



THE LIFE IN A DAY

COMMUNITY. QUALITY. STABILITY.

Equity LifeStyle Properties, Inc.

ANNUAL REPORT 2005



WHO IS ELS?



RESORT HOMES



RV SITES



RESORT COTTAGES

Photos from left to right: Good friends discuss their game at CountryWood, near Tampa, Florida; Alpine Lake Resort, near Lake George, New York provides guests picturesque surroundings; and come home to a welcoming resort cottage at Lake Magic, located near Orlando, Florida.

EQUITY LIFESTYLE PROPERTIES, INC. owns high-quality real estate that generates stable, predictable cash flows. Our properties are located near major metropolitan areas with high barriers to entry, as well as in vacation and retirement destinations. More than 60 percent of our properties are in Florida, California, Arizona or the Gulf Coast of Texas, states listed among the fastest growing.⁽¹⁾ One-third of our properties are located close to major bodies of water, an attraction for retirees and those seeking vacation homes. We target areas where people who are focused on lifestyle want to be, including areas near mountains or rivers, the Sun Belt, on both coasts, near the Gulf of Mexico and sites near traditional vacation destinations like Orlando, Palm Springs, Sun River, Mesa and Cape Cod, just to name a few.

Our locations are considered highly desirable by the nation's burgeoning baby boomer population. Our portfolio is located in 28 states and British Columbia and comprises 285 communities that contain over 100,000 sites. These sites are primarily leased to active, life-style-oriented adults who place their resort homes, cottages and RV's at our locations. The communities provide not only a place to live for our residents but a way of life, offering myriad activities ranging from golf, swimming and tennis to arts and crafts programs, financial centers, learning programs and top-flight entertainment.

With new homes and cottages ranging in price from \$40,000 to over \$150,000, Equity LifeStyle Properties offers a variety of attractive value propositions for those seeking to enjoy an active, adult lifestyle.

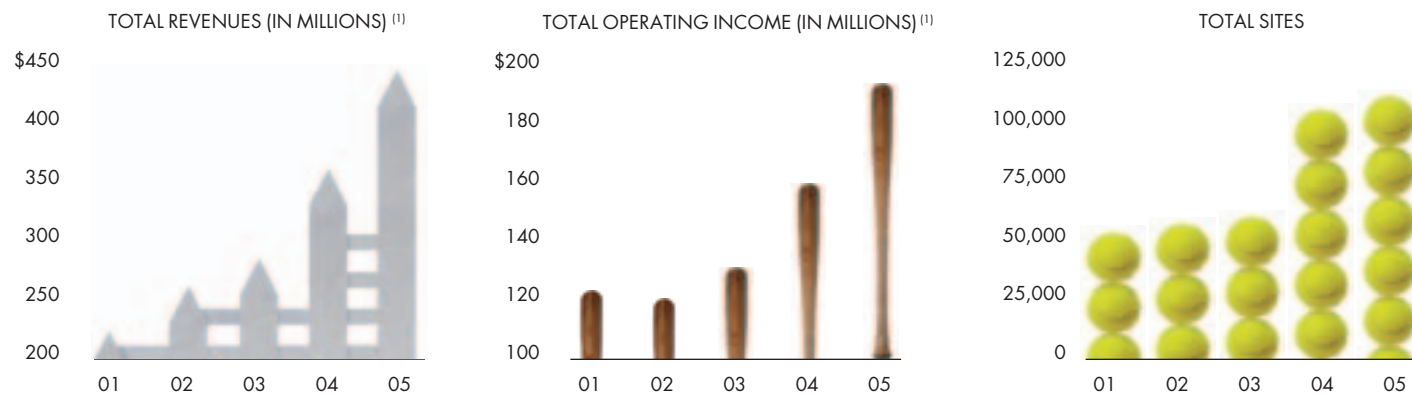
We have built our company not just around our unique properties, but by our unique understanding of our customers — who they are, what they want, and who they will be in the years to come. With nearly 80 million baby boomers headed toward retirement in the next two decades, Equity LifeStyle Properties will be ready to help them find the lifestyle and community that feels most like home.⁽²⁾

We ended 2005 with a total shareholder return of 24.8 percent for the year placing us in a group of the most successful companies operating as a real estate investment trust (REIT)⁽³⁾. We believe our success is due to the fact that we serve our investors and our customers with the same value propositions of Community, Quality and Stability.

(1) According to the Population Division, U.S. Census Bureau Interim State Population Projections, April 2005.

