the subsidiary that are held by owners other than the parent are non-controlling interests. Under FASB ASC 810, such non-controlling interests are reported on the consolidated balance sheets within equity, separately from the Company's equity. However, securities that are redeemable for cash or other assets at the option of the holder, not solely within the control of the issuer, must be classified outside of permanent equity. This would result in certain outside ownership interests being included as redeemable non-controlling interests outside of permanent equity in the consolidated balance sheets. The Company makes this determination based on terms in applicable agreements, specifically in relation to redemption provisions. Additionally, with respect to non-controlling interests for which the Company has a choice to settle the contract by delivery of its own shares, the Company considered the guidance in the Codification Topic Derivatives and Hedging Contracts in Entity's Own Equity (FASB ASC 815-40) to evaluate whether it controls the actions or events necessary to issue the maximum number of shares that could be required to be delivered under share settlement of the contract.

Net income is allocated to Common OP Unitholders based on their respective ownership percentage of the Operating Partnership. Such ownership percentage is calculated by dividing the number of Common OP Units held by the Common OP Unitholders (4,103,067 and 4,431,420 at December 31, 2011 and 2010, respectively) by the total OP Units held by the Common OP Unitholders and the Company. Issuance of additional shares of common stock or Common OP Units changes the percentage ownership of both the Non-controlling interests Common OP Units and the Company.

Due in part to the exchange rights (which provide for the conversion of Common OP Units into shares of common stock on a one-for-one basis), such transactions and the proceeds therefrom are treated as capital transactions and result in an allocation between stockholders' equity and Non-controlling Interests to account for the change in the respective percentage ownership of the underlying equity of the Operating Partnership.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 2 Summary of Significant Accounting Policies (continued)

In accordance with FASB ASC 810, the Company presents the non-controlling interest for Common OP Units in the Equity section of the consolidated balance sheets. The caption Common OP Units on the consolidated balance sheets also includes \$0.5 million of private REIT Subsidiaries preferred stock. The Company's Perpetual Preferred OP Units are presented in the mezzanine section on the consolidated balance sheets as of December 31, 2010.

(p) Preferred Stock

On March 4, 2011, the Company, on behalf of selling stockholders, closed on a public offering of 8,000,000 shares of 8.034% Series A Cumulative Redeemable Perpetual Preferred Stock (the Series A Preferred Stock), par value \$0.01 per share, liquidation preference of \$25.00 per share, at a price of \$24.75 per share. 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. The Company did not receive any proceeds from the offering. The Company has the option at anytime to redeem the Series A Preferred Stock at a redemption price of \$25.00 per share, plus accumulated and unpaid dividends.

The Company accounts for the Preferred Stock in accordance with the Codification Topic Distinguishing Liabilities from Equity SEC Materials (FASB ASC 480-10-S99). Holders of the Series A Preferred Stock have certain preference rights with respect to the common stock. Based on the Company's analysis, the Series A Preferred Stock has been classified as redeemable interests outside of permanent equity in the mezzanine section of the Company Consolidated Balance Sheets as a result of certain registration requirements or other terms.

(q) Income and Other Taxes

Due to the structure of the Company as a REIT, the results of operations contain no provision for U.S. federal income taxes for the REIT, but the Company is still subject to certain foreign, state and local income, excise or franchise taxes. In addition, the Company has several taxable REIT subsidiaries (TRSs) which are subject to federal and state income taxes at regular corporate tax rates. Overall, the TRSs have federal net operating loss carryforwards. No net tax benefits have been recorded by the TRSs since it is not considered more likely than not that the deferred tax asset related to the TRSs net operating loss carryforwards will be utilized.

The Company adopted the provisions of Codification Topic Income Taxes (FASB 740) on January 1, 2007. The adoption of FASB 740 resulted in no impact to the Company's consolidated financial statements. The Company or one of its subsidiaries files income tax returns in the U.S. federal jurisdiction, various U.S. state jurisdictions and Canada. With few exceptions, the Company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2006.

As of December 31, 2011, net investment in real estate and notes receivable had a U.S. federal tax basis of approximately \$2.6 billion (unaudited) and \$75.7 million (unaudited), respectively.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 2 Summary of Significant Accounting Policies (continued)**

During the years ended December 31, 2011, 2010, and 2009, the Company's tax treatment of distributions are as follows:

| | 2011 | 2010 | 2009 |
|--|----------|---------|---------|
| Tax status of Common Shares distributions deemed paid during the year: | | | |
| Ordinary income | \$ 1.125 | \$ 1.15 | \$ 0.72 |
| Long-term capital gain | | 0.05 | 0.24 |
| Unrecaptured section 1250 gain | | | 0.14 |
| Distributions declared per Common Share outstanding | \$ 1.125 | \$ 1.20 | \$ 1.10 |

The quarterly distribution paid on January 13, 2012 of \$0.375 per common share will be considered a distribution made in 2012 for U.S. federal income tax purposes.

(r) Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with the Codification Topic Stock Compensation (FASB ASC 718). The Company uses the Black-Scholes-Merton formula to estimate the value of stock options granted to employees, consultants and directors. (See Note 14 in the Notes to Consolidated Financial Statements contained in this Form 10-K.)

(s) Recent Accounting Pronouncements

In January 2010, the FASB issued Accounting Standards Update (ASU) 2010-06, Improving Disclosures about Fair Value Measurements (ASU 2010-06), which expands required disclosures related to an entity's fair value measurements. Certain provisions of ASU 2010-06 were effective for interim and annual reporting periods beginning after December 15, 2009, and the Company adopted those provisions as of January 1, 2010. The remaining provisions, which were effective for interim and annual reporting periods beginning after December 15, 2010, require additional disclosures related to purchases, sales, issuances and settlements in an entity's reconciliation of recurring level three investments. The Company adopted the final provisions of ASU 2010-06 as of January 1, 2011. The adoption of ASU 2010-06 did not impact the Company's consolidated financial statements.

In December 2010, FASB issued ASU No. 2010-29, Business Combinations (Topic 805): Disclosure of Supplementary Pro Forma Information for Business Combinations. This ASU specifies that when financial statements are presented, the revenue and earnings of the combined entity should be disclosed as though the business combination that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. ASU No. 2010-29 is effective for business combinations with acquisition dates on or after January 1, 2011. The adoption of this update increased the required disclosures for the Company's Notes to Consolidated Financial Statements by requiring the Company to disclose pro forma information. (See Note 19 in the Notes to Consolidated Financial Statements contained in this Form 10-K.)

In December 2010, the FASB issued ASU No. 2010-28, Intangibles-Goodwill and Other (Topic 350): When to Perform Step 2 of the Goodwill Impairment Test for Reporting Units with Zero or Negative Carrying Amounts. This ASU requires that reporting units with zero or negative carrying amounts perform Step 2 of the goodwill impairment test if it is more likely than not that a goodwill impairment exists. ASU No. 2010-28 is effective for the Company beginning with this interim period. The adoption of this update did not have an impact on the Company's consolidated financial statements.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 2 Summary of Significant Accounting Policies (continued)

In May 2011, the FASB issued ASU No. 2011-04, Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. This ASU is intended to eliminate differences between U.S. GAAP and IFRS for fair value measurement and reporting. ASU No. 2011-04 is effective for the Company beginning the first quarter of 2012. The Company has not yet determined the impact, if any, that the adoption of ASU 2011-04 will have on its consolidated financial statements and disclosures.

In June 2011, the FASB issued ASU No. 2011-05 Comprehensive Income (Topic 220): Presentation of Comprehensive Income. ASU No. 2011-05 amends current guidance found in FASB ASC 220, Comprehensive Income. ASU No. 2011-05 requires entities to present comprehensive income in either: (i) one continuous financial statement or (ii) two separate but consecutive statements that display net income and the components of other comprehensive income. Totals and individual components of both net income and other comprehensive income must be included in either presentation. ASU No. 2011-05 is effective for the Company beginning with the first quarter of 2012. The Company plans to apply the provisions of this guidance once adopted.

In September 2011, the FASB issued ASU 2011-08, Intangibles Goodwill and Other (ASU 2011-08). ASU 2011-08 amends current guidance to allow an entity to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. Under this amendment an entity would not be required to calculate the fair value of a reporting unit unless the entity determines, based on a qualitative assessment, that it is more likely than not that its fair value is less than its carrying amount. ASU 2011-08 applies to all companies that have goodwill reported in their financial statements. The provisions of ASU 2011-08 are effective for reporting periods beginning after December 15, 2011. The adoption of this update did not have an impact on the Company's consolidated financial statements as the Company has chosen not to adopt this guidance early.

(t) Reclassifications

Certain 2009 and 2010 amounts have been reclassified to conform to the 2011 presentation. This reclassification had no material effect on the consolidated balance sheets or statements of operations of the Company.

Note 3 Earnings Per Common Share

Earnings per common share are based on the weighted average number of common shares outstanding during each year. Codification Topic Earnings Per Share (FASB ASC 260) defines the calculation of basic and fully diluted earnings per share. Basic and fully diluted earnings per share are based on the weighted average shares outstanding during each year and basic earnings per share exclude any dilutive effects of options, warrants and convertible securities. The conversion of OP Units has been excluded from the basic earnings per share calculation. The conversion of an OP Unit for a share of common stock has no material effect on earnings per common share on a fully diluted basis.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 3 Earnings Per Common Share**

The following table sets forth the computation of basic and diluted earnings per common share for the years ended December 31, 2011, 2010 and 2009 (amounts in thousands):

| | Years Ended December 31, | | |
|---|--------------------------|-----------|-----------|
| | 2011 | 2010 | 2009 |
| Numerators: | | | |
| Income from Continuing Operations: | | | |
| Income from continuing operations basic | \$ 42,504 | \$ 60,628 | \$ 51,395 |
| Amounts allocated to dilutive securities | 3,571 | 5,935 | 5,433 |
| Income from continuing operations fully diluted | \$ 46,075 | \$ 66,563 | \$ 56,828 |
| (Loss) income from Discontinued Operations: | | | |
| (Loss) income from discontinued operations basic | \$ | \$ (199) | \$ 4,186 |
| Amounts allocated to dilutive securities | | (32) | 680 |
| (Loss) income from discontinued operations fully diluted | \$ | \$ (231) | \$ 4,866 |
| Net Income Available for Common Shares Fully Diluted: | | | |
| Net income available for Common Shares basic | \$ 22,775 | \$ 38,354 | \$ 34,005 |
| Amounts allocated to dilutive securities | 3,571 | 5,903 | 6,113 |
| Net income available for Common Shares fully diluted | \$ 26,346 | \$ 44,257 | \$ 40,118 |
| Denominator: | | | |
| Weighted average Common Shares outstanding basic | 35,591 | 30,517 | 27,582 |
| Effect of dilutive securities: | | | |
| Redemption of Common OP Units for Common Shares | 4,260 | 4,730 | 5,075 |
| Redemption of Series B Preferred Stock | 153 | | |
| Employee stock options and restricted shares | 326 | 271 | 287 |
| Weighted average Common Shares outstanding fully diluted | 40,330 | 35,518 | 32,944 |
| Earnings per Common Share Basic: | | | |
| Income from continuing operations available for Common Shares | \$ 0.64 | \$ 1.26 | \$ 1.08 |
| Income from discontinued operations | | | 0.15 |
| Net income available for Common Shares | \$ 0.64 | \$ 1.26 | \$ 1.23 |
| Earnings per Common Share Fully Diluted: | | | |
| Income from continuing operations available for Common Shares | \$ 0.64 | \$ 1.25 | \$ 1.07 |
| Income from discontinued operations | | | 0.15 |

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| | | | |
|--|---------|---------|---------|
| Net income available for Common Shares | \$ 0.64 | \$ 1.25 | \$ 1.22 |
|--|---------|---------|---------|

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Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 4 Common Stock and Other Equity Related Transactions**

The Company adopted the 1997 Non-Qualified Employee Stock Purchase Plan (ESPP) in July 1997. Pursuant to the ESPP, as amended on May 3, 2006, certain employees and directors of the Company may each annually acquire up to \$250,000 of common stock of the Company. The aggregate number of shares of common stock available under the ESPP shall not exceed 1,000,000, subject to adjustment by the Company's Board of Directors. The common stock may be purchased monthly at a price equal to 85% of the lesser of: (a) the closing price for a share of common stock on the last day of the offering period; and (b) the closing price for a share of common stock on the first day of the offering period. Shares of common stock issued through the ESPP for the years ended December 31, 2011, 2010 and 2009 were 14,588, 18,955 and 34,450, respectively.

The following table presents the changes in the Company's outstanding common stock for the years ended December 31, 2011, 2010 and 2009 (excluding OP Units of 4,103,067, 4,431,420, and 4,914,040 outstanding at December 31, 2011, 2010, and 2009, respectively):

| | 2011 | 2010 | 2009 |
|---|-------------|-------------|-------------|
| Shares outstanding at January 1, | 30,972,353 | 30,350,792 | 25,051,322 |
| Common stock issued through conversion of OP Units | 328,353 | 482,620 | 448,501 |
| Common stock issued through exercise of options | 172,384 | 33,767 | 213,721 |
| Common stock issued through stock grants | 108,332 | 121,665 | 27,000 |
| Common stock issued through ESPP and Dividend Reinvestment Plan | 15,152 | 20,841 | 34,769 |
| Common stock repurchased and retired | (4,150) | (37,332) | (24,521) |
| Common stock issued through stock offering | 6,037,500 | | 4,600,000 |
| Common stock issued for Acquisition | 1,708,276 | | |
| Redemption of Series B Preferred Stock for Common Stock | 1,740,000 | | |
| Shares outstanding at December 31, | 41,078,200 | 30,972,353 | 30,350,792 |

As of December 31, 2011 and 2010, the Company's percentage ownership of the Operating Partnership was approximately 90.9% and 87.5%, respectively. The remaining approximately 9.1% and 12.5%, respectively, was owned by the Common OP Unitholders.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 4 Common Stock and Other Equity Related Transactions (continued)**

The following regular quarterly distributions have been declared and paid to common stockholders and common OP Unit non-controlling interests since January 1, 2008:

Distribution**Amount Per****Stockholder Record**

| Share | For the Quarter Ending | Date | Payment Date |
|--------------|-------------------------------|--------------------|---------------------|
| \$0.2500 | March 31, 2009 | March 27, 2009 | April 10, 2009 |
| \$0.2500 | June 30, 2009 | June 26, 2009 | July 10, 2009 |
| \$0.3000 | September 30, 2009 | September 25, 2009 | October 9, 2009 |
| \$0.3000 | December 31, 2009 | December 24, 2009 | January 8, 2010 |
| \$0.3000 | March 31, 2010 | March 26, 2010 | April 9, 2010 |
| \$0.3000 | June 30, 2010 | June 25, 2010 | July 9, 2010 |
| \$0.3000 | September 30, 2010 | September 24, 2010 | October 8, 2010 |
| \$0.3000 | December 31, 2010 | December 31, 2010 | January 14, 2011 |
| \$0.3750 | March 31, 2011 | March 25, 2011 | April 8, 2011 |
| \$0.3750 | June 30, 2011 | June 24, 2011 | July 8, 2011 |
| \$0.3750 | September 30, 2011 | September 30, 2011 | October 14, 2011 |
| \$0.3750 | December 31, 2011 | December 30, 2011 | January 13, 2012 |

During the year ended December 31, 2011, the Company issued 1,708,276 shares of common stock and 1,740,000 shares of Series B Non-Voting Cumulative Preferred Stock (the Series B Preferred Stock), par value \$0.01 per share. All of the shares were issued to partially fund the Acquisition discussed in detail in Note 19 in the Notes to the Consolidated Financial Statements contained in this Form 10-K.

On October 24, 2011, the Company, on behalf of a selling stockholder, closed on a public offering of 3,162,069 shares of common stock. The 3,162,069 shares of common stock sold included 1,453,793 shares of common stock issued by the Company upon redemption of 1,453,793 shares of Series B Preferred Stock. The Company did not receive any proceeds from the offering. On December 23, 2011, the remaining 286,207 Series B Preferred Stock were redeemed for 286,207 shares of common stock. As of the December 31, 2011, the Company did not have any Series B Preferred Stock outstanding.

On June 7, 2011, the Company issued 6,037,500 shares of common stock in an equity offering for approximately \$344.0 million in proceeds, net of offering costs. The proceeds were used to partially fund the Acquisition discussed in detail in Note 19 in the Notes to Consolidated Financial Statements contained in this Form 10-K.

On March 4, 2011, the Company, on behalf of selling stockholders, closed on a public offering of 8,000,000 shares of Series A Preferred Stock, par value \$0.01 per share, liquidation preference of \$25.00 per share, at a price of \$24.75 per share. 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. Holders of the Series A Preferred Stock have preference rights with respect to liquidation and distributions over the common stock. The Company has the option at any time to redeem the Series A Preferred Stock at a redemption price of \$25.00 per share, plus accumulated and unpaid dividends. The Company did not receive any proceeds from the offering.

On February 23, 2010, the Company acquired the six percent non-controlling interests in The Meadows, a 379-site property, in Palm Beach Gardens, Florida. The gross purchase price was approximately \$1.5 million.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

On June 29, 2009, the Company issued 4.6 million shares of common stock in an equity offering for proceeds of approximately \$146.4 million, net of offering costs.

Note 5 Investment in Real Estate

Land improvements consist primarily of improvements such as grading, landscaping and infrastructure items such as streets, sidewalks or water mains. Buildings and other depreciable property consist of permanent buildings in the Properties such as clubhouses, laundry facilities, maintenance storage facilities, rental units and furniture, fixtures, equipment, and in-place leases.

All acquisitions have been accounted for utilizing the acquisition method of accounting and, accordingly, the results of operations of acquired assets are included in the statements of operations from the dates of acquisition. Certain purchase price adjustments may be made within one year following the acquisition and applied retroactively to the date of acquisition. The Company acquired all of these Properties from unaffiliated third parties. During the years ended December 31, 2011, 2010, and 2009 the Company acquired the following Properties (dollars in millions):

- 1) During the year ended December 31, 2011, the Company acquired 75 Properties with 30,129 sites for a purchase price of approximately \$1.5 billion. (See Note 19 in the Notes to the Consolidated Financial Statements contained in this Form 10-K for further discussion on this acquisition.)
- 2) On April 21, 2010, the Company acquired four resort Properties containing 573 sites for a purchase price of approximately \$2.5 million. The resort properties were acquired pursuant to the exercise of an option.
- 3) On February 13, 2009, the Company acquired the remaining 75% interests in the three Diversified Portfolio joint venture Properties containing 1,144 sites for a purchase price of approximately \$17.7 million. The Company assumed \$11.8 million of mortgage debt, net of approximately \$1.1 million of a fair market value discount.

As of December 31, 2011, the Company has no properties designated as held for disposition pursuant to FASB ASC 360-10-35.

During the three years ended December 31, 2011, the Company disposed of the following Properties. Except for Caledonia, the operating results have been reflected in discontinued operations.

