

EQUITY LIFESTYLE PROPERTIES INC
Form 10-Q
July 27, 2016

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

FORM 10-Q

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

For the quarterly period ended June 30, 2016

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

For the transition period from _____ to _____

Commission file number: 1-11718

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

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the 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

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

85,296,903 shares of Common Stock as of July 25, 2016.

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

Consolidated Balance Sheets

As of June 30, 2016 and December 31, 2015

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

	June 30, 2016 (unaudited)	December 31, 2015
Assets		
Investment in real estate:		
Land	\$1,142,651	\$ 1,101,676
Land improvements	2,867,006	2,787,882
Buildings and other depreciable property	608,204	588,041
	4,617,861	4,477,599
Accumulated depreciation	(1,339,298)	(1,282,423)
Net investment in real estate	3,278,563	3,195,176
Cash	74,871	80,258
Notes receivable, net	33,837	35,463
Investment in unconsolidated joint ventures	23,223	17,741
Deferred commission expense	31,084	30,865
Escrow deposits, goodwill, and other assets, net	43,997	40,897
Total Assets	\$3,485,575	\$ 3,400,400
Liabilities and Equity		
Liabilities:		
Mortgage notes payable	\$1,915,834	\$ 1,926,880
Term loan	199,276	199,172
Unsecured lines of credit	—	—
Accrued expenses and accounts payable	79,418	76,044
Deferred revenue – upfront payments from right-to-use contracts	79,505	78,405
Deferred revenue – right-to-use annual payments	13,017	9,878
Accrued interest payable	8,488	8,715
Rents and other customer payments received in advance and security deposits	84,821	74,300
Distributions payable	39,300	34,315
Total Liabilities	2,419,659	2,407,709
Equity:		
Stockholders' Equity:		
Preferred stock, \$0.01 par value, 9,945,539 shares authorized as of June 30, 2016 and December 31, 2015; none issued and outstanding.	—	—
6.75% Series C Cumulative Redeemable Perpetual Preferred Stock, \$0.01 par value, 54,461 shares authorized and 54,458 issued and outstanding as of June 30, 2016 and December 31, 2015 at liquidation value	136,144	136,144
Common stock, \$0.01 par value, 200,000,000 shares authorized as of June 30, 2016 and December 31, 2015; 85,295,182 and 84,253,065 shares issued and outstanding as of June 30, 2016 and December 31, 2015, respectively	852	843
Paid-in capital	1,094,152	1,039,140
Distributions in excess of accumulated earnings	(236,623)	(250,506)
Accumulated other comprehensive loss	(1,197)	(553)
Total Stockholders' Equity	993,328	925,068
Non-controlling interests – Common OP Units	72,588	67,623
Total Equity	1,065,916	992,691

Total Liabilities and Equity

\$3,485,575 \$3,400,400

The accompanying notes are an integral part of the financial statements.

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Equity LifeStyle Properties, Inc.
 Consolidated Statements of Income and Comprehensive Income
 For the Quarters Ended and Six Months Ended June 30, 2016 and 2015
 (amounts in thousands, except per share data)
 (unaudited)

	Quarters Ended		Six Months Ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Revenues:				
Community base rental income	\$115,385	\$110,073	\$229,461	\$219,343
Rental home income	3,543	3,559	7,088	7,113
Resort base rental income	44,732	41,427	100,166	93,072
Right-to-use annual payments	11,187	10,945	22,241	21,926
Right-to-use contracts current period, gross	3,086	3,578	5,618	6,375
Right-to-use contract upfront payments, deferred, net	(798)	(1,455)	(1,100)	(2,228)
Utility and other income	19,523	18,901	40,316	37,983
Gross revenues from home sales	9,130	9,526	17,344	16,463
Brokered resale revenues and ancillary services revenues, net	398	1,012	1,816	2,994
Interest income	1,625	1,736	3,285	3,556
Income from other investments, net	2,270	2,178	3,993	3,297
Total revenues	210,081	201,480	430,228	409,894
Expenses:				
Property operating and maintenance	66,647	64,178	129,601	125,295
Rental home operating and maintenance	1,581	1,689	3,106	