(2) According to the U.S. Census Bureau Press Release dated January 3, 2006.

(3) NAREIT Equity REIT Index 2005 return 12.12 percent.



The adjacent table sets forth selected financial and operating information on a historical basis for the Company. This information should be read in conjunction with all of the financial statements and notes thereto provided in the Company's Form 10-K as filed with the SEC. Certain prior year numbers have been adjusted to reflect discontinued operations.

(1) The increase in revenues and operating income from 2003 to 2005 is primarily the result of 2004 acquisitions.

(2) Funds from Operations ("FFO") and Net Income decreased from 2002 to 2004 as a result of a recapitalization executed in October 2003. The Company financed 51 properties for total proceeds of \$501 million resulting in a net annualized increase in interest expense of approximately \$23 million. The proceeds were used to pay down its lines of credit, pay an \$8.00 per share special dividend in January 2004 and for acquisitions made in 2004. In addition, 2005 results decreased as a result of early debt retirement costs of approximately \$20.6 million primarily incurred in connection with a refinancing of approximately \$293 million of long-term debt cross collateralized by a pool of 35 properties for proceeds of approximately \$337 million from loans secured by 20 properties. The net proceeds were used to pay down the Company's lines of credit.

(3) Operating income is a non-GAAP financial measure and is defined as net income, computed in accordance with GAAP, excluding gains or losses from sales of properties, depreciation, interest and related amortization expense, loss on early debt retirement, minority interest distributions, income from discontinued operations and income taxes. The Company believes that operating income is an important indicator because it provides information on our ability to service debt, pay dividends, and fund capital expenditures.

FFO is defined as net income, computed in accordance with GAAP, excluding gains or 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 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 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 computes FFO in accordance with 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 we do.

Investors should review these measures along with GAAP net income and cash flow from operating activities, investing activities and financing activities, when evaluating an equity REIT's operating performance. These do not represent cash generated from operating activities in accordance with GAAP, nor do they 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 our financial performance, or to cash flow from operating activities, determined in accordance with GAAP, as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to make cash distributions.

(4) Assumes full conversion of operating units into shares of common stock.

(5) Represents non-revenue producing improvements to real estate.

For the years ended December 31,
(amounts in thousands except per share and property data)

	2005	2004	2003	2002	2001
Total Revenues ⁽¹⁾	\$ 414,173	\$ 345,467	\$ 263,213	\$ 252,994	\$ 212,701
Operating Income ⁽¹⁾	\$ 187,192	\$ 155,909	\$ 124,570	\$ 118,562	\$ 120,856
Funds from Operations ⁽²⁾	\$ 52,827	\$ 54,448	\$ 58,479	\$ 62,695	\$ 64,599
Net Income Before Allocation of Minority Interests ⁽²⁾	\$ 11,102	\$ 16,246	\$ 42,388	\$ 50,925	\$ 49,186
Net (Loss) Income Per Common Share – Basic ⁽²⁾	\$ (0.10)	\$ 0.18	\$ 1.14	\$ 1.48	\$ 1.44
Net (Loss) Income Per Common Share – Fully Diluted ^{(2) (4)}	\$ (0.10)	\$ 0.17	\$ 1.11	\$ 1.44	\$ 1.40
Funds from Operations Per Common Share – Basic ^{(2) (4)}	\$ 1.80	\$ 1.88	\$ 2.13	\$ 2.32	\$ 2.44
Funds from Operations Per Common Share – Fully Diluted ^{(2) (4)}	\$ 1.77	\$ 1.85	\$ 2.09	\$ 2.27	\$ 2.39
Weighted Average Common Shares Outstanding – Basic ⁽⁴⁾	\$ 29,366	28,916	27,419	27,020	26,502
Weighted Average Common Shares Outstanding – Fully Diluted ⁽⁴⁾	\$ 29,927	29,465	28,002	27,632	27,010
Recurring Capital Expenditures ⁽⁵⁾	\$ 12,549	\$ 13,663	\$ 11,912	\$ 13,377	\$ 12,689
Total Properties Owned or Has Interest In	\$ 285	275	142	142	149
Total Sites	\$ 106,337	101,231	53,429	51,582	50,663