- 1) On January 10, 2010, the Company defaulted on the mortgage of Creekside, a 165-site all-age manufactured home community located in Wyoming, Michigan. In accordance with FASB ASC 470-60, the Company recorded a loss on disposition of approximately \$0.2 million.
- 2) On July 20, 2009, the Company sold Casa Village, a 490-site manufactured home Property in Billings, Montana for a sale price of approximately \$12.4 million. The buyer assumed \$10.6 million of mortgage debt that had a stated interest rate of 6.02% and were scheduled to mature in 2013. The Company recognized a gain on the sale of approximately \$5.1 million. Cash proceeds from the sale, net of closing costs, were approximately \$1.1 million.
- 3) On April 17, 2009, the Company sold Caledonia, a 247-site resort Property in Caledonia, Wisconsin, for proceeds of approximately \$2.2 million. The Company recognized a gain on sale of approximately \$0.8 million which is included in Income from other investments, net. In addition, the Company received approximately \$0.3 million of deferred rent due from the previous tenant.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 5 Investment in Real Estate (continued)**

The following table summarizes the combined results of operations of Properties held for sale or disposed of during the years ended December 31, 2010 and 2009 (amounts in thousands):

| | 2010 ⁽¹⁾ | 2009 ⁽²⁾ |
|--|---------------------|---------------------|
| Rental income | \$ | \$ 1,424 |
| Utility and other income | | 96 |
| Property operating revenues | | 1,520 |
| Property operating expenses | | (758) |
| Income from property operations | | 762 |
| Income from home sales operations | | 22 |
| Interest and amortization | | (603) |
| (Loss) gain on real estate | (231) | 4,685 |
| Net (loss) income from discontinued operations | \$ (231) | \$ 4,866 |

⁽¹⁾ For the year ended December 31, 2010, includes one Property disposed of in January 2010.

⁽²⁾ For the year ended December 31, 2009, includes one Property sold in July 2009 and one Property disposed of in January 2010.

Note 6 Investment in Joint Ventures

The Company recorded approximately \$1.9 million and \$2.0 million of equity in income from unconsolidated joint ventures, net of approximately \$1.2 million of depreciation expense for the years ended December 31, 2011 and 2010, respectively. The Company received approximately \$1.8 million and \$2.8 million in distributions from such joint ventures, which were classified as a return on capital and were included in operating activities on the Consolidated Statements of Cash Flows for the years ended December 31, 2011 and 2010, respectively. Approximately \$0.1 million and \$0.4 million of the distributions received in the years ended December 31, 2011 and 2010, respectively, exceeded the Company's basis in its joint venture and as such were recorded in income from unconsolidated joint ventures. Distributions include amounts received from the sale or liquidation of equity in joint venture investments.

On February 13, 2009, the Company purchased the remaining 75% interest in the Diversified Portfolio joint venture Properties in which the Company had an existing 25% joint venture interest. The Properties are known as Robin Hill in Lenhartsville, Pennsylvania, Sun Valley in Bowmansville, Pennsylvania and Plymouth Rock in Elkhart Lake, Wisconsin. Also on February 13, 2009, the Company sold its 25% interest in the Diversified Portfolio joint ventures known as Round Top, in Gettysburg, Pennsylvania and Pine Haven in Ocean View, New Jersey. A gain on sale of approximately \$1.1 million was recognized and is included in equity in income from unconsolidated joint ventures.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 6 Investment in Joint Ventures (continued)**

The following table summarizes the Company's investment in unconsolidated joint ventures (with the number of Properties shown parenthetically for the years ended December 31, 2011 and 2010, respectively):

| Investment | Location | Number of Sites | Economic Interest (a) | Investment as of | | | JV Income for Years Ended | |
|-----------------------|---------------|-----------------|--------------------------|-------------------|-------------------|-------------------|---------------------------|-------------------|
| | | | | December 31, 2011 | December 31, 2010 | December 31, 2011 | December 31, 2010 | December 31, 2009 |
| Meadows Investments | Various (2,2) | 1,027 | 50% | \$ 580 | \$ 276 | \$ 981 | \$ 1,081 | \$ 877 |
| Lakeshore Investments | Florida (2,2) | 342 | 65% | 124 | 115 | 240 | 238 | 277 |
| Voyager | Arizona (1,1) | 1,706 | 50%(b) | 7,647 | 8,055 | 727 | 642 | 550 |
| Other(c) | Various(0,0) | | 20% | 206 | | | 66 | 1,192 |
| | | 3,075 | | \$ 8,557 | \$ 8,446 | \$ 1,948 | \$ 2,027 | \$ 2,896 |

(a) The percentages shown approximate the Company's economic interest as of December 31, 2011. The Company's legal ownership interest may differ.

(b) Voyager joint venture primarily consists of a 50% interest in Voyager RV Resort and 25% interest in the utility plant servicing the Property.

(c) In February 2009, the Company sold its 25% interest in two Diversified Portfolio joint Ventures.

Note 7 Notes Receivable

As of December 31, 2011 and December 31, 2010, the Company had approximately \$64.2 million and \$25.7 million in notes receivable, respectively. As of December 31, 2011 and 2010, included in notes receivable, the Company had approximately \$43.4 million and \$8.9 million, respectively, in Chattel Loans receivable, which require monthly principal and interest payments and are collateralized by homes at certain of the Properties. As of December 31, 2011, the Chattel Loans receivable yielded interest at a stated per annum average rate of approximately 7.8% and had an average term remaining of approximately 15 years. These notes are recorded net of allowances of approximately \$0.4 million as of December 31, 2011 and 2010. During the years ended December 31, 2011 and 2010, approximately \$2.6 million and \$0.8 million, respectively, was repaid and an additional \$0.3 million and \$0.4 million, respectively, was loaned to customers. During the year ended December 31, 2011, the Company acquired approximately \$40.4 million of Chattel Loans in connection with the Acquisition. (See Note 2(h) in the Notes to Consolidated Financial Statements contained in this Form 10-K for discussion on the Company's accounting policy with respect to these recently acquired Chattel Loans.) (See Note 19 in the Notes to Consolidated Financial Statements contained in this Form 10-K for further discussion of the Company's recent Acquisition.)

As of December 31, 2011 and December 31, 2010, the Company had approximately \$16.4 million and \$16.7 million, respectively, of Contracts Receivable, including allowances of approximately \$1.0 million and \$1.4 million, respectively. These Contracts Receivable represent loans to customers who have purchased right-to-use contracts. The Contracts Receivable yield interest at a stated per annum average rate of 16.1%, have a weighted average term remaining of approximately four years and require monthly payments of principal and interest. During the periods ended December 31, 2011 and 2010, approximately \$7.3 million and \$8.6 million, respectively, was repaid and an additional \$6.6 million and \$7.9 million, respectively, was lent to customers.

On April 6, 2011, the Company funded a \$3.8 million note receivable with a stated interest rate of 15.0% per annum to the owner of Lakeland RV. Lakeland RV is a 700-site RV property located in Milton, Wisconsin. The note requires interest only payments of 9.0% and matures on May 1, 2016. The Company also holds a right of first refusal to match any offer received on Lakeland RV during the time the note is outstanding.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 8 Borrowing Arrangements

Secured Debt

2011 Activity

As of December 31, 2011 and December 31, 2010, the Company had outstanding mortgage indebtedness on Properties held for long term of approximately \$2,084 million and \$1,413 million, respectively. The weighted average interest rate, including the fair market value adjustment, on this mortgage indebtedness for the year ended December 31, 2011 was approximately 5.8% per annum. The debt bears interest at stated rates of 4.7% to 8.9% per annum and matures on various dates ranging from 2012 to 2023. The debt encumbered a total of 174 and 129 of the Company's Properties as of December 31, 2011 and December 31, 2010, respectively, and the carrying value of such Properties was approximately \$2,578 million and \$1,508 million, respectively, as of such dates.

During the year ended December 31, 2011, the Company paid off nine maturing mortgages totalling approximately \$52.5 million, with a weighted average interest rate of 7.04% per annum.

During the year ended December 31, 2011, the Company closed on approximately \$200.0 million of new financing on 20 manufactured home communities and three resort properties with a weighted average interest rate of 5.02% per annum, maturing in 2021. The Company also assumed approximately \$548 million of mortgage debt which includes a fair value adjustment of approximately \$34 million secured by 35 Acquisition Properties (as defined herein) with stated interest rates ranging from 4.65% to 8.87% per annum, maturing in various years ranging from 2012 to 2023.

2010 Activity

During the year ended December 31, 2010, the Company closed on approximately \$76.6 million of new financing, on four manufactured home properties, with a weighted average interest rate of 6.83%. The Company used the proceeds from the financing to pay off approximately \$184.2 million on 13 Properties, with a weighted average interest rate of 6.98%. During the year ended December 31, 2010, the Company borrowed, and subsequently paid off, approximately \$3.7 million, secured by individual manufactured homes.

Term Loan

On July 1, 2011, the Company closed on a \$200.0 million Term Loan that matures on June 30, 2017 and has a one-year extension option, an interest rate of LIBOR plus 1.85% to 2.80% per annum and, subject to certain conditions, may be prepaid at any time without premium or penalty after July 1, 2014. Prior to July 1, 2014, a prepayment penalty of 2% of the amount prepaid would be owed. The spread over LIBOR is variable based on leverage measured quarterly throughout the loan term. The Term Loan contains an upfront arrangement fee of approximately \$0.5 million, an upfront commitment fee of approximately \$1.3 million, an annual administrative agency fee of \$20,000, as well as customary representations, warranties and negative and affirmative covenants, and provides for acceleration of principal and payment of all other amounts payable thereunder upon the occurrence of certain events of default. In connection with the Term Loan, the Company also entered into a three-year LIBOR Swap Agreement (the "Swap") allowing the Company to trade its variable interest rate for a fixed interest rate on the Term Loan. (See Note 9 in the Notes to Consolidated Financial Statements contained in this Form 10-K for further information on the accounting of the Swap.) The proceeds were used to partially fund the Acquisition discussed in detail in Note 19 in the Notes to the Consolidated Financial Statements Contained in this Form 10K.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 8 Borrowing Arrangements (continued)****Unsecured Line of Credit**

On May 19, 2011, the Company amended its unsecured Line of Credit (LOC) to increase its borrowing capacity under the LOC from \$100 million to a maximum borrowing capacity of \$380 million and to extend the maturity date to September 18, 2015. The LOC accrues interest at an annual rate equal to the applicable LIBOR rate plus 1.65% to 2.50% and contains a 0.30% to 0.40% facility fee as well as certain other customary negative and affirmative covenants. The Company has an eight-month extension option under the LOC, subject to payment by it of certain administrative fees and the satisfaction of certain other enumerated conditions. The spread over LIBOR and the facility fee pricing are variable based on leverage throughout the term of the LOC. The Company incurred commitment and arrangement fees of approximately \$3.6 million to enter into the amended LOC.

As of December 31, 2011, the Company's LOC had an availability of \$380 million of which no amounts were outstanding.

The weighted average interest rate for the years ended December 31, 2011 and 2010 for the Company's unsecured debt was approximately 3.9% and 0.0% per annum, respectively, as no amounts were outstanding on the line of credit at any time during the year ended December 31, 2010.

Future Maturities of Debt

Aggregate payments of principal on long-term borrowings for each of the next six years and thereafter are as follows (amounts in thousands):

| Year | Amount |
|--------------------------|---------------------|
| 2012 | \$ 64,156 |
| 2013 | 149,628 |
| 2014 | 212,574 |
| 2015 | 588,535 |
| 2016 | 235,053 |
| 2017 | 299,060 |
| Thereafter | 704,305 |
| Net unamortized premiums | 31,372 |
| Total | \$ 2,284,683 |

Note 9 Derivative Instruments and Hedging Activities*Cash Flow Hedges of Interest Rate Risk*

In June 2011, in connection with the Term Loan, the Company entered into a three-year \$200.0 million LIBOR notional swap agreement to trade its variable Term Loan interest rate for a 3.01% fixed rate to hedge the variable cash flows associated with the Term Loan interest payments. The Swap fixes the underlying LIBOR rate on the Term Loan at 1.11% per annum for the first three years and based on anticipated leverage at the completion of the Acquisition, the Company's spread over LIBOR is expected to be 2.15% resulting in an initial estimated all-in interest rate of 3.26% per annum. The Company has designated the swap as a cash flow hedge. No gain or loss was recognized in the Consolidated Statements of Operations related to hedge ineffectiveness or to amounts excluded from effectiveness testing on the Company's cash flow hedge during the year ended December 31, 2011.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 9 Derivative Instruments and Hedging Activities (continued)**

Amounts reported in accumulated other comprehensive loss on the Consolidated Balance Sheet related to derivatives will be reclassified to interest expense as interest payments are made on the Company's variable-rate debt. During the next twelve months, the Company estimates that an additional \$1.2 million will be reclassified as an increase to interest expense.

Derivative Instruments and Hedging Activities

The table below presents the fair value of the Company's derivative financial instruments as well as their classification on the Company's Consolidated Balance Sheet as of December 31, 2011 (amounts in thousands).

| | As of December 31, 2011 Balance Sheet | Fair Value |
|--------------------|--|------------|
| | Location | |
| Interest Rate Swap | Accrued payroll and other operating expenses | \$ 2,547 |

Tabular Disclosure of the Effect of Derivative Instruments on the Income Statement

The tables below present the effect of the Company's derivative financial instruments on the Consolidated Statements of Operations for the year ended December 31, 2011.

| Derivatives in | | | | | |
|--------------------|---|--|---|--|---|
| | | | | | |
| | Amount of loss recognized in OCI on derivative (effective portion) | Location of loss reclassified from accumulated OCI into income (effective portion) | Amount of loss reclassified from accumulated OCI into income (effective portion) | Location of loss recognized in income on derivative (ineffective portion) | Amount of loss recognized in income on derivative (ineffective portion) |
| Cash Flow | | | | | |
| Hedging | | | | | |
| Relationships | | | | | |
| Interest Rate Swap | \$ 3,445 | Interest Expense | \$ 898 | Other Expense | \$ |

As of December 31, 2011, the fair value of the derivative in a net liability position, which includes accrued interest and any adjustment for nonperformance risk related to this derivative agreement was \$3.4 million. The Company determined that no adjustment was necessary for nonperformance risk on its derivative obligation. As of December 31, 2011, the Company has not posted any collateral related to this agreement.

Note 10 Deferred Revenue-entry of right-to-use contracts and Deferred Commission Expense

Upfront payments received upon the entry of right-to-use contracts are recognized in accordance with FASB ASC 605. The Company will recognize the upfront non-refundable payments over the estimated customer life, which, based on historical attrition rates, the Company has estimated to be between one to 31 years. The commissions paid on the entry of right-to-use contracts will be deferred and amortized over the same period as the related sales revenue.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 10 Deferred Revenue-entry of right-to-use contracts and Deferred Commission Expense (continued)**

Components of the change in deferred revenue-entry of right-to-use contracts and deferred commission expense are as follows (amounts in thousands):

| | Years Ended December 31, | |
|--|---------------------------------|---------------|
| | 2011 | 2010 |
| Deferred revenue entry of right-to-use contracts, as of January 1, | \$ 44,349 | \$ 29,493 |
| Deferral of new right-to-use contracts | 17,856 | 19,496 |
| Deferred revenue recognized | (5,920) | (4,640) |
| Net increase in deferred revenue | 11,936 | 14,856 |
| Deferred revenue entry of right-to-use contracts, as of December 31, | \$ 56,285 | \$ 44,349 |
| Deferred commission expense, as of January 1, | \$ 14,898 | \$ 9,373 |
| Costs deferred | 6,735 | 6,957 |
| Commission expense recognized | (1,946) | (1,432) |
| Net increase in deferred commission expense | 4,789 | 5,525 |
| Deferred commission expense, as of December 31, | \$ 19,687 | \$ 14,898 |

Note 11 Lease Agreements

The leases entered into between the customer and the Company for the rental of a site are generally month-to-month or for a period of one to ten years, renewable upon the consent of the parties or, in some instances, as provided by statute. Non-cancelable long-term leases are in effect at certain sites within approximately 31 of the Properties. Rental rate increases at these Properties are primarily a function of increases in the Consumer Price Index, taking into consideration certain conditions. Additionally, periodic market rate adjustments are made as deemed appropriate. Future minimum rents are scheduled to be received under non-cancelable tenant leases at December 31, 2011 as follows (amounts in thousands):

| Year | Amount |
|-------------|----------------|
| 2012 | \$ 61,255 |
| 2013 | 59,949 |
| 2014 | 31,386 |
| 2015 | 17,557 |
| 2016 | 16,891 |
| Thereafter | 49,903 |
| Total | \$ 236,941 |

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 12 Ground Leases**

The Company leases land under non-cancelable operating leases at certain of the Properties expiring in various years from 2013 to 2054, with terms which require twelve equal payments per year plus additional rents calculated as a percentage of gross revenues. For the year ended December 31, 2011, ground lease rent was approximately \$2.5 million and for the years ended December 31, 2010 and 2009, ground lease rent was approximately \$1.9 million. Minimum future rental payments under the ground leases as of December 31, 2011 as follows (amounts in thousands):

| Year | Amount |
|--------------|------------------|
| 2012 | \$ 3,287 |
| 2013 | 3,340 |
| 2014 | 1,915 |
| 2015 | 1,921 |
| 2016 | 1,928 |
| Thereafter | 14,898 |
| Total | \$ 27,289 |

The decrease in future minimum rental payments assumes that the Company will exercise its option to acquire land at the recently acquired Colony Cove Property on January 1, 2014. The option exercise is subject to certain assumptions and the timing of the option exercise may be before or after January 1, 2014. If the Company does not exercise its option as planned the ground lease payments will continue at approximately \$1.4 million annually for the next 96 years.

Note 13 Transactions with Related Parties**Privileged Access**

On August 14, 2008, the Company closed on the PA Transaction by acquiring substantially all of the assets and assuming certain liabilities of Privileged Access for an unsecured note payable of \$2.0 million which was paid off during the year ended December 31, 2009. Prior to the purchase, Privileged Access had a 12-year lease with the Company for 82 Properties that terminated upon closing. At closing, approximately \$4.8 million of Privileged Access cash was deposited into an escrow account for liabilities that Privileged Access has retained. The terms of the PA Transaction provided for a distribution of \$0.1 million of excess escrow funds to Privileged Access and the remainder to the Company on the two-year anniversary of the PA Transaction. During the year ended December 31, 2010, the Company received approximately \$1.1 million in proceeds from the escrow account. The balance in the escrow account as of December 31, 2011 was approximately \$0.2 million.

Mr. McAdams, the Company's President from January 1, 2008 to January 31, 2011, owns 100% of Privileged Access. Effective February 1, 2011, Mr. McAdams became president of a subsidiary of the Company involved in ancillary activities and relinquished his role as President of the Company. The Company entered into an employment agreement effective as of January 1, 2008 (the "Employment Agreement") with Mr. McAdams which provided for an initial term of three years which expired on December 31, 2010. The Employment Agreement provided for a minimum annual base salary of \$0.3 million, with the option to receive an annual bonus in an amount up to three times his base salary. Mr. McAdams is also subject to a non-compete clause and to mitigate potential conflicts of interest shall have no authority, on behalf of the Company and its affiliates, to enter into any agreement with any entity controlling, controlled by or affiliated with Privileged Access. Prior to forming Privileged Access, Mr. McAdams was a member of the Company's Board of Directors from January 2004 to October 2005. Simultaneous with his appointment as president of Equity LifeStyle Properties, Inc., Mr. McAdams resigned as Privileged Access's Chairman, President and CEO. However, he was on the board of PATT Holding Company, LLC ("PATT"), a subsidiary of Privileged Access, until the entity was dissolved in 2008.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 13 Transactions with Related Parties (continued)

Corporate Headquarters

The Company leases office space from Two North Riverside Plaza Joint Venture Limited Partnership, an entity affiliated with Mr. Zell, the Company's Chairman of the Board. Payments made in accordance with the lease agreement to this entity amounted to approximately \$1.0 million, \$0.5 million, and \$1.0 million for the years ended December 31, 2011, 2010, and 2009, respectively. Only seven months of rent was paid during the year ended December 31, 2010 as the first five months of the year were included in the free rent provided by the landlord in connection with a new lease for the office space that commenced December 1, 2009. As of December 31, 2009, approximately \$60,000, were accrued with respect to this office lease.

Other

In January 2009, the Company entered into a consulting agreement with the son of Mr. Howard Walker, to provide assistance with the Company's internet web marketing strategy. Mr. Walker is Vice-Chairman of the Company's Board of Directors. The consulting agreement was for a term of six months at a total cost of no more than \$48,000 and expired on June 30, 2009.

Note 14 Stock Option Plan and Stock Grants

The Company's Stock Option and Stock Award Plan (the Plan) was adopted in December 1992 and amended and restated from time to time, most recently effective March 23, 2001. Pursuant to the Plan, officers, directors, employees and consultants of the Company are offered the opportunity (i) to acquire shares of common stock through the grant of stock options (Options), including non-qualified stock options and, for key employees, incentive stock options within the meaning of Section 422 of the Internal Revenue Code; and (ii) to be awarded shares of common stock (Restricted Stock Grants), subject to conditions and restrictions determined by the Compensation, Nominating, and Corporate Governance Committee of the Company's Board of Directors (the Compensation Committee). The Compensation Committee will determine the vesting schedule, if any, of each Option and the term, which term shall not exceed ten years from the date of grant. As to the Options that have been granted through December 31, 2011 to officers and employees, generally, one-third are exercisable one year after the initial grant, one-third are exercisable two years following the date such Options were granted and the remaining one-third are exercisable three years following the date such Options were granted. Stock Options are awarded at the New York Stock Exchange closing price of the Company's common stock on the grant date. A maximum of 6,000,000 shares of common stock are available for grant under the Plan and no more than 250,000 shares may be subject to grants to any one individual in any calendar year.

Grants under the Plan are made by the Compensation Committee, which determines the individuals eligible to receive awards, the types of awards, and the terms, conditions and restrictions applicable to any award. In addition, the terms of two specific types of awards are contemplated under the Plan:

The first type of award is a grant of Options or Restricted Stock Grants of common stock made to each member of the Board at the meeting held immediately after each annual meeting of the Company's stockholders. Generally, if the director elects to receive Options, the grant will cover 10,000 shares of common stock at an exercise price equal to the fair market value on the date of grant. If the director elects to receive a Restricted Stock Grant of common stock, he or she will receive an award of 2,000 shares of common stock. Exercisability or vesting with respect to either type of award will be one-third of the award after six months, two-thirds of the award after one year, and the full award after two years.

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The second type of award is a grant of common stock in lieu of 50% of their bonus otherwise payable to individuals with a title of Vice President or above. A recipient can request that the Compensation Committee pay a greater or lesser portion of the bonus in shares of common stock.

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Equity LifeStyle Properties, Inc.
Notes To Consolidated Financial Statements

Note 14 Stock Option Plan and Stock Grants (continued)

The Company accounts for its stock-based compensation in accordance with FASB ASC 718.

Restricted Stock Grants

On January 31, 2011, the Company awarded Restricted Stock Grants for 31,000 shares of common stock at a fair market value of approximately \$1.8 million to certain members of the Board of Directors for services rendered in 2010. One-third of the shares of restricted common stock covered by these awards vests on each of December 31, 2011, December 31, 2012, and December 31, 2013.

On February 1, 2011, the Company awarded Restricted Stock Grants for 72,665 shares of common stock to certain members of senior management of the Company. These Restricted Stock Grants will vest on December 31, 2011. The fair market value of these Restricted Stock Grants was approximately \$4.2 million as of the date of grant and is recorded as a compensation expense and paid in capital over the vesting period.

On May 11, 2011, the Company awarded Restricted Stock Grants for 16,000 shares of common stock at a fair market value of approximately \$0.9 million to the Board of Directors. One-third of the shares of restricted common stock covered by these awards vests on each of November 11, 2011, May 11, 2012, and May 11, 2013

On February 1, 2010, the Company awarded Restricted Stock Grants for 74,665 shares of common stock to certain members of senior management of the Company. These Restricted Stock Grants vested on December 31, 2010. The fair market value of these Restricted Stock Grants was approximately \$3.7 million as of the date of grant and was recorded as compensation expense and paid in capital over the vesting period.

On February 1, 2010, the Company awarded Restricted Stock Grants for 31,000 shares of common stock at a fair market value of approximately \$1.5 million to certain members of the Board of Directors for services rendered in 2009. One-third of the shares of restricted common stock covered by these awards vests on each of December 31, 2010, December 31, 2011, and December 31, 2012.

On May 11, 2010, the Company awarded Restricted Stock Grants for 16,000 shares of common stock at a fair market value of approximately \$0.9 million to the Board of Directors for services rendered in 2009. One-third of the shares of restricted common stock covered by these awards vests on each of November 11, 2010, May 11, 2011, and May 11, 2012.

On February 2, 2009, the Company awarded Restricted Stock Grants for 11,000 shares of common stock at a fair market value of approximately \$0.4 million to members of the Board of Directors for services rendered in 2008. One-third of the shares of restricted common stock covered by these awards vests on each of December 31, 2009, December 31, 2010, and December 31, 2011.

On May 12, 2009, the Company awarded Restricted Stock Grants for 16,000 shares of common stock at a fair market value of approximately \$0.6 million to certain members of the Board of Directors for services rendered in 2008. One-third of the Options to purchase common stock and the shares of restricted common stock covered by these awards vests on each of November 12, 2009, May 12, 2010, and May 12, 2011.

In 2011 and 2010, the Company awarded Restricted Stock Grants for 47,000 shares each year and in 2009, the Company awarded Restricted Stock Grants for 27,000 shares of common stock to directors with a fair market value of approximately \$2,708,000, \$2,409,000, and \$1,025,000 in 2011, 2010 and 2009, respectively.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 14 Stock Option Plan and Stock Grants (continued)**

The Company recognized compensation expense of approximately \$5.6 million, \$5.1 million and \$4.1 million related to Restricted Stock Grants in 2011, 2010 and 2009, respectively. Compensation expense to be recognized subsequent to December 31, 2011 for Restricted Stock Grants that has not yet vested was approximately \$1.9 million, which is expected to be recognized over a weighted average term of 0.8 years.

Stock Options

The fair value of each grant is estimated on the grant date using the Black-Scholes-Merton model. The following table includes the assumptions that were made and the estimated fair values:

| Assumption | 2011 ⁽¹⁾ | 2010 ⁽¹⁾ | 2009 |
|--|----------------------------|----------------------------|-------------------|
| Dividend yield | | | 2.5% |
| Risk-free interest rate | | | 2.8% |
| Expected life | | | 7 years |
| Expected volatility | | | 21.0% |
| Estimated Fair Value of Options Granted | \$ | \$ | \$ 410,972 |

⁽¹⁾ No options were issued during the year ended December 31, 2011 and 2010.

A summary of the Company's stock option activity, and related information for the years ended December 31, 2011, 2010, and 2009 follows:

| | Shares Subject To Options | Weighted Average Exercise Price Per Share | Weighted Average Outstanding Contractual Life (in years) |
|------------------------------|--------------------------------------|--|---|
| Balance at December 31, 2008 | 953,772 | 34.92 | 5.4 |
| Options granted | 102,800 | 37.70 | |
| Options exercised | (213,721) | 43.34 | |
| Options canceled | (1,000) | 15.69 | |
| Balance at December 31, 2009 | 841,851 | 39.94 | 6.0 |
| Options exercised | (33,767) | 32.77 | |
| Options canceled | (2,900) | | |
| Balance at December 31, 2010 | 805,184 | 40.32 | 5.1 |
| Options exercised | (172,384) | 26.28 | |

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| | | | |
|----------------------------------|---------|-------|-----|
| Balance at December 31, 2011 | 632,800 | 44.14 | 5.0 |
| Exercisable at December 31, 2011 | 632,800 | 44.14 | 5.0 |

As of December 31, 2011, 2010, and 2009, 743,345 shares, 851,677 shares and 970,442 shares remained available for grant, respectively; of these 343,528 shares, 451,860 shares and 573,525 shares, respectively, remained available for Restricted Stock Grants.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 15 Preferred Stock

The Company's Board of Directors is authorized under the Company's charter, without further stockholder approval, to issue, from time to time, in one or more series, 10,000,000 shares of \$.01 par value preferred stock (the Preferred Stock), with specific rights, preferences and other attributes as the Board may determine, which may include preferences, powers and rights that are senior to the rights of holders of the Company's common stock. However, under certain circumstances, the issuance of preferred stock may require stockholder approval pursuant to the rules and regulations of The New York Stock Exchange.

On March 4, 2011, the Company, on behalf of selling stockholders, closed on a public offering of 8,000,000 shares of 8.034% Series A Cumulative Redeemable Perpetual Preferred Stock (the Series A Preferred Stock), par value \$0.01 per share, liquidation preference of \$25.00 per share, at a price of \$24.75 per share. 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. The Company did not receive any proceeds from the offering. The Company has the option at anytime to redeem the Series A Preferred Stock at a redemption price of \$25.00 per share, plus accumulated and unpaid dividends.

During the year ended December 31, 2011, the Company issued 1,740,000 shares of Series B Subordinated Non-Voting Cumulative Preferred Stock (the Series B Preferred Stock), par value \$0.01 per share. The Series B Preferred Stock was issued to partially fund the Acquisition which is discussed in detail in Note 19 in the Notes to the Consolidated Financial Statements contained in this Form 10-K. On October 24, 2011, the Company, on behalf of a selling stockholder, closed on a public offering of 3,162,069 shares of common stock. The 3,162,069 shares of common stock sold included 1,453,793 shares of common stock issued by the Company upon redemption of 1,453,793 shares of Series B Preferred Stock, par value \$0.01 per share. The Company did not receive any proceeds from the offering. On December 23, 2011, the remaining 286,207 Series B Preferred Stock were redeemed for 286,207 shares of common stock. As of the year ended December 31, 2011, the Company did not have any Series B Preferred Stock outstanding.

Note 16 Long-Term Cash Incentive Plan

On May 11, 2010, the Company's Board of Directors approved a Long-Term Cash Incentive Plan (the 2010 LTIP) to provide a long-term cash bonus opportunity to certain members of the Company's management. Such Board approval was upon recommendation by the Company's Compensation, Nominating and Corporate Governance Committee (the Committee).

The total cumulative payment for all participants (the Eligible Payment) is based upon certain performance conditions being met.

The Committee has responsibility for administering the 2010 LTIP and may use its reasonable discretion to adjust the performance criteria or Eligible Payments to take into account the impact of any major or unforeseen transaction or events. The 2010 LTIP includes 32 participants. The Company's executive officers are not participants in the 2010 LTIP. The Eligible Payment will be paid in cash upon completion of the Company's annual audit for the 2012 fiscal year and upon satisfaction of the vesting conditions as outlined in the 2010 LTIP and, including employer costs, is currently estimated to be approximately \$2.9 million. As of December 31, 2011 and 2010, the Company had accrued compensation expense of approximately \$1.8 million and \$0.7 million, respectively, for the 2010 LTIP including approximately \$1.1 million and \$0.7 million in the years ended December 31, 2011 and 2010.

On May 15, 2007, the Company's Board of Directors approved a Long-Term Cash Incentive Plan (the LTIP) to provide a long-term cash bonus opportunity to certain members of the Company's management and

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 16 Long-Term Cash Incentive Plan (continued)

executive officers. Such Board approval was upon recommendation of the Committee. The Company's Chief Executive Officer and President were not participants in the LTIP. On January 18, 2010, the Committee approved payments under the LTIP of approximately \$2.8 million. The approved payments were fully accrued as of December 31, 2009 and were paid in cash on March 3, 2010.

The Company is accounting for the LTIPs in accordance with FASB ASC 718. The amount accrued for the 2010 LTIP reflects the Committee's evaluation of the 2010 LTIP based on forecasts and other information presented to the Committee and are subject to performance in line with forecasts and final evaluation and determination by the Committee. There can be no assurances that the Company's estimates of the probable outcome will be representative of the actual outcome.

Note 17 Savings Plan

The Company has a qualified retirement plan, with a salary deferral feature designed to qualify under Section 401 of the Code (the 401(k) Plan), to cover its employees and those of its Subsidiaries, if any. The 401(k) Plan permits eligible employees of the Company and those of any Subsidiary to defer up to 60% of their eligible compensation on a pre-tax basis subject to certain maximum amounts. In addition, the Company will match 100% of the participant's contribution up to the first 3% and then 50% of the next 2% for a maximum potential match of 4%.

In addition, amounts contributed by the Company will vest, on a prorated basis, according to the participant's vesting schedule. After five years of employment with the Company, the participants will be 100% vested for all amounts contributed by the Company. Additionally, a discretionary profit sharing component of the 401(k) Plan provides for a contribution to be made annually for each participant in an amount, if any, as determined by the Company. All employee contributions are 100% vested. The Company's contribution to the 401(k) Plan was approximately \$1.1 million, \$1.0 million, and \$0.8 million, for the years ended December 31, 2011, 2010, and 2009, respectively.

Note 18 Commitments and Contingencies

California Rent Control Litigation

City of San Rafael

The Company sued the City of San Rafael in federal court, challenging its rent control ordinance (the Ordinance) on constitutional grounds. The Company believes the litigation was settled by the City's agreement to amend the ordinance to permit adjustments to market rent upon turnover. The City subsequently rejected the settlement agreement. The Court refused to enforce the settlement agreement, and submitted to a jury the claim that it had been breached. In October 2002, a jury found no breach of the settlement agreement.

The Company's constitutional claims against the City were tried in a bench trial during April 2007. On April 17, 2009, the Court issued its Order for Entry of Judgment in the Company's favor (the April 2009 Order). On June 10, 2009, the Court ordered the City to pay the Company net fees and costs of approximately \$2.1 million. On June 30, 2009, as anticipated by the April 2009 Order, the Court entered final judgment that gradually phased out the City's site rent regulation scheme that the Court found unconstitutional. Pursuant to the final judgment, existing residents of the Company's Property in San Rafael will be able to continue to pay site rent as if the Ordinance were to remain in effect for a period of ten years, enforcement of the Ordinance was immediately enjoined with respect to new residents of the Property, and the Ordinance will expire entirely ten years from the June 30, 2009 date of judgment.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 18 Commitments and Contingencies (continued)

The City and the residents' association (which intervened in the case) appealed, and the Company cross-appealed. The briefing has been completed, but a date for oral argument remains to be set by the Court of Appeals.

City of Santee

In June 2003, the Company won a judgment against the City of Santee in California Superior Court (Case No. 777094). The effect of the judgment was to invalidate, on state law grounds, two rent control ordinances the City of Santee had enforced against the Company and other property owners. However, the Court allowed the City to continue to enforce a rent control ordinance that predated the two invalid ordinances (the prior ordinance). As a result of the judgment the Company was entitled to collect a one-time rent increase based upon the difference in annual adjustments between the invalid ordinance(s) and the prior ordinance and to adjust its base rents to reflect what the Company could have charged had the prior ordinance been continually in effect. The City of Santee appealed the judgment. The City and the tenant association also each sued the Company in separate actions alleging that the rent adjustments pursuant to the judgment violated the prior ordinance (Case Nos. GIE 020887 and GIE 020524), sought to rescind the rent adjustments, and sought refunds of amounts paid, and penalties and damages in these separate actions. As a result of further proceedings and a series of appeals and remands, the Company was required to and did release the additional rents to the tenant association's counsel for disbursement to the tenants, and the Company has ceased collecting the disputed rent amounts.

The tenant association continued to seek damages, penalties and fees in their separate action based on the same claims the City made on the tenants' behalf in the City's case. The Company moved for judgment on the pleadings in the tenant association's case on the ground that the tenant association's case is moot in light of the result in the City's case. On November 6, 2008, the Court granted the Company's motion for judgment on the pleadings without leave to amend. The tenant association appealed. In June 2010, the Court of Appeal remanded the case for further proceedings, ruling that (i) the mootness finding was not correct when entered but could be reasserted after the amounts held in escrow have been disbursed to the residents; (ii) there is no basis for the tenant association's punitive damage claim or its claim under the California Mobile Home Residency Law; and (iii) the trial court should consider certain of the tenant association's other claims. On remand, on December 12, 2011, the Court granted the Company's motion for summary judgment and denied the tenant association's motion for summary judgment. On January 9, 2012, the Court entered judgment in favor of the Company, specifying that the tenant association shall recover nothing. On January 26, 2012, the Court set March 30, 2012 as the date for hearing the Company's motion for attorneys' fees and the tenant association's motion to reduce the Company's claim for costs. On February 17, 2012, the tenant association served notice of its intention to request that the Court set aside the judgment.

In addition, the Company sued the City of Santee in federal court alleging all three of the ordinances are unconstitutional under the Fifth and Fourteenth Amendments to the United States Constitution. On October 13, 2010, the District Court: (1) dismissed the Company's claims without prejudice on the ground that they were not ripe because the Company had not filed and received from the City a final decision on a rent increase petition, and (2) found that those claims are not foreclosed by any of the state court rulings. On November 10, 2010, the Company filed a notice of appeal from the District Court's ruling dismissing the Company's claims. On April 20, 2011, the appeal was voluntarily dismissed pursuant to stipulation of the parties.

In order to ripen its claims, the Company filed a rent increase petition with the City. At a hearing held on October 6, 2011, the City's Manufactured Home Fair Practices Commission voted to deny that petition, and

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 18 Commitments and Contingencies (continued)

subsequently entered written findings denying it. The Company appealed that determination to the Santee City Council, which on January 25, 2012 voted to deny the appeal. In view of that adverse final decision on its rent increase petition, on January 31, 2012 the Company filed a new complaint in federal court alleging that the City's ordinance effectuates a regulatory and private taking of the Company's property and is unconstitutional under the Fifth and Fourteenth Amendments to the United States Constitution. On February 1, 2012, the Company also filed in state court a petition for a writ of administrative mandamus seeking orders correcting and vacating the decisions of the City and its Manufactured Home Fair Practices Commission, and directing that the Company's rent increase petition be granted.

Colony Park

On December 1, 2006, a group of tenants at the Company's Colony Park Property in Ceres, California filed a complaint in the California Superior Court for Stanislaus County alleging that the Company had failed to properly maintain the Property and had improperly reduced the services provided to the tenants, among other allegations. The Company answered the complaint by denying all material allegations and filed a counterclaim for declaratory relief and damages. The case proceeded in Superior Court because the Company's motion to compel arbitration was denied and the denial was upheld on appeal. Trial of the case began on July 27, 2010. After just over three months of trial in which the plaintiffs asked the jury to award a total of approximately \$6.8 million in damages, the jury rendered verdicts awarding a total of less than \$44,000 to six out of the 72 plaintiffs, and awarding nothing to the other 66 plaintiffs. The plaintiff's who were awarded nothing filed a motion for a new trial or alternatively for judgment notwithstanding the jury's verdict, which the Court denied on February 14, 2011. All but 3 of the 66 plaintiffs to whom the jury awarded nothing have appealed, and the appeal is in the briefing stage.

By orders entered on December 14, 2011, the Court awarded the Company approximately \$2.0 million in attorneys' fees and other costs jointly and severally against the plaintiffs to whom the jury awarded nothing, and awarded no attorneys' fees or costs to either side with respect to the six plaintiffs to whom the jury awarded less than \$44,000. Plaintiffs have filed an appeal from the approximately \$2.0 million award to the Company of attorneys' fees and other costs.