Reconciliation of Funds from Operations and Operating Income:	2005	2004	2003	2002	2001
Net (Loss) Income Available for Common Shares	\$ (2,333)	\$ 4,026	\$ 25,132	\$ 31,887	\$ 30,197
(Loss) Income Allocated to Common OP Units	\$ (539)	\$ 936	\$ 6,004	\$ 7,786	\$ 7,737
Depreciation on Real Estate Including Share of Unconsolidated Real Estate Joint Ventures	\$ 57,978	\$ 50,124	\$ 38,169	\$ 36,036	\$ 34,833
Gain on Sale	\$ (2,279)	\$ (638)	\$ (10,826)	\$ (13,014)	\$ (8,168)
Funds from Operations	\$ 52,827	\$ 54,448	\$ 58,479	\$ 62,695	\$ 64,599
Interest Expense	\$ 100,832	\$ 90,970	\$ 58,206	\$ 50,725	\$ 51,287
Income Allocated to Perpetual Preferred OP Units	\$ 13,974	\$ 11,284	\$ 11,252	\$ 11,252	\$ 11,252
Discontinued Operations	\$ (1,875)	\$ (2,450)	\$ (4,607)	\$ (7,387)	\$ (7,525)
Depreciation on Corporate Assets	\$ 804	\$ 1,657	\$ 1,240	\$ 1,277	\$ 1,243
Loss on Early Debt Retirement	\$ 20,630	\$ -	\$ -	\$ -	\$ -
Operating Income	\$ 187,192	\$ 155,909	\$ 124,570	\$ 118,562	\$ 120,856

2005 HIGHLIGHTS



ACQUISITIONS Properties with a water feature are attractive additions to our portfolio. Equity LifeStyle Properties invested in three premier vacation destination properties on the coast of Maine near Bar Harbor. Two of these properties are located on the Atlantic Ocean and the third is located on a 700-acre lake. Additional waterfront acquisitions included a property in upstate New York with Lake Ontario frontage and a property overlooking the Pacific Ocean near San Francisco, California.

Acquisitions in vacation and retirement destinations included Old Orchard Beach in Maine; Cape Cod, Massachusetts; and the Lake George area of New York. The combination of these investments and acquisitions added more than 4,000 sites to our portfolio, with 3,000 of them rented by annual or long-term customers.

LOYALTY CLUBS The Encore Royalty Club was launched in September, giving members who stay for three consecutive months at participating Encore Resorts such benefits as retail and service provider discounts, and resort-based perks such as site selection advantage, priority reservation service and discounts on new home or resort cottage purchases.

DIVIDEND The Equity LifeStyle Properties Board of Directors raised the annual dividend to \$0.30 per share for 2006 from \$0.10 per share in 2005.

NEW BOARD MEMBER Philip Calian, founder and managing partner of Kingsbury Partners LLC and a principal of Waveland Investments LLC was named to the Board of Directors and will serve as Chairman of the Audit Committee, replacing Joe McAdams, who left our board to form Privileged Access.

WEATHER Our employees worked to quickly return things to normal at our Florida locations impacted by Hurricane Wilma. We are grateful that none of our residents or our employees were injured.

QUALITY Equity LifeStyle Properties introduced a new home series in 2005 that focuses on high-end and luxury details in homes of less than 1,000 square feet. During 2005, the Company sold 257 more new homes than in the previous year, including 84 third-party home sales.

AWARDS Coquina Crossing and CountryWood were highlighted in *Where to Retire's* 100 Best Master Planned Communities. In addition, Equity LifeStyle Properties was recognized by its industry peers as Community Operator of the Year and Coquina Crossing was named Community of the Year. Other communities recognized for excellence in 2005 were Monte Vista Village Resort, O'Connell's and Fremont.

Photos from left to right: The pool is always tempting at Alpine Lake Resort, near Lake George, New York; a stroll on the beach is preferred at Brennan Beach Resort, located near Syracuse, New York; a perfect sunset is captured at San Francisco Resort in Pacifica, California; the coast of Maine provides a tranquil setting for your stay at Narrows Too near Bar Harbor, Maine.



DEAR SHAREHOLDER,

Your Company had a very successful year and has taken that momentum into 2006. The results for 2005 are very gratifying as they mark the first full year of activity with a significantly expanded portfolio focused on serving the lifestyle-oriented customer. This year represents the final step in a transition initiated in 2003 that has created exciting opportunities for your Company. That transition started with the recapitalization and the declaration of the special dividend at the end of 2003, included an aggressive acquisition program to add quality real estate locations to the portfolio in 2004, and came to fruition in 2005 as our employees showed us what they could accomplish operationally. And, although the transition is complete, the future of your Company has really just begun. There is a sense of expectation that continues to drive and motivate us.