California Hawaiian

On April 30, 2009, a group of tenants at the Company's California Hawaiian Property in San Jose, California filed a complaint in the California Superior Court for Santa Clara County alleging that the Company has failed to properly maintain the Property and has improperly reduced the services provided to the tenants, among other allegations. The Company moved to compel arbitration and stay the proceedings, to dismiss the case, and to strike portions of the complaint. By order dated October 8, 2009, the Court granted the Company's motion to compel arbitration and stayed the court proceedings pending the outcome of the arbitration. The plaintiffs filed with the Court of Appeal a petition for a writ seeking to overturn the trial court's arbitration and stay orders. On May 10, 2011, the Court of Appeal granted the petition and ordered the trial court to vacate its order compelling arbitration and to restore the matter to its litigation calendar for further proceedings. On May 24, 2011, the Company filed a petition for rehearing requesting the Court of Appeal to reconsider its May 10, 2011 decision. On June 8, 2011, the Court of Appeal denied the petition for rehearing. On June 16, 2011, the Company filed with the California Supreme Court a petition for review of the Court of Appeal's decision. On August 17, 2011, the California Supreme Court denied the petition for review. The Company believes that the allegations in the complaint are without merit, and intends to vigorously defend the litigation.

Hurricane Claim Litigation

On June 22, 2007, the Company filed suit in the Circuit Court of Cook County, Illinois (Case No. 07CH16548), against its insurance carriers, Hartford Fire Insurance Company, Essex Insurance Company,

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 18 Commitments and Contingencies (continued)

Lexington Insurance Company and Westchester Surplus Lines Insurance Company, regarding a coverage dispute arising from losses suffered by the Company as a result of hurricanes that occurred in Florida in 2004 and 2005. The Company also brought claims against Aon Risk Services, Inc. of Illinois (Aon), the Company s former insurance broker, regarding the procurement of appropriate insurance coverage for the Company. The Company is seeking declaratory relief establishing the coverage obligations of its carriers, as well as a judgment for breach of contract, breach of the covenant of good faith and fair dealing, unfair settlement practices and, as to Aon, for failure to provide ordinary care in the selling and procuring of insurance. The claims involved in this action are approximately \$11 million.

In response to motions to dismiss, the trial court dismissed: (1) the requests for declaratory relief as being duplicative of the claims for breach of contract and (2) certain of the breach of contract claims as being not ripe until the limits of underlying insurance policies have been exhausted. On or about January 28, 2008, the Company filed its Second Amended Complaint (SAC), which the insurers answered. In response to the court s dismissal of the SAC s claims against Aon, the Company ultimately filed, on February 2, 2009, a new Count VIII against Aon alleging a claim for breach of contract, which Aon answered. In January 2010, the parties engaged in a settlement mediation, which did not result in a settlement. In June 2010, the Company filed motions for partial summary judgment against the insurance companies seeking a finding that our hurricane debris cleanup costs are within the extra expense coverage of our excess insurance policies. On December 13, 2010, the Court granted the motion. Discovery is proceeding with respect to various remaining issues, including the amounts of the debris cleanup costs the Company is entitled to collect pursuant to the Court s order granting the Company partial summary judgment.

The Company has entered settlements of its claims with certain of the insurers and also received additional payments from certain of the insurers since filing the lawsuit, collectively totaling approximately \$7.4 million.

California and Washington Wage Claim Class Actions

On October 16, 2008, the Company was served with a class action lawsuit in California state court filed by a single named plaintiff. The suit alleges that, at the time of the PA Transaction, the Company and other named defendants willfully failed to pay former California employees of Privileged Access and its affiliates (PA) who became employees of the Company all of the wages they earned during their employment with PA, including accrued vacation time. The suit also alleges that the Company improperly stripped those employees of their seniority. The suit asserts claims for alleged violation of the California Labor Code; alleged violation of the California Business & Professions Code and for alleged unfair business practices; alleged breach of contract; alleged breach of the duty of good faith and fair dealing; and for alleged unjust enrichment. The original complaint sought, among other relief, compensatory and statutory damages; restitution; pre-judgment and post-judgment interest; attorney s fees, expenses and costs; penalties; and exemplary and punitive damages. The complaint did not specify a dollar amount sought. The Court granted in part without leave to amend and in part with leave to amend the Company s motions seeking dismissal of the plaintiff s original complaint and various amended complaints. Discovery proceeded on the remaining claims in the third amended complaint. On February 15, 2011, the Court granted plaintiff s motion for class certification. On June 22, 2011, the Court determined the content of the class notice.

On December 16, 2008, the Company was served with a class action lawsuit in Washington state court filed by a single named plaintiff, represented by the same counsel as the plaintiff in the California class action. The complaint asserts on behalf of a putative class of Washington employees of PA who became employees of the Company substantially similar allegations as are alleged in the California class action. The Company moved to

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 18 Commitments and Contingencies (continued)

dismiss the complaint. On April 3, 2009, the court dismissed: (1) the first cause of action, which alleged a claim under the Washington Labor Code for failure to pay accrued vacation time; (2) the second cause of action, which alleged a claim under the Washington Labor Code for unpaid wages on termination; (3) the third cause of action, which alleged a claim under the Washington Labor Code for payment of wages less than entitled; and (4) the fourth cause of action, which alleged a claim under the Washington Consumer Protection Act. The court did not dismiss the fifth cause of action for breach of contract, the sixth cause of action for breach of the duty of good faith and fair dealing; or the seventh cause of action for unjust enrichment. On May 22, 2009, the Company filed a motion for summary judgment on the causes of action not previously dismissed, which was denied. With leave of court, the plaintiff filed an amended complaint, the material allegations of which the Company denied in an answer filed on September 11, 2009. On July 30, 2010, the named plaintiff died as a result of an unrelated accident.

On November 22, 2011, the parties agreed to a settlement, which remains subject to court approval and other conditions, the principal terms of which are that, without admitting any liability, the Company would pay \$0.5 million in cash, would provide one week of vacation to the vacation balance of any class member who on August 13, 2008 had at least five years of service with a PA affiliate (the cost of which to the Company would be approximately \$0.1 million), and would receive in exchange a full release of all claims, including claims for attorneys' fees and costs, in both the California and Washington Class Actions.

Membership Class Action

On July 29, 2011, the Company was served with a class action lawsuit in California state court filed by two named plaintiffs, who are husband and wife. Among other allegations, the suit alleges that the plaintiffs purchased a membership in the Company's Thousand Trails network of campgrounds and paid annual dues; that they were unable to make a reservation to utilize one of the campgrounds because, they were told, their membership did not permit them to utilize that particular campground; that the Company failed to comply with the written disclosure requirements of various states' membership camping statutes; that the Company misrepresented that it provides a money-back guaranty; and that the Company misrepresented that the campgrounds or portions of the campgrounds would be limited to use by members.

Allegedly on behalf of between 100,000 and 200,000 putative class members, the suit asserts claims for alleged violation of: (1) the California Civil Code §§ 1812.300, et seq.; (2) the Arizona Revised Statutes §§ 32-2198, et seq.; (3) Chapter 222 of the Texas Property Code; (4) Florida Code §§ 509.001, et seq.; (5) Chapter 119B of the Nevada Administrative Code; (6) Business & Professions Code §§ 17200, et seq., (7) Business & Professions Code §§ 17500; (8) Fraud - Intentional Misrepresentation and False Promise; (9) Fraud - Omission; (10) Negligent Misrepresentation; and (11) Unjust Enrichment. The complaint seeks, among other relief, rescission of the membership agreements and refund of the member dues of plaintiffs and all others who purchased a membership from or paid membership dues to the Company since July 21, 2007; general and special compensatory damages; reasonable attorneys' fees, costs and expenses of suit; punitive and exemplary damages; a permanent injunction against the complained of conduct; and pre-judgment interest.

On August 19, 2011, the Company filed an answer generally denying the allegations of the complaint, and asserting affirmative defenses. On August 23, 2011, the Company removed the case from the California state court to the federal district court in San Jose. The Company will vigorously defend the lawsuit.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 18 Commitments and Contingencies (continued)

Other

The Company is involved in various other legal and regulatory proceedings arising in the ordinary course of business. Such proceedings include, but are not limited to, notices, consent decrees, information requests, and additional permit requirements and other similar enforcement actions by governmental agencies relating to the Company's water and wastewater treatment plants and other waste treatment facilities. Additionally, in the ordinary course of business, the Company's operations are subject to audit by various taxing authorities. Management believes that all proceedings herein described or referred to, taken together, are not expected to have a material adverse impact on the Company. In addition, to the extent any such proceedings or audits relate to newly acquired Properties, the Company considers any potential indemnification obligations of sellers in favor of the Company.

Note 19 Acquisitions

On May 31, 2011, the Company's operating partnership entered into purchase and other agreements (the Purchase Agreements) to acquire a portfolio of 75 manufactured home communities and one RV resort (the Acquisition Properties) containing 31,167 sites on approximately 6,500 acres located in 16 states (primarily located in Florida and the northeastern region of the United States) and certain manufactured homes and loans secured by manufactured homes located at the Acquisition Properties which the Company refers to as the Home Related Assets for a stated purchase price of \$1.43 billion (the Acquisition). Transaction costs associated with the Acquisition of approximately \$18.5 million were incurred during the year ended December 31, 2011. For the year ended December 31, 2011, the Acquisition Properties, revenues included in the Consolidated Statements of Operations for the Company were approximately \$60.0 million.

During the year ended December 31, 2011, the Company closed on 75 of the Acquisition Properties and certain Home Related Assets associated with such 75 Acquisition Properties for a purchase price of approximately \$1.5 billion. The Company funded the purchase price of this closing with (i) the issuance of 1,708,276 shares of its common stock, to the seller with an aggregate value of approximately \$111 million, (ii) the issuance of 1,740,000 shares of Series B Preferred Stock to the seller with an aggregate value of approximately \$113 million, (iii) the assumption of mortgage debt secured by 35 Acquisition Properties with an aggregate value of approximately \$548 million, (iv) the net proceeds of approximately \$344 million, net of offering costs, from a common stock offering of 6,037,500 shares, (v) approximately \$200 million of cash from the Term Loan the Company closed on July 1, 2011, and (vi) approximately \$200 million of cash from new secured financings originated during the third quarter of 2011. The assumed mortgage debt has stated interest rates ranging from 4.65% to 8.87% per annum and matures from dates ranging from 2012 to 2023.

The Company is in the process of allocating the purchase price and has engaged a third-party to assist with its allocation for the Acquisition. The following table summarizes the preliminary estimated fair value of the assets acquired and liabilities assumed in the Acquisition during the year ended December 31, 2011, which we determined using level two and level three inputs (amounts in thousands). The fair value is a preliminary estimate and may be adjusted within one-year of the Acquisition in accordance with FASB ASC 805.

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Equity LifeStyle Properties, Inc.
Notes To Consolidated Financial Statements

Note 19 Acquisitions (continued)

| | |
|---|-------------------|
| Assets acquired | |
| Land | \$ 474,000 |
| Depreciable property | 859,000 |
| Manufactured homes | 24,000 |
| In-place leases | 74,000 |
| Net investment in real estate | 1,431,000 |
| Notes receivable | 40,000 |
| Other assets | 12,000 |
| Total Assets acquired | 1,483,000 |
| Liabilities assumed | |
| Mortgage notes payable | 548,000 |
| Accrued payroll and other operating expenses | 3,000 |
| Rents and other customer payments received in advance and security deposits | 5,000 |
| Total Liabilities assumed | 556,000 |
| Net consideration paid | \$ 927,000 |

The allocation of fair values of the assets acquired and liabilities assumed has changed from the allocation reported in Note 13 Acquisitions of the Notes to the Consolidated Financial Statements contained in the Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, filed with the SEC on November 8, 2011, due primarily to reclassification adjustments for presentation adjustments to our valuation assumption and portions of the acquisition which closed subsequent to the third quarter filing. The changes to our valuation assumptions were based on more recent information concerning the subject assets and liabilities. None of these changes had a material impact on our Consolidated Financial Statements.

The face value of the Chattel Loans at the time of acquisition was approximately \$107.9 million and the variance between the face amount and fair value is due to a number of factors including customer delinquency status, FICO scores, original down payment amount and below market stated interest rates. In estimating its cash flows from these Chattel Loans, the Company currently is making certain assumptions regarding annual default rates and the value of the repossessed property upon default in order to determine our estimated interest rate that is applied to the net carrying value. Through December 31, 2011, the credit performance of these Chattel Loans has generally been consistent with the assumptions used in determining its initial fair value, and the Company's original expectations regarding the amounts and timing of future cash flows has not changed.

The following methods and assumptions were used to estimate the fair value of each class of asset acquired and liability assumed in the Acquisition.

Land Market approach based on similar, but not identical, transactions in the market. Adjustments to comparable sales based on both the quantitative and qualitative data.

Depreciable property Cost approach based on market comparable data to replace adjusted for local variations, inflation and other factors.

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Manufactured homes Sales comparison approach based on market prices for similar homes adjusted for differences in age or size. Manufactured homes are included on the Company's Consolidated Balance Sheets in buildings and other depreciable property.

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Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 19 Acquisitions (continued)**

In-place leases Lease in place was determined via a combination of estimates of market rental rates and expense reimbursement levels as well as an estimate of the length of time required to replace each lease.

Notes receivable Income approach based on discounted cash flows discounting contractual cash flows at a market rate adjusted based on particular notes or note holders' down payment, FICO score and delinquency status.

Below market ground leases Value of asset (below market lease) based on contract rent and option price against market rent and land value. Market rent determined applying a reasonable rate of return to the value of the land as if owned. Land value is estimated and then inflated until it is anticipated that the option will be exercised. Land value is estimated and then inflated until it is anticipated that the option will be exercised. Below market ground leases are included on the Company's Consolidated Balance Sheets in escrow deposits and other assets.

Mortgage notes payable Income approach based on discounted cash flows comparing contractual cash flows to cash flows of identical debt discounted based on market rates.

The following unaudited pro forma consolidated results of operations assumes that the Acquisition for the 75 Acquisition Properties and related debt and equity issuances had occurred on January 1, 2010. The unaudited pro forma results of operations is based upon historical financial statements. The unaudited pro forma results do not purport to represent what the actual results of operations of the Company would have been, nor do they purport to predict the results of operations of future periods.

| | December 31, 2011 | December 31, 2010 |
|--|-------------------|-------------------|
| Total revenues | \$ 676,819 | \$ 663,976 |
| Net income available for Common Shares ⁽¹⁾ | \$ 80,265 | \$ 1,819 |
| Earnings per Common Share - Basic | \$ 2.05 | \$ 0.05 |
| Earnings per Common Share - Fully Diluted ⁽²⁾ | \$ 1.98 | \$ 0.05 |

^{1.} The following expenses, except for f. below, are not reflected in the Unaudited Pro Forma Results of Operations as they are either short-term in nature or are not reflective of the historical results of the Company or the seller:

- a. The Company entered into a property management agreement with the seller for a fee of four percent of property revenues beginning on July 1, 2011 and ending on September 30, 2011 for the Acquisition Properties purchased between July 1, 2011 and September 1, 2011.
- b. The Company entered into a loan servicing agreement, effective July 1, 2011, with respect to the Chattel Loans the Company acquired in the Acquisition. The loan servicing fee was \$55,000 per month and expired on September 30, 2011.
- c.

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The Company has estimated that its annual incremental property management expenses associated with the Acquisition are approximately \$5.5 million.

- d. The Company has estimated that its annual incremental general and administrative expenses associated with the Acquisition, including Chattel Loan servicing, are approximately \$1.6 million.
- e. Transaction costs related to the Acquisition are not expected to have a continuing impact and therefore have been excluded from these pro forma results.

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Equity LifeStyle Properties, Inc.

Notes To Consolidated Financial Statements

Note 19 Acquisitions (continued)

- f. For the year ended December 31, 2010, the Company has estimated the amortization expense of an intangible asset for in-place leases to be approximately \$73.6 million. The estimated useful life for acquired in-place leases is one year.
- ² For the year ended December 31, 2010, the Company's weighted average of approximately 4.7 million common OP Units (which were dilutive to the Company's historical operations) were anti-dilutive, and therefore were excluded from the computation of the Pro Forma Earnings per Common Share Fully Diluted.

Note 20 Reportable Segments

Operating segments are defined as components of an entity for which separate financial information is available that is evaluated regularly by the chief operating decision maker. The chief operating decision maker evaluates and assesses performance on a monthly basis. Segment operating performance is measured on Net Operating Income (NOI). NOI is defined as total operations revenues less total operations expenses. Segments are assessed before interest income, depreciation and amortization of in-place leases.

The Company has two reportable segments, which are the Property Operations and Home Sales and Rentals Operations Segments. The Property Operations segment owns and operates land lease Properties and the Home Sales and Rentals Operations segment purchases, sells and leases homes at the Properties.

All revenues are from external customers and there is no customer who contributed 10% or more of the Company's total revenues during the three years ended December 31, 2011, 2010 and 2009.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 20 Reportable Segments (continued)**

The following tables summarize the Company's segment financial information (amounts in thousands):

Year Ended December 31, 2011

| | Property Operations | Home Sales and Rentals Operations | Consolidated |
|--|--------------------------------|--|---------------------|
| Operations revenues | \$ 560,503 | \$ 14,848 | \$ 575,351 |
| Operations expenses | (279,748) | (16,002) | (295,750) |
| Income from segment operations | 280,755 | (1,154) | 279,601 |
| Interest income | 3,377 | 3,340 | 6,717 |
| Depreciation on real estate and other costs | (79,922) | (59) | (79,981) |
| Amortization of in-place leases | (27,707) | (772) | (28,479) |
| Income from operations | 176,503 | 1,355 | 177,858 |
| Reconciliation to Net income available for Common Shares | | | |
| Other revenues ^(a) | | | 6,735 |
| General and administrative | | | (23,833) |
| Transaction costs | | | (18,493) |
| Depreciation on corporate assets | | | (1,034) |
| Interest and related amortization | | | (99,668) |
| Rent control initiatives | | | (1,009) |
| Equity in income of unconsolidated joint ventures | | | 1,948 |
| Consolidated net income | | | \$ 42,504 |
| Total Assets | \$ 3,274,199 | \$ 221,902 | \$ 3,496,101 |
| Capital Improvements | \$ 26,224 | \$ 35,808 | \$ 62,032 |

(a) Includes approximately \$0.3 million of interest income attributable to corporate operations.

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Equity LifeStyle Properties, Inc.
Notes To Consolidated Financial Statements

Note 20 Reportable Segments (continued)**Year Ended December 31, 2010**

| | Property Operations | Home Sales and Rentals Operations | Consolidated |
|--|--------------------------------|--|---------------------|
| Operations revenues | \$ 495,019 | \$ 11,940 | \$ 506,959 |
| Operations expenses | (257,616) | (13,231) | (270,847) |
| Income from segment operations | 237,403 | (1,291) | 236,112 |
| Interest income | 3,263 | 782 | 4,045 |
| Depreciation on real estate and other costs | (68,067) | (58) | (68,125) |
| Income from operations | 172,599 | (567) | 172,032 |
| Reconciliation to Net income available for Common Shares | | | |
| Other revenues ^(a) | | | 6,114 |
| General and administrative | | | (22,559) |
| Depreciation on corporate assets | | | (1,080) |
| Interest and related amortization | | | (91,151) |
| Goodwill impairment | | | (3,635) |
| Rent control initiatives | | | (1,120) |
| Equity in income of unconsolidated joint ventures | | | 2,027 |
| Consolidated income from continuing operations | | | 60,628 |
| Loss from discontinued operations | | | (231) |
| Consolidated net income | | | \$ 60,397 |
| Total Assets | \$ 1,911,021 | \$ 137,374 | \$ 2,048,395 |
| Capital Improvements | \$ 28,852 | \$ 19,777 | \$ 48,629 |

(a) Includes approximately \$0.4 million of interest income attributable to corporate operations.