We will continue to look for attractive real estate locations that meet our objectives — high quality real estate in or around major metropolitan areas with high

barriers to entry and/or retirement or vacation destinations. Substantially all of our 285 properties, with over 106,000 sites, meet this basic requisite. Over 60 percent of our investments are located in Florida, California, Arizona or the Gulf Coast of Texas. Over one-third of our properties are located within ten miles of the coastal U.S. or are adjacent to major bodies of water. Areas near water tend to attract major population concentrations and generally higher barriers to entry than the rest of the country. Moreover, approximately 75 percent of our properties meet at least one of the above criteria. A substantial portion of our remaining portfolio is located near the metropolitan areas of Denver, Chicago, and Las Vegas. Put simply, we believe our portfolio is unique.

Not only do we own quality real estate locations, our business has strong fundamentals. We look for opportunities to create stable, predictable cash flow streams from our assets by meeting the demands of customers looking for attractive lifestyle

housing options, including retirement, seasonal or second home options and flexible use products geared around factory-built resort homes or cottages and recreational vehicles.

The vast majority of our cash flow comes from leasing our land as opposed to the rental of a structure. We expect increased demand due to both population growth and demographic changes. The states where we have concentrated our investments have some of the highest projected population growth over the next ten years.⁽¹⁾

In addition, the demographic trend of our targeted customers — the active RVers, the baby boomers and retirees, shows significant growth in the coming years. We believe these customers will be increasingly attracted to what we offer — a high quality, affordable lifestyle option in locations that resonate with their evolving lifestyles. Surveys of our customers consistently indicate that the top reasons

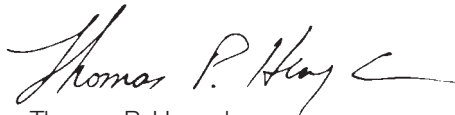
for choosing our properties are the appearance of our properties, location and the value proposition we offer.

We believe that today, our Company combines high quality real estate locations with a solid business model to generate stable and predictable cash flow. We know that execution is the key to creating value from this combination and we continue to set our sights on doing so.

Sincerely,



Samuel Zell
Chairman of the Board



Thomas P. Heneghan
President and CEO

(1) According to the Population Division, U.S. Census Bureau Interim State Population Projections, April 2005.

MAKE YOUR



HOME IS WHERE you live the life you want. With our 285 destination resorts in 28 states and British Columbia, Equity LifeStyle Properties can help you define the word Home in ways you never imagined.

How might Home look? Well, sometimes it looks like a panoply of sporting events that fit every interest, size, skill and desire imaginable. You would expect tennis, golf and swimming. It would be reasonable to want softball and basketball. You might hope for shuffleboard, biking, hiking and fishing. Dare you imagine lawn bowling, tubing and boating? Have you ever tried horseshoes? Do you think you might like croquet? Would you consider water aerobics?

That's what lifestyle is about. Having the time and interest and the ready availability of a variety of activities, some you know and some you have just met, and pursuing them at your leisure. Or maybe Home is about learning. For you, Home is a source of new information, the opportunity to grow your mind and enter the world of ideas and knowledge and to create beauty.

Home could be a lecture series delivered by a well-known speaker. Home might also be the opportunity to finally use your hands and create works of art. Perhaps its through woodworking or stained glass work; maybe it's the ceramics studio or knitting class. Now you have the time and knowledge to design and complete family scrapbooks and photo albums, or you can hone your silversmithing skills under the careful guidance of an experienced craftsman. And finally, you delve into new pursuits that never even crossed your mind before: fossil hunting, gem making and more.

Home is also about the people with whom you share your life. At Equity LifeStyle Properties, you will find friends and companions who share your interests, your passions, and your lifestyle. Your Home. The common thread might be billiards, cards, or woodshop. Perhaps you share a passion for music, camping, or quilting. Home is the comfort of a community barbeque, picnic or festival celebration. With friends and family, who create the word Home in your life. Home: where you pursue passions and goals and a lifestyle you have earned in a place you have desired at a time in your life when you are ready.

SELF AT HOME



At our amenity-filled communities, every day you will face these critical questions: Tennis or golf? Quilting or cards? A financial planning lecture or ceramics studio? Don't worry. Whatever you don't do today, you will be able to do tomorrow.