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Equity LifeStyle Properties, Inc.
Notes To Consolidated Financial Statements

Note 20 Reportable Segments (continued)**Year Ended December 31, 2009**

| | Property Operations | Home Sales and Rentals Operations | Consolidated |
|--|--------------------------------|--|---------------------|
| Operations revenues | \$ 482,821 | \$ 11,686 | \$ 494,507 |
| Operations expenses | (253,734) | (14,427) | (268,161) |
| Income from segment operations | 229,087 | (2,741) | 226,346 |
| Interest income | 3,967 | 995 | 4,962 |
| Depreciation on real estate and other costs | (68,893) | (156) | (69,049) |
| Income from operations | 164,161 | (1,902) | 162,259 |
| Reconciliation to Net income available for Common Shares | | | |
| Other revenues ^(a) | | | 8,325 |
| General and administrative | | | (22,279) |
| Depreciation on corporate assets | | | (1,039) |
| Interest and related amortization | | | (98,311) |
| Rent control initiatives | | | (456) |
| Equity in income of unconsolidated joint ventures | | | 2,896 |
| Consolidated income from continuing operations | | | 51,395 |
| Loss from discontinued operations | | | 4,866 |
| Consolidated net income | | | \$ 56,261 |
| Total Assets | \$ 2,043,096 | \$ 123,223 | \$ 2,166,319 |
| Capital Improvements | \$ 24,475 | \$ 5,639 | \$ 30,114 |

(a) Includes approximately \$0.2 million of interest income attributable to corporate operations.

Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 20 Reportable Segments (continued)**

The following table summarizes the Company's financial information for the Property Operations segment for the years ended December 31, 2011, 2010 and 2009 (amounts in thousands):

| | December 31, 2011 | December 31, 2010 | December 31, 2009 |
|--|----------------------|----------------------|----------------------|
| Revenues: | | | |
| Community base rental income | \$ 318,851 | \$ 259,351 | \$ 253,379 |
| Resort base rental income | 130,489 | 129,481 | 124,822 |
| Right-to-use annual payments | 49,122 | 49,831 | 50,765 |
| Right-to-use contracts current period, gross | 17,856 | 19,496 | 21,526 |
| Right-to-use contracts current period, deferred | (11,936) | (14,856) | (18,882) |
| Utility income and other | 53,843 | 48,357 | 47,685 |
| Ancillary services revenues, net | 2,278 | 3,359 | 3,526 |
| Total property operations revenues | 560,503 | 495,019 | 482,821 |
| Expenses: | | | |
| Property operating and maintenance | 200,623 | 185,786 | 180,870 |
| Real estate taxes | 37,619 | 32,110 | 31,674 |
| Sales and marketing, gross | 11,219 | 12,606 | 13,536 |
| Sales and marketing deferred commissions, net | (4,789) | (5,525) | (5,729) |
| Property management | 35,076 | 32,639 | 33,383 |
| Total property operations expenses | 279,748 | 257,616 | 253,734 |
| Net income from property operations segment | \$ 280,755 | \$ 237,403 | \$ 229,087 |

The following table summarizes the Company's financial information for the Home Sales and Rentals Operations segment for the years ended December 31, 2011, 2010 and 2009 (amounts in thousands):

| | December 31, 2011 | December 31, 2010 | December 31, 2009 |
|---|----------------------|----------------------|----------------------|
| Revenues: | | | |
| Gross revenue from home sales | \$ 6,088 | \$ 6,120 | \$ 7,136 |
| Brokered resale revenues, net | 806 | 918 | 758 |
| Rental operations revenues ^(a) | 7,954 | 4,902 | 3,792 |
| Total revenues | 14,848 | 11,940 | 11,686 |
| Expenses: | | | |
| Cost of home sales | 5,683 | 5,396 | 7,471 |
| Home selling expenses | 1,589 | 2,078 | 2,383 |
| Rental operations expenses | 4,450 | 2,930 | 2,212 |

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| | | | |
|--|-------------------|-------------------|-------------------|
| Rental depreciation | 4,280 | 2,827 | 2,361 |
| Total expenses | 16,002 | 13,231 | 14,427 |
| Net loss from home sales and rentals operations | \$ (1,154) | \$ (1,291) | \$ (2,741) |

- ^(a) Does not include approximately \$23.9 million, \$15.4 million, and \$12.0 million of site rental income included in Community base rental income for the years ended December 31, 2011, 2010 and 2009, respectively.

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Table of Contents**Equity LifeStyle Properties, Inc.****Notes To Consolidated Financial Statements****Note 21 Quarterly Financial Data (unaudited)**

The following is unaudited quarterly data for 2011 and 2010 (amounts in thousands, except for per share amounts):

| | First Quarter 3/31 | Second Quarter 6/30 | Third Quarter 9/30 | Fourth Quarter 12/31 |
|--|-----------------------------------|------------------------------------|-----------------------------------|-------------------------------------|
| 2011 | | | | |
| Total revenues | \$ 133,455 | \$ 125,914 | \$ 161,391 | \$ 159,313 |
| Income from continuing operations | \$ 25,632 | \$ 11,654 | \$ 1,355 | \$ 3,863 |
| Net income (loss) available for Common Shares | \$ 18,960 | \$ 6,827 | \$ (2,853) | \$ (159) |
| Weighted average Common Shares outstanding Basic | 30,996 | 32,629 | 38,346 | 40,263 |
| Weighted average Common Shares outstanding Diluted | 35,609 | 37,262 | 43,602 | 45,296 |
| Net income (loss) per Common Share outstanding Basic | \$ 0.61 | \$ 0.21 | \$ (0.07) | \$ 0.00 |
| Net income (loss) per Common Share outstanding Diluted | \$ 0.61 | \$ 0.20 | \$ (0.07) | \$ 0.00 |

| | First Quarter 3/31 | Second Quarter 6/30 | Third Quarter 9/30 | Fourth Quarter 12/31 |
|--|-----------------------------------|------------------------------------|-----------------------------------|-------------------------------------|
| 2010 | | | | |
| Total revenues ^(a) | \$ 132,148 | \$ 123,845 | \$ 134,195 | \$ 121,173 |
| Income from continuing operations ^(a) | \$ 21,704 | \$ 11,021 | \$ 17,307 | \$ 10,596 |
| Loss from discontinued operations ^(a) | \$ (177) | \$ (54) | \$ | \$ |
| Net income available for Common Shares | \$ 15,064 | \$ 6,000 | \$ 11,554 | \$ 5,736 |
| Weighted average Common Shares outstanding Basic | 30,304 | 30,412 | 30,620 | 30,728 |
| Weighted average Common Shares outstanding Diluted | 35,465 | 35,506 | 35,530 | 35,597 |
| Net income per Common Share outstanding Basic | \$ 0.50 | \$ 0.20 | \$ 0.38 | \$ 0.19 |
| Net income per Common Share outstanding Diluted | \$ 0.49 | \$ 0.20 | \$ 0.37 | \$ 0.18 |

^(a) Amounts may differ from previously disclosed amounts due to reclassification of discontinued operations.

Table of Contents**Schedule II****Equity LifeStyle Properties, Inc.****Valuation and Qualifying Accounts****December 31, 2011**

| | Balance at Beginning of Period | Additions | | Deductions (¹) | Balance at End of Period |
|---------------------------------------|---|--|--------------------------------------|--------------------------------------|-------------------------------------|
| | | Charged to Costs and Expenses | Charged to Other Accounts | | |
| For the year ended December 31, 2009: | | | | | |
| Allowance for doubtful accounts | \$ 1,886,000 | \$ 2,899,000 | \$ | (\$ 2,190,000) | \$ 2,595,000 |
| For the year ended December 31, 2010: | | | | | |
| Allowance for doubtful accounts | \$ 2,595,000 | \$ 3,062,000 | \$ | (\$ 2,648,000) | \$ 3,009,000 |
| For the year ended December 31, 2011: | | | | | |
| Allowance for doubtful accounts | \$ 3,009,000 | \$ 4,155,000 | \$ | (\$ 2,735,000) | \$ 4,429,000 |

⁽¹⁾ Deductions represent tenant receivables deemed uncollectible.

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Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

| Real Estate | Location | Encumbrances | Initial Cost to Company | | Costs Capitalized Subsequent to Acquisition (Improvements) | | Gross Amount Carried at Close of Period 12/31/11 | | | Accumulated Depreciation | Date of Acquisition | |
|--------------------------------------|-----------------|--------------|-------------------------|----------|--|----------|--|----------|--------|--------------------------|---------------------|------|
| | | | Land | Property | Land | Property | Land | Property | Total | | | |
| Properties Held for Long Term | | | | | | | | | | | | |
| Hidden Cove | Arley | AL | \$ | \$ 212 | \$ 610 | \$ | \$ 13 | \$ 212 | \$ 623 | \$ 835 | \$ (128) | 2006 |
| Apache East | Apache Junction | AZ | | 2,236 | 4,181 | | | 2,236 | 4,181 | 6,417 | (211) | 2011 |
| Apollo Village | Phoenix | AZ | | 932 | 3,219 | | 1,363 | 932 | 4,582 | 5,514 | (2,363) | 1994 |
| Araby | Yuma | AZ | (3,020) | 1,440 | 4,345 | | 538 | 1,440 | 4,883 | 6,323 | (1,267) | 2003 |
| Cactus Gardens | Yuma | AZ | (4,309) | 1,992 | 5,984 | | 301 | 1,992 | 6,285 | 8,277 | (1,565) | 2004 |
| Capri RV | Yuma | AZ | (4,760) | 1,595 | 4,774 | | 206 | 1,595 | 4,980 | 6,575 | (961) | 2006 |
| Carefree Manor | Phoenix | AZ | | 706 | 3,040 | | 828 | 706 | 3,868 | 4,574 | (1,701) | 1998 |
| Casa del Sol East II | Glendale | AZ | (4,521) | 2,103 | 6,283 | | 2,497 | 2,103 | 8,780 | 10,883 | (3,176) | 1996 |
| Casa del Sol East III | Glendale | AZ | | 2,450 | 7,452 | | 676 | 2,450 | 8,128 | 10,578 | (3,630) | 1998 |
| Casa del Sol West I | Peoria | AZ | (9,644) | 2,215 | 6,467 | | 2,145 | 2,215 | 8,612 | 10,827 | (3,377) | 1996 |
| Casita Verde RV | Casa Grande | AZ | (2,142) | 719 | 2,179 | | 68 | 719 | 2,247 | 2,966 | (447) | 2006 |
| Central Park | Phoenix | AZ | (11,877) | 1,612 | 3,784 | | 1,540 | 1,612 | 5,324 | 6,936 | (4,226) | 1983 |
| Countryside RV | Apache Junction | AZ | | 2,056 | 6,241 | | 942 | 2,056 | 7,183 | 9,239 | (2,187) | 2002 |
| Denali Park | Apache Junction | AZ | | 2,394 | 4,016 | | | 2,394 | 4,016 | 6,410 | (201) | 2011 |
| Desert Paradise | Yuma | AZ | (1,300) | 666 | 2,011 | | 140 | 666 | 2,151 | 2,817 | (583) | 2004 |
| Desert Skies | Phoenix | AZ | (4,734) | 792 | 3,126 | | 680 | 792 | 3,806 | 4,598 | (1,717) | 1998 |
| Desert Vista | Salome | AZ | | 66 | 268 | | 33 | 66 | 301 | 367 | (19) | 2010 |
| Fairview Manor | Tucson | AZ | | 1,674 | 4,708 | | 1,903 | 1,674 | 6,611 | 8,285 | (2,997) | 1998 |
| Fiesta Grande RV | Casa Grande | AZ | (9,043) | 2,869 | 8,653 | | 389 | 2,869 | 9,042 | 11,911 | (1,768) | 2006 |
| Foothill | Yuma | AZ | | 459 | 1,402 | | 181 | 459 | 1,583 | 2,042 | (428) | 2003 |
| Foothills West RV | Casa Grande | AZ | (2,213) | 747 | 2,261 | | 240 | 747 | 2,501 | 3,248 | (469) | 2006 |

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Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

| Real Estate | Location | Encumbrances | Initial Cost to Company | | Costs Capitalized Subsequent to Acquisition (Improvements) | | Gross Amount Carried at Close of Period 12/31/11 | | | Accumulated Depreciation | Date of Acquisition | |
|---------------------------------|-----------------|--------------|-------------------------|----------|--|----------|--|----------|---------|--------------------------|---------------------|------|
| | | | Land | Property | Land | Property | Land | Property | Total | | | |
| Golden Sun RV | Apache Junction | AZ | 1,678 | 5,049 | 197 | 1,678 | 5,246 | 6,924 | (1,671) | 2002 | | |
| Hacienda De Valencia | Mesa | AZ | (14,124) | 833 | 2,701 | 4,475 | 833 | 7,176 | 8,009 | (4,393) | 1984 | |
| Mesa Verde | Cottonwood | AZ | | 1,387 | 4,148 | 364 | 1,387 | 4,512 | 5,899 | (772) | 2007 | |
| Monte Vista | Mesa | AZ | (22,866) | 11,402 | 34,355 | 3,504 | 11,402 | 37,859 | 49,261 | (9,436) | 2004 | |
| Palm Shadows | Glendale | AZ | (5,994) | 1,400 | 4,218 | 1,054 | 1,400 | 5,272 | 6,672 | (3,103) | 1993 | |
| Paradise | Sun City | AZ | (14,759) | 6,414 | 19,263 | 11 | 1,876 | 6,425 | 21,139 | 27,564 | (5,765) | 2004 |
| Sedona Shadows | Sedona | AZ | (10,827) | 1,096 | 3,431 | 1,299 | 1,096 | 4,730 | 5,826 | (2,105) | 1997 | |
| Seyenna Vistas | Mesa | AZ | | 1,360 | 4,660 | 2,532 | 1,360 | 7,192 | 8,552 | (3,717) | 1994 | |
| Suni Sands | Yuma | AZ | (2,839) | 1,249 | 3,759 | 318 | 1,249 | 4,077 | 5,326 | (1,072) | 2004 | |
| Sunrise Heights | Phoenix | AZ | (5,179) | 1,000 | 3,016 | 1,431 | 1,000 | 4,447 | 5,447 | (2,222) | 1994 | |
| Sunshine Valley | Chandler | AZ | (5,011) | 9,139 | 12,912 | | 9,139 | 12,912 | 22,051 | (443) | 2011 | |
| The Highlands at Brentwood | Mesa | AZ | (10,235) | 1,997 | 6,024 | 1,942 | 1,997 | 7,966 | 9,963 | (4,455) | 1993 | |
| The Meadows | Tempe | AZ | | 2,613 | 7,887 | 3,622 | 2,613 | 11,509 | 14,122 | (5,985) | 1994 | |
| Valley Vista | Benson | AZ | | 115 | 429 | 14 | 115 | 443 | 558 | (27) | 2010 | |
| Venture In | Show Low | AZ | (6,378) | 2,050 | 6,188 | 317 | 2,050 | 6,505 | 8,555 | (1,303) | 2006 | |
| Verde Valley | Cottonwood | AZ | | 1,437 | 3,390 | 19 | 864 | 1,456 | 4,254 | 5,710 | (975) | 2004 |
| Viewpoint | Mesa | AZ | (41,224) | 24,890 | 56,340 | 15 | 5,003 | 24,905 | 61,343 | 86,248 | (15,909) | 2004 |
| Westpark | Wickenburg | AZ | | 4,495 | 10,517 | | 4,495 | 10,517 | 15,012 | (463) | 2011 | |
| Whispering Palms | Phoenix | AZ | (3,020) | 670 | 2,141 | 308 | 670 | 2,449 | 3,119 | (1,182) | 1998 | |
| Cultus Lake | Lindell Beach | BC | | 410 | 968 | 6 | 164 | 416 | 1,132 | 1,548 | (262) | 2004 |
| California Hawaiian Colony Park | San Jose | CA | (31,995) | 5,825 | 17,755 | 3,044 | 5,825 | 20,799 | 26,624 | (9,756) | 1997 | |
| Concord Cascade | Ceres | CA | (5,353) | 890 | 2,837 | 715 | 890 | 3,552 | 4,442 | (1,746) | 1998 | |
| Contempo Marin | Pacheco | CA | (11,548) | 985 | 3,016 | 1,895 | 985 | 4,911 | 5,896 | (3,697) | 1983 | |
| Coralwood | San Rafael | CA | | 4,787 | 16,379 | 3,173 | 4,787 | 19,552 | 24,339 | (11,336) | 1994 | |
| Date Palm Country Club | Modesto | CA | (5,817) | | 5,047 | 484 | | 5,531 | 5,531 | (2,718) | 1997 | |
| Date Palm RV | Cathedral City | CA | | 4,115 | 14,064 | 4,570 | 4,115 | 18,634 | 22,749 | (10,800) | 1994 | |
| DeAnza Santa Cruz | Cathedral City | CA | | | 216 | 313 | | 529 | 529 | (321) | 1994 | |
| | Santa Cruz | CA | (13,115) | 2,103 | 7,201 | 2,064 | 2,103 | 9,265 | 11,368 | (5,091) | 1994 | |

Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

| Real Estate | Location | Encumbrances | Initial Cost to Company | | Costs Capitalized Subsequent to Acquisition (Improvements) | | Gross Amount Carried at Close of Period 12/31/11 | | | Accumulated Depreciation | Date of Acquisition | | |
|---------------------|---------------|--------------|-------------------------|----------|--|----------|--|----------|--------|--------------------------|---------------------|---------|------|
| | | | Land | Property | Land | Property | Land | Property | Total | | | | |
| Four Seasons | Fresno | CA | 756 | 2,348 | | 423 | 756 | 2,771 | 3,527 | (1,342) | 1997 | | |
| Idyllwild | Pine Cove | CA | 313 | 737 | 4 | 739 | 317 | 1,476 | 1,793 | (290) | 2004 | | |
| Laguna Lake | San Luis | | | | | | | | | | | | |
| | Obispo | CA | 2,845 | 6,520 | | 514 | 2,845 | 7,034 | 9,879 | (3,376) | 1998 | | |
| Lake Minden | Nicolaus | CA | 961 | 2,267 | 13 | 671 | 974 | 2,938 | 3,912 | (666) | 2004 | | |
| Lake of the Springs | Oregon | | | | | | | | | | | | |
| | House | CA | 1,062 | 2,504 | 14 | 805 | 1,076 | 3,309 | 4,385 | (698) | 2004 | | |
| Lamplighter | Spring Valley | CA | (23,088) | 633 | | 2,201 | 1,234 | 633 | 3,435 | 4,068 | (2,720) | 1983 | |
| Las Palmas | Rialto | CA | (3,404) | 1,295 | | 3,866 | 345 | 1,295 | 4,211 | 5,506 | (1,102) | 2004 | |
| Los Ranchos | Apple Valley | CA | (13,817) | 8,336 | | 15,774 | | 8,336 | 15,774 | 24,110 | (418) | 2011 | |
| Meadowbrook | Santee | CA | | 4,345 | | 12,528 | 1,959 | 4,345 | 14,487 | 18,832 | (6,532) | 1998 | |
| Monte del Lago | Castroville | CA | (21,018) | 3,150 | | 9,469 | 2,555 | 3,150 | 12,024 | 15,174 | (5,541) | 1997 | |
| Morgan Hill | Morgan Hill | CA | | 1,856 | | 4,378 | 25 | 453 | 1,881 | 4,831 | 6,712 | (1,120) | 2004 |
| Nicholson Plaza | San Jose | CA | | | | 4,512 | | 266 | 4,778 | 4,778 | (2,281) | 1997 | |
| Oakzanita Springs | Descanso | CA | | 396 | | 934 | 5 | 877 | 401 | 1,811 | 2,212 | (382) | 2004 |
| Pacific Dunes Ranch | Oceana | CA | (5,371) | 1,940 | | 5,632 | | 204 | 1,940 | 5,836 | 7,776 | (1,436) | 2004 |
| Palm Springs | Palm Desert | CA | | 1,811 | | 4,271 | 24 | 546 | 1,835 | 4,817 | 6,652 | (1,109) | 2004 |
| Parque La Quinta | Rialto | CA | (4,565) | 1,799 | | 5,450 | | 262 | 1,799 | 5,712 | 7,511 | (1,527) | 2004 |
| Pio Pico | Jamul | CA | | 2,626 | | 6,194 | 35 | 1,448 | 2,661 | 7,642 | 10,303 | (1,664) | 2004 |
| Ponderosa | Lotus | CA | | 900 | | 2,100 | | 250 | 900 | 2,350 | 3,250 | (458) | 2006 |
| Quail Meadows | Riverbank | CA | (4,851) | 1,155 | | 3,469 | | 458 | 1,155 | 3,927 | 5,082 | (1,784) | 1998 |
| Rancho Mesa | El Cajon | CA | (9,006) | 2,130 | | 6,389 | | 729 | 2,130 | 7,118 | 9,248 | (3,180) | 1998 |
| Rancho Oso | Santa | | | | | | | | | | | | |
| | Barbara | CA | | 860 | | 2,029 | 12 | 698 | 872 | 2,727 | 3,599 | (585) | 2004 |
| Rancho Valley | El Cajon | CA | (7,164) | 685 | | 1,902 | | 1,191 | 685 | 3,093 | 3,778 | (2,384) | 1983 |
| Royal Holiday | Hemet | CA | | 778 | | 2,643 | | 2,305 | 778 | 4,948 | 5,726 | (1,745) | 1998 |
| Royal Oaks | Visalia | CA | | 602 | | 1,921 | | 636 | 602 | 2,557 | 3,159 | (1,186) | 1997 |
| Russian River | Cloverdale | CA | | 368 | | 868 | 5 | 138 | 373 | 1,006 | 1,379 | (231) | 2004 |
| San Benito | Paicines | CA | | 1,411 | | 3,328 | 19 | 707 | 1,430 | 4,035 | 5,465 | (926) | 2004 |
| San Francisco RV | Pacifica | CA | | 1,660 | | 4,973 | | 439 | 1,660 | 5,412 | 7,072 | (1,186) | 2005 |
| Santa Cruz Ranch RV | Scotts Valley | CA | | 1,595 | | 3,937 | | 243 | 1,595 | 4,180 | 5,775 | (607) | 2007 |

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Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

| Real Estate | Location | Encumbrances | Initial Cost to Company | | Costs Capitalized Subsequent to Acquisition (Improvements) | | Gross Amount Carried at Close of Period 12/31/11 | | | Accumulated Depreciation | Date of Acquisition | |
|-----------------------------|---------------|--------------|-------------------------|----------|--|----------|--|----------|--------|--------------------------|---------------------|------|
| | | | Land | Property | Land | Property | Land | Property | Total | | | |
| Santiago Estates | Sylmar | CA | (14,890) | 3,562 | 10,767 | | 1,238 | 3,562 | 12,005 | 15,567 | (5,505) | 1998 |
| Sea Oaks | Los Osos | CA | | 871 | 2,703 | | 472 | 871 | 3,175 | 4,046 | (1,477) | 1997 |
| Snowflower | Emigrant Gap | CA | | 308 | 727 | 4 | 331 | 312 | 1,058 | 1,370 | (225) | 2004 |
| Soledad Canyon | Acton | CA | | 2,933 | 6,917 | 39 | 1,532 | 2,972 | 8,449 | 11,421 | (1,861) | 2004 |
| Sunshadow | San Jose | CA | | | 5,707 | | 280 | | 5,987 | 5,987 | (2,875) | 1997 |
| Tahoe Valley | Lake Tahoe | CA | | 1,357 | 4,071 | | 246 | 1,357 | 4,317 | 5,674 | (1,142) | 2004 |
| Turtle Beach | Manteca | CA | | 268 | 633 | 4 | 116 | 272 | 749 | 1,021 | (169) | 2004 |
| Village of the Four Seasons | San Jose | CA | (13,708) | 5,229 | 15,714 | | 500 | 5,229 | 16,214 | 21,443 | (4,119) | 2004 |
| Westwinds (4 properties) | San Jose | CA | | | 17,616 | | 6,883 | | 24,499 | 24,499 | (11,917) | 1997 |
| Wilderness Lake | Menifee | CA | | 2,157 | 5,088 | 29 | 726 | 2,186 | 5,814 | 8,000 | (1,385) | 2004 |
| Yosemite Lakes | Groveland | CA | | 2,045 | 4,823 | 27 | 1,390 | 2,072 | 6,213 | 8,285 | (1,341) | 2004 |
| Bear Creek | Denver | CO | (4,578) | 1,100 | 3,359 | | 450 | 1,100 | 3,809 | 4,909 | (1,731) | 1998 |
| Cimarron | Broomfield | CO | (15,083) | 863 | 2,790 | | 916 | 863 | 3,706 | 4,569 | (3,126) | 1983 |
| Golden Terrace | Golden | CO | (13,576) | 826 | 2,415 | | 1,672 | 826 | 4,087 | 4,913 | (2,725) | 1983 |
| Golden Terrace South | Golden | CO | | 750 | 2,265 | | 738 | 750 | 3,003 | 3,753 | (1,449) | 1997 |
| Golden Terrace West | Golden | CO | (16,098) | 1,694 | 5,065 | | 1,063 | 1,694 | 6,128 | 7,822 | (4,842) | 1986 |
| Hillcrest Village | Aurora | CO | (25,640) | 1,912 | 5,202 | 289 | 3,010 | 2,201 | 8,212 | 10,413 | (6,791) | 1983 |
| Holiday Hills | Denver | CO | (35,449) | 2,159 | 7,780 | | 4,832 | 2,159 | 12,612 | 14,771 | (10,295) | 1983 |
| Holiday Village | Co. Springs | CO | (11,115) | 567 | 1,759 | | 1,241 | 567 | 3,000 | 3,567 | (2,392) | 1983 |
| Pueblo Grande | Pueblo | CO | (7,355) | 241 | 1,069 | | 708 | 241 | 1,777 | 2,018 | (1,393) | 1983 |
| Woodland Hills | Thornton | CO | | 1,928 | 4,408 | | 2,719 | 1,928 | 7,127 | 9,055 | (4,186) | 1994 |
| Stonegate Manor | North Windham | CT | (7,255) | 6,011 | 12,336 | | | 6,011 | 12,336 | 18,347 | (636) | 2011 |
| Aspen Meadows | Rehoboth | DE | (5,273) | 1,148 | 3,460 | | 509 | 1,148 | 3,969 | 5,117 | (1,857) | 1998 |
| Camelot Meadows | Rehoboth | DE | (12,189) | 527 | 2,058 | 1,251 | 4,331 | 1,778 | 6,389 | 8,167 | (2,830) | 1998 |
| Mariners Cove | Millsboro | DE | (15,435) | 990 | 2,971 | | 5,669 | 990 | 8,640 | 9,630 | (4,975) | 1987 |
| McNicol | Rehoboth | DE | (2,543) | 562 | 1,710 | | 209 | 562 | 1,919 | 2,481 | (840) | 1998 |
| Sweetbriar | Rehoboth | DE | (2,852) | 498 | 1,527 | | 443 | 498 | 1,970 | 2,468 | (999) | 1998 |
| Waterford | Bear | DE | (29,040) | 5,250 | 16,202 | | 1,497 | 5,250 | 17,699 | 22,949 | (5,676) | 1996 |

Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

| Real Estate | Location | Encumbrances | Initial Cost to Company | | Costs Capitalized Subsequent to Acquisition (Improvements) | | Gross Amount Carried at Close of Period 12/31/11 | | | Accumulated Depreciation | Date of Acquisition |
|---------------------------|--------------------|--------------|-------------------------|----------|--|----------|--|----------|----------|--------------------------|---------------------|
| | | | Land | Property | Land | Property | Land | Property | Total | | |
| Whispering Pines | Lewes DE | (9,260) | 1,536 | 4,609 | 1,514 | 1,536 | 6,123 | 7,659 | (4,255) | 1998 | |
| Audubon | Orlando FL | (6,969) | 4,622 | 7,200 | | 4,622 | 7,200 | 11,822 | (270) | 2011 | |
| Barrington Hills | Hudson FL | | 1,145 | 3,437 | 492 | 1,145 | 3,929 | 5,074 | (1,087) | 2004 | |
| Bay Indies | Venice FL | (35,996) | 10,483 | 31,559 | 10 | 5,500 | 10,493 | 37,059 | 47,552 | (20,810) | 1994 |
| Bay Lake Estates | Nokomis FL | | 990 | 3,390 | 1,654 | 990 | 5,044 | 6,034 | (2,659) | 1994 | |
| Beacon Hill Colony | Lakeland FL | (5,669) | 3,775 | 6,405 | | 3,775 | 6,405 | 10,180 | (55) | 2011 | |
| Beacon Terrace | Lakeland FL | (7,427) | 5,372 | 9,153 | | 5,372 | 9,153 | 14,525 | (394) | 2011 | |
| Breezy Hill RV | Pompano Beach FL | | 5,424 | 16,555 | 1,437 | 5,424 | 17,992 | 23,416 | (5,488) | 2002 | |
| Buccaneer | N. Ft. Myers FL | (35,804) | 4,207 | 14,410 | 2,723 | 4,207 | 17,133 | 21,340 | (9,433) | 1994 | |
| Bulow Village RV | Flagler Beach FL | | | 228 | 880 | | 1,108 | 1,108 | (319) | 2001 | |
| Bulow Plantation | Flagler Beach FL | | 3,637 | 949 | 6,197 | 3,637 | 7,146 | 10,783 | (3,078) | 1994 | |
| Carefree Cove | Fort Lauderdale FL | (4,274) | 1,741 | 5,170 | 549 | 1,741 | 5,719 | 7,460 | (1,431) | 2004 | |
| Carefree Village | Tampa FL | | 6,799 | 10,421 | | 6,799 | 10,421 | 17,220 | (587) | 2011 | |
| Carriage Cove | Daytona Beach FL | (11,799) | 2,914 | 8,682 | 1,227 | 2,914 | 9,909 | 12,823 | (4,651) | 1998 | |
| Cheron Village | Davie FL | (5,715) | 10,393 | 6,217 | | 10,393 | 6,217 | 16,610 | (507) | 2011 | |
| Clerbrook | Clermont FL | (10,781) | 3,883 | 11,700 | 932 | 3,883 | 12,632 | 16,515 | (2,496) | 2006 | |
| Clover Leaf Farms | Brooksville FL | (23,280) | 13,684 | 24,106 | | 13,684 | 24,106 | 37,790 | (224) | 2011 | |
| Clover Leaf Forest | Brooksville FL | | 1,092 | 2,178 | | 1,092 | 2,178 | 3,270 | (6) | 2011 | |
| Coachwood | Leesburg FL | (3,792) | 1,602 | 4,822 | 327 | 1,602 | 5,149 | 6,751 | (1,341) | 2004 | |
| Colony Cove | Ellenton FL | (58,452) | 31,165 | 96,214 | | 31,165 | 96,214 | 127,379 | (3,852) | 2011 | |
| Coquina Crossing | Elkton FL | | 5,274 | 5,545 | 16,933 | 5,274 | 22,478 | 27,752 | (6,630) | 1999 | |
| Coral Cay | Margate FL | (22,759) | 5,890 | 20,211 | 7,497 | 5,890 | 27,708 | 33,598 | (14,508) | 1994 | |
| Country Place | New Port Richey FL | (15,197) | 663 | | 18 | 7,450 | 681 | 7,450 | 8,131 | (4,627) | 1986 |
| Countryside | Vero Beach FL | | 3,711 | 11,133 | 6,681 | 3,711 | 17,814 | 21,525 | (7,374) | 1998 | |
| Covington Estates | Saint Cloud FL | | 3,319 | 7,253 | | 3,319 | 7,253 | 10,572 | (362) | 2011 | |
| Crystal Isles | Crystal River FL | (2,532) | 926 | 2,787 | 10 | 722 | 936 | 3,509 | 4,445 | (861) | 2004 |
| Crystal Lakes-Zephyrhills | Zephyrhills FL | | 3,767 | 6,834 | | 3,767 | 6,834 | 10,601 | (360) | 2011 | |
| Down Yonder | Largo FL | (13,030) | 2,652 | 7,981 | 555 | 2,652 | 8,536 | 11,188 | (2,629) | 1998 | |

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Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

| Real Estate | Location | Encumbrances | Initial Cost to Company | | Costs Capitalized Subsequent to Acquisition (Improvements) | | Gross Amount Carried at Close of Period 12/31/11 | | | Accumulated Depreciation | Date of Acquisition | |
|-------------------------|------------------|--------------|-------------------------|----------|--|----------|--|----------|--------|--------------------------|---------------------|------|
| | | | Land | Property | Land | Property | Land | Property | Total | | | |
| East Bay Oaks | Largo | FL | (11,408) | 1,240 | 3,322 | 1,083 | 1,240 | 4,405 | 5,645 | (3,623) | 1983 | |
| Eldorado Village | Largo | FL | (7,852) | 778 | 2,341 | 904 | 778 | 3,245 | 4,023 | (2,604) | 1983 | |
| Emerald Lake | Punta Gorda | FL | | 3,598 | 5,197 | | 3,598 | 5,197 | 8,795 | (228) | 2011 | |
| Featherock | Valrico | FL | (22,831) | 11,369 | 22,770 | | 11,369 | 22,770 | 34,139 | (486) | 2011 | |
| Fort Myers Beach Resort | Fort Myers Beach | FL | | 1,188 | 3,548 | 206 | 1,188 | 3,754 | 4,942 | (1,089) | 2004 | |
| Foxwood | Ocala | FL | | 3,853 | 7,967 | | 3,853 | 7,967 | 11,820 | (490) | 2011 | |
| Glen Ellen | Clearwater | FL | | 619 | 1,882 | 136 | 619 | 2,018 | 2,637 | (615) | 2002 | |
| Grand Island | Grand Island | FL | | 1,723 | 5,208 | 125 | 3,919 | 1,848 | 9,127 | (3,024) | 2001 | |
| Gulf Air Resort | Fort Myers Beach | FL | | 1,609 | 4,746 | 171 | 1,609 | 4,917 | 6,526 | (1,302) | 2004 | |
| Gulf View | Punta Gorda | FL | | 717 | 2,158 | 901 | 717 | 3,059 | 3,776 | (836) | 2004 | |
| Hacienda Village | New Port Richey | FL | | 4,297 | 13,088 | 2,103 | 4,297 | 15,191 | 19,488 | (4,402) | 2002 | |
| Harbor Lakes | Port Charlotte | FL | | 3,384 | 10,154 | 439 | 3,384 | 10,593 | 13,977 | (2,791) | 2004 | |
| Harbor View | New Port Richey | FL | | 4,030 | 12,146 | 152 | 4,030 | 12,298 | 16,328 | (3,854) | 2002 | |
| Haselton Village | Eustis | FL | (7,304) | 3,800 | 8,955 | | 3,800 | 8,955 | 12,755 | (327) | 2011 | |
| Heritage Plantation | Vero Beach | FL | (12,423) | 2,403 | 7,259 | 1,965 | 2,403 | 9,224 | 11,627 | (5,111) | 1994 | |
| Heron Cay | Vero Beach | FL | (31,900) | 14,368 | 23,792 | | 14,368 | 23,792 | 38,160 | (759) | 2011 | |
| Hidden Valley | Orlando | FL | (9,342) | 11,398 | 12,861 | | 11,398 | 12,861 | 24,259 | (670) | 2011 | |
| Highland Wood RV | Pompano Beach | FL | | 1,043 | 3,130 | 42 | 190 | 1,085 | 3,320 | 4,405 | (1,039) | 2002 |
| Hillcrest | Clearwater | FL | (7,366) | 1,278 | 3,928 | 1,132 | 1,278 | 5,060 | 6,338 | (2,424) | 1998 | |
| Holiday Ranch | Clearwater | FL | (4,628) | 925 | 2,866 | 360 | 925 | 3,226 | 4,151 | (1,515) | 1998 | |
| Holiday Village | Vero Beach | FL | | 350 | 1,374 | 210 | 350 | 1,584 | 1,934 | (754) | 1998 | |
| Holiday Village | Ormond Beach | FL | (9,857) | 2,610 | 7,837 | 313 | 2,610 | 8,150 | 10,760 | (2,519) | 2002 | |
| Indian Oaks | Rockledge | FL | | 1,089 | 3,376 | 950 | 1,089 | 4,326 | 5,415 | (2,056) | 1998 | |
| Island Vista | North Ft. Myers | FL | (14,759) | 5,004 | 15,066 | 249 | 5,004 | 15,315 | 20,319 | (2,929) | 2006 | |
| Kings & Queens | Lakeland | FL | | 1,696 | 3,064 | | 1,696 | 3,064 | 4,760 | (163) | 2011 | |
| Lake Fairways | N. Ft. Myers | FL | (28,576) | 6,075 | 18,134 | 35 | 2,181 | 6,110 | 20,315 | (11,395) | 1994 | |
| Lake Haven | Dunedin | FL | (10,838) | 1,135 | 4,047 | 3,032 | 1,135 | 7,079 | 8,214 | (5,000) | 1983 | |
| Lake Magic | Clermont | FL | | 1,595 | 4,793 | 263 | 1,595 | 5,056 | 6,651 | (1,331) | 2004 | |

Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

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|------------------------|-----------------|--------------|-------------------------|----------|--|----------|--|----------|--------|--------------------------|---------------------|
| | | | Land | Property | Land | Property | Land | Property | Total | | |
| Lake Village | Nokomis | FL (11,256) | 15,850 | 18,099 | | | 15,850 | 18,099 | 33,949 | (453) | 2011 |
| Lake Worth Village | Lake Worth | FL (13,847) | 14,959 | 24,501 | | | 14,959 | 24,501 | 39,460 | (743) | 2011 |
| Lakeland Harbor | Lakeland | FL (17,467) | 10,446 | 17,376 | | | 10,446 | 17,376 | 27,822 | (684) | 2011 |
| Lakeland Junction | Lakeland | FL | 3,018 | 4,752 | | | 3,018 | 4,752 | 7,770 | (237) | 2011 |
| Lakes at Countrywood | Plant City | FL (10,039) | 2,377 | 7,085 | | 1,648 | 2,377 | 8,733 | 11,110 | (3,088) | 2001 |
| Lakeside Terrace | Fruitland Park | FL | 3,275 | 7,165 | | | 3,275 | 7,165 | 10,440 | (338) | 2011 |
| Lakewood Village | Melbourne | FL (9,211) | 1,862 | 5,627 | | 1,516 | 1,862 | 7,143 | 9,005 | (4,009) | 1994 |
| Lighthouse Pointe | Port Orange | FL (13,499) | 2,446 | 7,483 | 23 | 1,343 | 2,469 | 8,826 | 11,295 | (4,134) | 1998 |
| Manatee | Bradenton | FL | 2,300 | 6,903 | | 440 | 2,300 | 7,343 | 9,643 | (1,932) | 2004 |
| Maralago Cay | Lantana | FL (19,847) | 5,325 | 15,420 | | 5,028 | 5,325 | 20,448 | 25,773 | (9,197) | 1997 |
| Meadows at Countrywood | Plant City | FL (13,048) | 4,514 | 13,175 | | 4,213 | 4,514 | 17,388 | 21,902 | (7,797) | 1998 |
| Mid-Florida Lakes | Leesburg | FL | 5,997 | 20,635 | | 9,091 | 5,997 | 29,726 | 35,723 | (15,322) | 1994 |
| Orange Lake | Clermont | FL (5,367) | 4,303 | 6,815 | | | 4,303 | 6,815 | 11,118 | (373) | 2011 |
| Oak Bend | Ocala | FL (5,415) | 850 | 2,572 | | 1,122 | 850 | 3,694 | 4,544 | (2,200) | 1993 |
| Oaks at Countrywood | Plant City | FL (13,166) | 846 | 2,513 | | 5,099 | 846 | 7,612 | 8,458 | (2,405) | 1998 |
| Orlando | Clermont | FL | 2,975 | 7,017 | 40 | 1,476 | 3,015 | 8,493 | 11,508 | (1,922) | 2004 |
| Palm Beach Colony | West Palm Beach | FL | 5,930 | 10,113 | 8 | | 5,938 | 10,113 | 16,051 | (433) | 2011 |
| Park City West | Fort Lauderdale | FL (14,778) | 4,184 | 12,561 | | 673 | 4,184 | 13,234 | 17,418 | (3,447) | 2004 |
| Parkwood Communities | Wildwood | FL (9,681) | 6,990 | 15,115 | | | 6,990 | 15,115 | 22,105 | (743) | 2011 |
| Pasco | Lutz | FL | 1,494 | 4,484 | | 427 | 1,494 | 4,911 | 6,405 | (1,266) | 2004 |
| Peace River | Wauchula | FL | 900 | 2,100 | | 292 | 900 | 2,392 | 3,292 | (426) | 2006 |
| Pickwick | Port Orange | FL | 2,803 | 8,870 | | 1,146 | 2,803 | 10,016 | 12,819 | (4,579) | 1998 |
| Pine Lakes | N. Ft. Myers | FL (36,801) | 6,306 | 14,579 | 21 | 7,056 | 6,327 | 21,635 | 27,962 | (11,806) | 1994 |
| Pioneer Village | N. Ft. Myers | FL (9,273) | 4,116 | 12,353 | | 1,480 | 4,116 | 13,833 | 17,949 | (3,655) | 2004 |
| Ramblers Rest | Venice | FL (14,896) | 4,646 | 14,201 | | 2,443 | 4,646 | 16,644 | 21,290 | (3,084) | 2006 |
| Ridgewood Estates | Ellenton | FL (11,040) | 6,769 | 8,791 | | | 6,769 | 8,791 | 15,560 | (261) | 2011 |
| Royal Coachman | Nokomis | FL (11,898) | 5,321 | 15,978 | | 992 | 5,321 | 16,970 | 22,291 | (4,504) | 2004 |
| Shady Lane Oaks | Clearwater | FL (5,814) | 4,984 | 8,482 | | | 4,984 | 8,482 | 13,466 | (480) | 2011 |

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|------------------------|--------------------|--------------|-------------------------|----------|--|----------|--|----------|--------|--------------------------|---------------------|------|
| | | | Land | Property | Land | Property | Land | Property | Total | | | |
| Shady Lane Village | Clearwater | FL | 3,102 | 5,480 | | | 3,102 | 5,480 | 8,582 | (304) | 2011 | |
| Shangri La | Largo | FL | (4,023) | 1,722 | 5,200 | 118 | 1,722 | 5,318 | 7,040 | (1,393) | 2004 | |
| Sherwood Forest | Kissimmee | FL | (30,002) | 4,852 | 14,596 | 5,595 | 4,852 | 20,191 | 25,043 | (8,808) | 1998 | |
| Sherwood Forest RV | Kissimmee | FL | | 2,870 | 3,621 | 568 | 2,405 | 3,438 | 6,026 | 9,464 | (2,682) | 1998 |
| Silk Oak | Clearwater | FL | | 1,649 | 5,028 | | 109 | 1,649 | 5,137 | 6,786 | (1,581) | 2002 |
| Silver Dollar | Odessa | FL | (8,181) | 4,107 | 12,431 | 240 | 1,304 | 4,347 | 13,735 | 18,082 | (3,621) | 2004 |
| Sixth Ave. | Zephyrhills | FL | (2,023) | 837 | 2,518 | | 29 | 837 | 2,547 | 3,384 | (692) | 2004 |
| Southern Palms | Eustis | FL | | 2,169 | 5,884 | | 3,074 | 2,169 | 8,958 | 11,127 | (3,905) | 1998 |
| Southernaire | Mt. Dora | FL | (1,872) | 796 | 2,395 | | 107 | 796 | 2,502 | 3,298 | (656) | 2004 |
| Starlight Ranch | Orlando | FL | | 13,543 | 20,388 | | | 13,543 | 20,388 | 33,931 | (1,221) | 2011 |
| Sunshine Holiday MH | Ormond Beach | FL | | 2,001 | 6,004 | | 606 | 2,001 | 6,610 | 8,611 | (1,740) | 2004 |
| Sunshine Holiday RV | Fort Lauderdale | FL | (7,608) | 3,099 | 9,286 | | 530 | 3,099 | 9,816 | 12,915 | (2,468) | 2004 |
| Sunshine Key | Big Pine Key | FL | (14,763) | 5,273 | 15,822 | | 1,977 | 5,273 | 17,799 | 23,072 | (4,667) | 2004 |
| Sunshine Travel | Vero Beach | FL | | 1,603 | 4,813 | | 213 | 1,603 | 5,026 | 6,629 | (1,316) | 2004 |
| Tarpon Glen | Tarpon Springs | FL | | 2,678 | 4,016 | | | 2,678 | 4,016 | 6,694 | (256) | 2011 |
| Terra Ceia | Palmetto | FL | (2,262) | 965 | 2,905 | | 135 | 965 | 3,040 | 4,005 | (801) | 2004 |
| The Heritage | N. Ft. Myers | FL | (12,078) | 1,438 | 4,371 | 346 | 4,117 | 1,784 | 8,488 | 10,272 | (4,532) | 1993 |
| The Meadows | Palm Beach Gardens | FL | (11,589) | 3,229 | 9,870 | | 4,194 | 3,229 | 14,064 | 17,293 | (4,985) | 1999 |
| Three Flags RV Resort | Wildwood | FL | | 228 | 684 | | 125 | 228 | 809 | 1,037 | (161) | 2006 |
| Toby s | Arcadia | FL | (3,876) | 1,093 | 3,280 | | 115 | 1,093 | 3,395 | 4,488 | (946) | 2003 |
| Topics | Spring Hill | FL | (2,000) | 844 | 2,568 | | 346 | 844 | 2,914 | 3,758 | (794) | 2004 |
| Tropical Palms | Kissimmee | FL | | 5,677 | 17,116 | | 5,976 | 5,677 | 23,092 | 28,769 | (7,143) | 2004 |
| Tropical Palms | Punta Gorda | FL | (7,139) | 2,365 | 7,286 | | 548 | 2,365 | 7,834 | 10,199 | (1,483) | 2006 |
| Vacation Village | Largo | FL | | 1,315 | 3,946 | | 266 | 1,315 | 4,212 | 5,527 | (1,076) | 2004 |
| Vero Palm | Vero Beach | FL | (12,906) | 6,697 | 9,025 | | | 6,697 | 9,025 | 15,722 | (316) | 2011 |
| Villas at Spanish Oaks | Ocala | FL | (12,375) | 2,250 | 6,922 | | 1,354 | 2,250 | 8,276 | 10,526 | (4,834) | 1993 |
| Village Green | Vero Beach | FL | (26,069) | 15,901 | 25,175 | | | 15,901 | 25,175 | 41,076 | (1,206) | 2011 |
| Whispering Pines Largo | Largo | FL | (13,167) | 8,218 | 14,054 | | | 8,218 | 14,054 | 22,272 | (385) | 2011 |

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|------------------------------------|-----------------|--------------|-------------------------|----------|--|----------|--|----------|--------|--------------------------|---------------------|------|
| | | | Land | Property | Land | Property | Land | Property | Total | | | |
| Windmill Manor | Bradenton | FL | 2,153 | 6,125 | | 1,517 | 2,153 | 7,642 | 9,795 | (3,403) | 1998 | |
| Windmill Village | N. Ft. Myers | FL | (16,168) | 1,417 | 5,440 | 2,046 | 1,417 | 7,486 | 8,903 | (6,265) | 1983 | |
| Winds of St. Armands North | Sarasota | FL | (19,041) | 1,523 | 5,063 | 2,997 | 1,523 | 8,060 | 9,583 | (6,061) | 1983 | |
| Winds of St. Armands South | Sarasota | FL | (12,252) | 1,106 | 3,162 | 1,154 | 1,106 | 4,316 | 5,422 | (3,528) | 1983 | |
| Winter Garden | Winter Garden | FL | | 2,321 | 6,962 | 197 | 2,321 | 7,159 | 9,480 | (1,107) | 2007 | |
| Pine Island Resort | St. James City | FL | | 1,678 | 5,044 | 306 | 1,678 | 5,350 | 7,028 | (773) | 2007 | |
| Coach Royale | Boise | ID | | 465 | 1,685 | | 465 | 1,685 | 2,150 | (105) | 2011 | |
| Maple Grove | Boise | ID | | 1,358 | 5,151 | | 1,358 | 5,151 | 6,509 | (307) | 2011 | |
| Shenandoah Estates | Boise | ID | (6,007) | 1,287 | 7,603 | | 1,287 | 7,603 | 8,890 | (55) | 2011 | |
| West Meadow Estates | Boise | ID | (6,340) | 1,371 | 6,770 | | 1,371 | 6,770 | 8,141 | (167) | 2011 | |
| Golf Vistas Estates | Monee | IL | (11,996) | 2,843 | 4,719 | 6,677 | 2,843 | 11,396 | 14,239 | (4,860) | 1997 | |
| O Connell s | Amboy | IL | (4,421) | 1,648 | 4,974 | 646 | 1,648 | 5,620 | 7,268 | (1,588) | 2004 | |
| Pine Country | Belvidere | IL | | 53 | 166 | 130 | 53 | 296 | 349 | (52) | 2006 | |
| Willow Lake Estates | Elgin | IL | | 6,138 | 21,033 | 5,930 | 6,138 | 26,963 | 33,101 | (14,287) | 1994 | |
| Indian Lakes | Batesville | IN | | 450 | 1,061 | 6 | 636 | 456 | 1,697 | 2,153 | (345) | 2004 |
| Hoosier Estates | Lebanon | IN | (7,202) | 2,293 | 7,197 | | 2,293 | 7,197 | 9,490 | (57) | 2011 | |
| Horseshoe Lake | Clinton | IN | | 155 | 365 | 2 | 361 | 157 | 726 | 883 | (129) | 2004 |
| Lakeside | New Carlisle | IN | | 426 | 1,281 | | 71 | 426 | 1,352 | 1,778 | (368) | 2004 |
| North Glen Village | Westfield | IN | (7,432) | 2,308 | 6,333 | | 2,308 | 6,333 | 8,641 | (61) | 2011 | |
| Oak Tree Village | Portage | IN | (9,276) | 569 | | 3,889 | 569 | 3,889 | 4,458 | (2,703) | 1987 | |
| Twin Mills RV | Howe | IN | | 1,399 | 4,186 | | 193 | 1,399 | 4,379 | 5,778 | (755) | 2006 |
| Diamond Caverns Resort & Golf Club | Park City | KY | | 530 | 1,512 | | (10) | 530 | 1,502 | 2,032 | (307) | 2006 |
| Gateway to Cape Cod | Rochester | MA | | 91 | 288 | | 148 | 91 | 436 | 527 | (78) | 2006 |
| Hillcrest | Rockland | MA | (1,895) | 2,034 | 3,182 | | | 2,034 | 3,182 | 5,216 | (146) | 2011 |
| Old Chatham RV | South Dennis | MA | | 1,760 | 5,293 | | 72 | 1,760 | 5,365 | 7,125 | (1,140) | 2005 |
| Sturbridge | Sturbridge | MA | | 110 | 347 | | 264 | 110 | 611 | 721 | (97) | 2006 |
| The Glen | Norwell | MA | | 940 | 1,680 | | | 940 | 1,680 | 2,620 | (78) | 2011 |
| Fernwood | Capitol Heights | MD | (9,634) | 6,556 | 11,674 | | | 6,556 | 11,674 | 18,230 | (313) | 2011 |

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|---------------------------------------|-------------------|--------------|-------------------------|----------|--|----------|--|----------|--------|--------------------------|---------------------|------|
| | | | Land | Property | Land | Property | Land | Property | Total | | | |
| Williams Estates and Peppermint Woods | Middle River | MD | (43,486) | 22,774 | 42,575 | | | 22,774 | 42,575 | 65,349 | (1,702) | 2011 |
| Moody Beach | Moody | ME | | 93 | 292 | | 126 | 93 | 418 | 511 | (75) | 2006 |
| Pinehirst RV Park | Old Orchard Beach | ME | (5,327) | 1,942 | 5,827 | | 544 | 1,942 | 6,371 | 8,313 | (1,324) | 2005 |
| Mt. Desert Narrows | Bar Harbor | ME | | 1,037 | 3,127 | | 51 | 1,037 | 3,178 | 4,215 | (438) | 2007 |
| Narrows Too | Trenton | ME | | 1,463 | 4,408 | | 33 | 1,463 | 4,441 | 5,904 | (608) | 2007 |
| Patton Pond | Ellsworth | ME | | 267 | 802 | | 76 | 267 | 878 | 1,145 | (125) | 2007 |
| Avon on the Lake | Rochester Hills | MI | | 4,435 | 9,748 | | | 4,435 | 9,748 | 14,183 | (889) | 2011 |
| Bear Cave Resort | Buchanan | MI | | 176 | 516 | | 27 | 176 | 543 | 719 | (143) | 2006 |
| Fairchild Lake | Chesterfield | MI | | 1,430 | 7,226 | | | 1,430 | 7,226 | 8,656 | (487) | 2011 |
| Cranberry Lake | White Lake | MI | | 1,654 | 8,174 | | | 1,654 | 8,174 | 9,828 | (536) | 2011 |
| Ferrand Estates | Wyoming | MI | (8,432) | 2,172 | 6,574 | | | 2,172 | 6,574 | 8,746 | (362) | 2011 |
| Grand Blanc Crossing | Grand Blanc | MI | | 1,899 | 2,787 | | | 1,899 | 2,787 | 4,686 | (342) | 2011 |
| Holly Hills | Holly | MI | | 723 | 1,703 | | | 723 | 1,703 | 2,426 | (200) | 2011 |
| Lake in the Hills | Auburn Hills | MI | (4,224) | 1,792 | 5,599 | | | 1,792 | 5,599 | 7,391 | (379) | 2011 |
| Westbridge Manor | Macomb | MI | | 8,472 | 13,927 | | | 8,472 | 13,927 | 22,399 | (1,325) | 2011 |
| Oakland Glens | Novi | MI | | 3,653 | 6,881 | | | 3,653 | 6,881 | 10,534 | (681) | 2011 |
| Old Orchard | Davison | MI | | 812 | 2,814 | | | 812 | 2,814 | 3,626 | (231) | 2011 |
| Royal Estates | Kalamazoo | MI | | 921 | 3,244 | | | 921 | 3,244 | 4,165 | (229) | 2011 |
| St Clair | St Clair | MI | | 453 | 1,068 | 6 | 243 | 459 | 1,311 | 1,770 | (315) | 2004 |
| Swan Creek | Ypsilanti | MI | (5,516) | 1,844 | 7,180 | | | 1,844 | 7,180 | 9,024 | (481) | 2011 |
| Westbrook | Macomb | MI | | 2,441 | 15,057 | | | 2,441 | 15,057 | 17,498 | (827) | 2011 |
| Cedar Knolls | Apple Valley | MN | (17,034) | 10,021 | 14,357 | | | 10,021 | 14,357 | 24,378 | (757) | 2011 |
| Cimarron Park | Lake Elmo | MN | (22,768) | 11,097 | 23,132 | | | 11,097 | 23,132 | 34,229 | (940) | 2011 |
| Rockford Riverview Estates | Rockford | MN | (8,886) | 2,959 | 8,882 | | | 2,959 | 8,882 | 11,841 | (430) | 2011 |
| Rosemount Woods | Rosemount | MN | | 4,314 | 8,932 | | | 4,314 | 8,932 | 13,246 | (426) | 2011 |
| Forest Lake | Advance | NC | | 986 | 2,325 | 13 | 481 | 999 | 2,806 | 3,805 | (651) | 2004 |
| Goose Creek | Newport | NC | (11,177) | 4,612 | 13,848 | 750 | 1,448 | 5,362 | 15,296 | 20,658 | (3,973) | 2004 |

Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

| Real Estate | Location | Encumbrances | Initial Cost to | | Costs | | Gross Amount Carried | | | Accumulated | Date of | |
|----------------------------|---------------|--------------|-----------------|-------------|----------------|---------------|----------------------|-----------------|--------|-------------|---------|--------------|
| | | | Land | Property | Capitalized | Subsequent to | at Close of | Period 12/31/11 | Total | | | Depreciation |
| | | | Depreciable | Depreciable | (Improvements) | Depreciable | Land | Property | Total | | | |
| Green Mountain Park | Lenoir | NC | 1,037 | 3,075 | | 182 | 1,037 | 3,257 | 4,294 | (605) | 2006 | |
| Lake Gaston | Littleton | NC | 130 | 409 | | 121 | 130 | 530 | 660 | (97) | 2006 | |
| Lake Myers RV | Mocksville | NC | 1,504 | 4,587 | | 123 | 1,504 | 4,710 | 6,214 | (852) | 2006 | |
| Scenic | Asheville | NC | (3,596) | 1,183 | 3,511 | 55 | 1,183 | 3,566 | 4,749 | (681) | 2006 | |
| Twin Lakes | Chocowinity | NC | (3,378) | 1,709 | 3,361 | 423 | 1,709 | 3,784 | 5,493 | (966) | 2004 | |
| Waterway RV | Cedar Point | NC | (5,571) | 2,392 | 7,185 | 139 | 2,392 | 7,324 | 9,716 | (1,934) | 2004 | |
| Buena Vista | Fargo | ND | | 4,563 | 14,949 | | 4,563 | 14,949 | 19,512 | (566) | 2011 | |
| Meadow Park | Fargo | ND | (2,363) | 943 | 2,907 | | 943 | 2,907 | 3,850 | (80) | 2011 | |
| Sandy Beach RV | Contoocook | NH | (4,859) | 1,755 | 5,265 | 91 | 1,755 | 5,356 | 7,111 | (1,157) | 2005 | |
| Tuxbury Resort | South Hampton | NH | | 3,557 | 3,910 | 311 | 3,557 | 4,221 | 7,778 | (585) | 2007 | |
| Chestnut Lake | Port Republic | NJ | | 337 | 796 | 5 | 180 | 342 | 976 | 1,318 | (216) | 2004 |
| Lake & Shore | Ocean View | NJ | | 378 | 1,192 | | 672 | 378 | 1,864 | 2,242 | (328) | 2006 |
| Pine Ridge at Crestwood | Whiting | NJ | (39,687) | 17,367 | 33,127 | | 17,367 | 33,127 | 50,494 | (1,162) | 2011 | |
| Sea Pines | Swainton | NJ | | 198 | 625 | 202 | 198 | 827 | 1,025 | (145) | 2006 | |
| Bonanza | Las Vegas | NV | (8,663) | 908 | 2,643 | 1,683 | 908 | 4,326 | 5,234 | (3,254) | 1983 | |
| Boulder Cascade | Las Vegas | NV | (8,165) | 2,995 | 9,020 | 2,536 | 2,995 | 11,556 | 14,551 | (5,043) | 1998 | |
| Cabana | Las Vegas | NV | (9,063) | 2,648 | 7,989 | 678 | 2,648 | 8,667 | 11,315 | (4,956) | 1994 | |
| Flamingo West | Las Vegas | NV | (13,840) | 1,730 | 5,266 | 1,563 | 1,730 | 6,829 | 8,559 | (3,778) | 1994 | |
| Las Vegas | Las Vegas | NV | | 1,049 | 2,473 | 14 | 305 | 1,063 | 2,778 | 3,841 | (632) | 2004 |
| Villa Borega | Las Vegas | NV | (9,752) | 2,896 | 8,774 | 1,057 | 2,896 | 9,831 | 12,727 | (4,641) | 1997 | |
| Alpine Lake | Corinth | NY | (13,318) | 4,783 | 14,125 | 153 | 585 | 4,936 | 14,710 | 19,646 | (3,140) | 2005 |
| Brennan Beach | Pulaski | NY | (19,686) | 7,325 | 21,141 | | 5,125 | 7,325 | 26,266 | 33,591 | (4,992) | 2005 |
| Greenwood Village | Manorville | NY | (24,746) | 3,667 | 9,414 | 484 | 4,756 | 4,151 | 14,170 | 18,321 | (5,919) | 1998 |
| Lake George Escape | Lake George | NY | | 3,562 | 10,708 | | 538 | 3,562 | 11,246 | 14,808 | (2,537) | 2005 |
| Lake George Schroon Valley | Warrensburg | NY | | 540 | 1,626 | 18 | 540 | 1,644 | 2,184 | (215) | 2008 | |
| Mountain View | Henderson | NV | (22,325) | 16,665 | 25,915 | | 16,665 | 25,915 | 42,580 | (944) | 2011 | |
| Rondout Valley Resort | Accord | NY | | 1,115 | 3,240 | 181 | 1,115 | 3,421 | 4,536 | (632) | 2006 | |
| The Woodlands | Lockport | NY | (24,088) | 12,183 | 39,687 | | 12,183 | 39,687 | 51,870 | (1,004) | 2011 | |

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Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

| Real Estate | Location | Encumbrances | Initial Cost to Company | | Costs Capitalized Subsequent to Acquisition (Improvements) | | Gross Amount Carried at Close of Period 12/31/11 | | | Accumulated Depreciation | Date of Acquisition | |
|---------------------|------------------|--------------|-------------------------|----------|--|----------|--|----------|--------|--------------------------|---------------------|------|
| | | | Land | Property | Land | Property | Land | Property | Total | | | |
| Kenisee Lake | Jefferson | OH | 295 | 696 | 4 | 118 | 299 | 814 | 1,113 | (183) | 2004 | |
| Wilmington | Wilmington | OH | 235 | 555 | 3 | 93 | 238 | 648 | 886 | (148) | 2004 | |
| Bend | Bend | OR | 733 | 1,729 | 10 | 399 | 743 | 2,128 | 2,871 | (468) | 2004 | |
| Falcon Wood Village | Eugene | OR | (4,878) | 1,112 | 3,426 | 514 | 1,112 | 3,940 | 5,052 | (1,846) | 1997 | |
| Mt. Hood | Welches | OR | | 1,817 | 5,733 | 176 | 1,817 | 5,909 | 7,726 | (1,996) | 2002 | |
| Pacific City | Cloverdale | OR | | 1,076 | 2,539 | 15 | 1,181 | 1,091 | 3,720 | 4,811 | (772) | 2004 |
| Quail Hollow | Fairview | OR | | | 3,249 | | 450 | | 3,699 | 3,699 | (1,758) | 1997 |
| Seaside | Seaside | OR | | 891 | 2,101 | 12 | 504 | 903 | 2,605 | 3,508 | (582) | 2004 |
| Shadowbrook | Clackamas | OR | (5,929) | 1,197 | 3,693 | 425 | 1,197 | 4,118 | 5,315 | (1,997) | 1997 | |
| South Jetty | Florence | OR | | 678 | 1,598 | 9 | 289 | 687 | 1,887 | 2,574 | (400) | 2004 |
| Whalers Rest | South Beach | OR | | 754 | 1,777 | 10 | 480 | 764 | 2,257 | 3,021 | (494) | 2004 |
| Appalachian | Shartlesville | PA | | 1,666 | 5,044 | 402 | 1,666 | 5,446 | 7,112 | (910) | 2006 | |
| Circle M | Lancaster | PA | | 330 | 1,041 | 255 | 330 | 1,296 | 1,626 | (224) | 2006 | |
| Dutch County | Manheim | PA | | 88 | 278 | 76 | 88 | 354 | 442 | (64) | 2006 | |
| Gettysburg Farm | Dover | PA | | 111 | 350 | 71 | 111 | 421 | 532 | (72) | 2006 | |
| Green Acres | Breinigsville | PA | (28,835) | 2,680 | 7,479 | 4,092 | 2,680 | 11,571 | 14,251 | (7,789) | 1988 | |
| Greenbriar Village | Bath | PA | (14,784) | 8,359 | 16,941 | | 8,359 | 16,941 | 25,300 | (395) | 2011 | |
| Hershey | Lebanon | PA | | 1,284 | 3,028 | 17 | 728 | 1,301 | 3,756 | 5,057 | (848) | 2004 |
| Lil Wolf | Orefield | PA | (8,784) | 5,627 | 13,593 | | 5,627 | 13,593 | 19,220 | (110) | 2011 | |
| Mountain View PA | Walnutport | PA | (7,283) | 3,207 | 7,182 | | 3,207 | 7,182 | 10,389 | (280) | 2011 | |
| Robin Hill | Lenhartsville | PA | | 1,263 | 3,786 | 57 | 1,263 | 3,843 | 5,106 | (380) | 2009 | |
| Scotrun | Scotrun | PA | | 153 | 483 | 157 | 153 | 640 | 793 | (104) | 2006 | |
| Spring Gulch | New Holland | PA | (4,231) | 1,593 | 4,795 | 200 | 1,593 | 4,995 | 6,588 | (1,346) | 2004 | |
| Sun Valley | Bowmansville | PA | | 866 | 2,601 | 117 | 866 | 2,718 | 3,584 | (264) | 2009 | |
| Timothy Lake North | East Stroudsburg | PA | | 296 | 933 | 225 | 296 | 1,158 | 1,454 | (249) | 2006 | |
| Timothy Lake South | East Stroudsburg | PA | | 206 | 649 | 23 | 206 | 672 | 878 | (117) | 2006 | |
| Carolina Landing | Fair Play | SC | | 457 | 1,078 | 6 | 184 | 463 | 1,725 | (284) | 2004 | |
| Inlet Oaks | Murrells Inlet | SC | (4,641) | 1,546 | 4,642 | 154 | 1,546 | 4,796 | 6,342 | (907) | 2006 | |

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Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

| Real Estate | Location | Encumbrances | Initial Cost to Company | | Costs Capitalized Subsequent to Acquisition (Improvements) | | Gross Amount Carried at Close of Period 12/31/11 | | | Accumulated Depreciation | Date of Acquisition | |
|-------------------------|----------------|--------------|-------------------------|----------|--|----------|--|----------|--------|--------------------------|---------------------|------|
| | | | Land | Property | Land | Property | Land | Property | Total | | | |
| The Oaks at Point South | Yemassee | SC | 267 | 810 | | 37 | 267 | 847 | 1,114 | (170) | 2006 | |
| Natchez Trace | Hohenwald | TN | 533 | 1,257 | 7 | 195 | 540 | 1,452 | 1,992 | (332) | 2004 | |
| Cherokee Landing | Middleton | TN | 118 | 279 | 2 | 25 | 120 | 304 | 424 | (72) | 2004 | |
| Bay Landing | Bridgeport | TX | 438 | 1,033 | 6 | 236 | 444 | 1,269 | 1,713 | (264) | 2004 | |
| Colorado River | Columbus | TX | 466 | 1,099 | 6 | 85 | 472 | 1,184 | 1,656 | (285) | 2004 | |
| Country Sunshine | Weslaco | TX | 627 | 1,881 | | 797 | 627 | 2,678 | 3,305 | (731) | 2004 | |
| Fun n Sun RV | San Benito | TX | (6,589) | 2,533 | 5,560 | 412 | 5,601 | 2,945 | 11,161 | 14,106 | (5,121) | 1998 |
| Lake Conroe | Willis | TX | | 1,363 | 3,214 | 18 | 1,487 | 1,381 | 4,701 | 6,082 | (1,000) | 2004 |
| Lake Tawakoni | Point | TX | | 691 | 1,629 | 9 | 215 | 700 | 1,844 | 2,544 | (421) | 2004 |
| Lake Texoma | Gordonville | TX | | 488 | 1,151 | 6 | 562 | 494 | 1,713 | 2,207 | (374) | 2004 |
| Lake Whitney | Whitney | TX | | 679 | 1,602 | 10 | 560 | 689 | 2,162 | 2,851 | (442) | 2004 |
| Lakewood | Harlingen | TX | | 325 | 979 | | 120 | 325 | 1,099 | 1,424 | (322) | 2004 |
| Medina Lake | Lakehills | TX | | 936 | 2,208 | 13 | 837 | 949 | 3,045 | 3,994 | (673) | 2004 |
| Paradise Park RV | Harlingen | TX | | 1,568 | 4,705 | | 597 | 1,568 | 5,302 | 6,870 | (1,348) | 2004 |
| Paradise South | Mercedes | TX | | 448 | 1,345 | | 246 | 448 | 1,591 | 2,039 | (408) | 2004 |
| Southern Comfort | Weslaco | TX | | 1,108 | 3,323 | | 263 | 1,108 | 3,586 | 4,694 | (956) | 2004 |
| Sunshine RV | Harlingen | TX | | 1,494 | 4,484 | | 896 | 1,494 | 5,380 | 6,874 | (1,364) | 2004 |
| Tropic Winds | Harlingen | TX | | 1,221 | 3,809 | | 406 | 1,221 | 4,215 | 5,436 | (1,372) | 2002 |
| All Seasons | Salt Lake City | UT | (3,275) | 510 | 1,623 | | 466 | 510 | 2,089 | 2,599 | (976) | 1997 |
| St. George | Hurricane | UT | | 64 | 264 | 2 | 127 | 66 | 391 | 457 | (21) | 2010 |
| Westwood Village | Farr West | UT | (10,508) | 1,346 | 4,179 | | 1,805 | 1,346 | 5,984 | 7,330 | (2,813) | 1997 |
| Chesapeake Bay | Cloucester | VA | | 1,230 | 2,900 | 16 | 868 | 1,246 | 3,768 | 5,014 | (822) | 2004 |
| Harbor View | Colonial Beach | VA | | 64 | 202 | | 306 | 64 | 508 | 572 | (85) | 2006 |
| Lynchburg | Gladys | VA | | 266 | 627 | 3 | 164 | 269 | 791 | 1,060 | (173) | 2004 |
| Meadows of Chantilly | Chantilly | VA | (32,802) | 5,430 | 16,440 | | 6,552 | 5,430 | 22,992 | 28,422 | (12,099) | 1994 |
| Regency Lakes | Winchester | VA | (9,887) | 9,757 | 19,055 | | | 9,757 | 19,055 | 28,812 | (915) | 2011 |
| Virginia Landing | Quinby | VA | | 602 | 1,419 | 8 | 128 | 610 | 1,547 | 2,157 | (373) | 2004 |
| Williamsburg | Williamsburg | VA | | 111 | 350 | | 47 | 111 | 397 | 508 | (73) | 2006 |

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Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

| Real Estate | Location | Encumbrances | Initial Cost to Company | | Costs Capitalized Subsequent to Acquisition (Improvements) | | Gross Amount Carried at Close of Period 12/31/11 | | | Accumulated Depreciation | Date of Acquisition | |
|--|--------------------|--------------|-------------------------|----------------------|--|----------------------|--|----------------------|---------------------|--------------------------|---------------------|--|
| | | | Land | Depreciable Property | Land | Depreciable Property | Land | Depreciable Property | Total | | | |
| Birch Bay | Blaine WA | | 502 | 1,185 | 7 | 75 | 509 | 1,260 | 1,769 | (297) | 2004 | |
| Cascade | Snoqualmie WA | | 822 | 1,939 | 10 | 253 | 833 | 2,192 | 3,025 | (500) | 2004 | |
| Chehalis | Chehalis WA | | 590 | 1,392 | 8 | 460 | 598 | 1,852 | 2,450 | (408) | 2004 | |
| Crescent Bar | Quincy WA | | 314 | 741 | 4 | 148 | 318 | 889 | 1,207 | (196) | 2004 | |
| Grandy Creek | Concrete WA | | 475 | 1,425 | | 101 | 475 | 1,526 | 2,001 | (202) | 2008 | |
| Kloshe | | | | | | | | | | | | |
| Illahee | Federal Way WA | (16,937) | 2,408 | 7,286 | | 582 | 2,408 | 7,868 | 10,276 | (3,740) | 1997 | |
| La Conner | La Conner WA | | 600 | 1,416 | 8 | 685 | 608 | 2,101 | 2,709 | (461) | 2004 | |
| Leavenworth | Leavenworth WA | | 786 | 1,853 | 9 | 394 | 796 | 2,247 | 3,043 | (501) | 2004 | |
| Little | | | | | | | | | | | | |
| Diamond | Newport WA | | 353 | 834 | 5 | 585 | 358 | 1,419 | 1,777 | (234) | 2004 | |
| Long Beach | Seaview WA | | 321 | 758 | 5 | 142 | 326 | 900 | 1,226 | (199) | 2004 | |
| Mount | | | | | | | | | | | | |
| Vernon | Bow WA | | 621 | 1,464 | 7 | 558 | 629 | 2,022 | 2,651 | (438) | 2004 | |
| Oceana | Oceana City WA | | 283 | 668 | 4 | 81 | 287 | 749 | 1,036 | (165) | 2004 | |
| Paradise | Silver Creek WA | | 466 | 1,099 | 6 | 159 | 472 | 1,258 | 1,730 | (292) | 2004 | |
| Tall Chief | Fall City WA | | 314 | 946 | 1 | 185 | 315 | 1,131 | 1,446 | (64) | 2010 | |
| Thunderbird | Monroe WA | | 500 | 1,178 | 5 | 159 | 506 | 1,337 | 1,843 | (304) | 2004 | |
| Arrowhead | Wisconsin Dells WI | | 522 | 1,616 | | 252 | 522 | 1,868 | 2,390 | (330) | 2006 | |
| Fremont | Fremont WI | (3,869) | 1,437 | 4,296 | | 372 | 1,437 | 4,668 | 6,105 | (1,137) | 2004 | |
| Plymouth | | | | | | | | | | | | |
| Rock | Elkhart Lake WI | (6,667) | 2,293 | 6,879 | | 85 | 2,293 | 6,964 | 9,257 | (684) | 2009 | |
| Tranquil | Sturgeon Bay WI | | 714 | 2,152 | | 210 | 714 | 2,362 | 3,076 | (440) | 2006 | |
| Yukon Trails | Lyndon Station WI | | 556 | 1,629 | | 145 | 556 | 1,774 | 2,330 | (436) | 2004 | |
| Subtotal of Properties Held for Long Term Realty | | (2,083,819) | 1,013,069 | 2,506,211 | 5,452 | 380,304 | 1,018,521 | 2,886,515 | 3,905,036 | (785,593) | | |
| Systems, Inc. Management Business and other | | (864) | | | | 157,302 | | 157,302 | 157,302 | (14,768) | 2002 | |
| | | | | 436 | | 16,599 | | 17,035 | 17,035 | (13,565) | 1990 | |
| | | | \$ (2,084,683) | \$ 1,013,069 | \$ 2,506,647 | \$ 5,452 | \$ 554,205 | \$ 1,018,521 | \$ 3,060,852 | \$ 4,079,373 | \$ (813,926) | |

NOTES:

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- (1) For depreciable property, the Company uses a 30-year estimated life for buildings acquired and structural and land improvements, a ten-to-fifteen year estimated life for building upgrades, a five-year estimated life for furniture and fixtures and a one-year life for acquired in-place leases. New rental units are generally depreciated using a 20-year estimated life from the model year down to a salvage value of 40% of the original costs. Used rental units are generally depreciated based on the estimate life of the unit with no estimated salvage value.
- (2) The schedule excludes Properties in which the Company has a non-controlling joint venture interest and accounts for using the equity method of accounting.

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Table of Contents**Schedule III****Equity LifeStyle Properties, Inc.****Real Estate and Accumulated Depreciation****December 31, 2011****(amounts in thousands)**

- (3) The aggregate cost of land and depreciable property for federal income tax purposes was approximately \$3.9 billion, unaudited, as of December 31, 2011.
- (4) All Properties were acquired, except for Country Place Village, which was constructed.
- The changes in total real estate for the years ended December 31, 2011, 2010, and 2009 were as follows:

| | 2011 | 2010 | 2009 |
|----------------------------|--------------|--------------|--------------|
| Balance, beginning of year | \$ 2,584,987 | \$ 2,538,215 | \$ 2,491,021 |
| Acquisitions | 1,431,339 | 2,796 | 18,879 |
| Improvements | 62,032 | 48,629 | 30,114 |
| Dispositions and other | 1,015 | (4,653) | (8,526) |
| Inventory reclassification | | | 6,727 |
| Balance, end of year | \$ 4,079,373 | \$ 2,584,987 | \$ 2,538,215 |

The changes in accumulated depreciation for the years ended December 31, 2011, 2010, and 2009 were as follows:

| | 2011 | 2010 | 2009 |
|-------------------------------------|-------------|-------------|-------------|
| Balance, beginning of year | \$ 700,665 | \$ 629,768 | \$ 561,104 |
| Depreciation expense ^(a) | 85,234 | 72,128 | 72,419 |
| Amortization of in-place leases | 28,479 | | |
| Dispositions and other | (452) | (1,231) | (3,755) |
| Balance, end of year | \$ 813,926 | \$ 700,665 | \$ 629,768 |

- ^(a) Includes approximately \$4.3 million, \$2.8 million and \$2.4 million of depreciation from rental operations included in Ancillary services revenues, net for the years ended December 31, 2011, 2010 and 2009, respectively.