Photos from left to right: Settle into our two bedroom Oakcrest Model, at The Meadows, Tempe, Arizona; mingle with friends old and new at a community barbecue at Monte Vista Village Resort, Mesa, Arizona; indulge yourself in our sumptuous stainless steel appliances and Corian countertops in our Designer Kitchen Series.

COMMUNITY



OUR COMMUNITIES ARE designed to give our customers what they want. And one of our target customer groups is the nearly 80 million members of the baby boomer generation, who throughout 2006 will be turning 60 at a rate of 330 per hour.⁽¹⁾ The boomers have great plans and we want to be part of their future. Here's what we know about what they want:⁽²⁾

- They are likely to buy a vacation home.
- They are likely to move into an active adult community that is age restricted, where active lifestyles of fitness and social interactions are emphasized.
- They want to see trees and grass and fresh water outside their windows. Many especially like the idea of living on a lake or river.
- They want to be within walking distance of well-equipped fitness centers and exercise rooms.
- They also like being near fine dining.
- Boomers are interested in quality. They are attracted to homes with high-end designs and top-quality features.

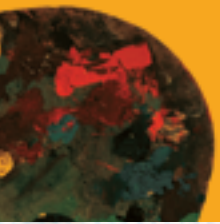
And here's what Equity LifeStyle Properties can give the baby boomers:

- A choice of 285 vacation and resort destinations, where they can place resort homes, resort cottages or RVs.
- Properties that stress an active adult lifestyle with sports that include golf, tennis, fishing, walking paths, and hobbies such as woodworking and jewelry making.
- A choice of premier properties located in the Sun Belt, along rivers, lakes, oceans or mountains, in prime vacation destinations.
- Fitness centers, wellness centers and exercise rooms that promote good health, good fun and good friendships.
- Close proximity to restaurants and cultural offerings.
- Resort homes that range from 1,000 to more than 2,000 square feet and resort cottages that are 400 to 900 square feet, with available finishes such as stainless steel appliances, Corian countertops and designer touches.

It's a perfect match because our communities are all about giving our customers all of the life they want.

(1) According to the U.S. Census Bureau Press Release dated January 3, 2006.

(2) According to a 2005 Survey by Pro Matura Group.



The nearly 80 million members of the baby boomer generation have clear objectives. And one of those is a desire to vacation and travel with friends who have similar interests. Our 285 properties distinguish themselves by the community ties that are formed by the people who live there and share in daily activities and lifestyle passions.

Photos from left to right: Softball—a passion at Monte Vista Village Resort, Mesa, Arizona; the luxury of the inviting pool at The Meadows, Tempe, Arizona; Volleyball—a big draw for players and on-lookers at Royal Coachman, near Sarasota, Florida; a gorgeous day for a spin at ViewPoint RV & Golf Resort, Mesa, Arizona; and kayaking—a favorite pastime on the rivers and waterways near ELS communities.





QUALITY IS THE unifying thread that runs through everything we do at Equity LifeStyle Properties. We strive to make quality acquisitions that will appeal to our customers, we strive to create quality communities that offer lifestyle activities that surprise and entice our residents and guests, and we strive to manage the financial side of our business with quality as a key criterion in every decision we make.

With an eye towards always understanding the value of the real estate we are buying, during the last three years Equity LifeStyle Properties has judiciously and deliberately built a unique and vibrant portfolio of vacation and resort destinations and active adult communities that are virtually unmatched in our business.

At our core is our strategy for selecting quality communities that give our target customers what they want. Our criteria for selecting real estate has been stringent: we seek high growth markets that attract baby boomers, RV enthusiasts and active adults, in locations with high barriers to entry that are located near major metropolitan areas in highly desirable locations that lend themselves to an outdoor, active lifestyle.

Many of our communities, including our most recent acquisitions, are adjacent to or near large bodies of water, because we know that is what our customers value. Many

of our new homes offer high-end design details because we know that kind of quality is exactly what our customers appreciate. And our communities and RV resort destinations stress an active adult lifestyle and social interactions because we know that is how our customers want to live.

Our expansion in 2005 into the Northeast, specifically New York and Maine, reflects the quality of the real estate that we are buying. The Alpine Lake Resort, nestled in the foothills of the Adirondacks, is minutes from Lake George and very close to Saratoga Springs, boasting an idyllic setting that offers a wide range of activities. We know that our customers like to fish, swim, hike and go boating when they are on vacation, and that is exactly what they will find at Alpine Lake. When they are ready for fine dining, it is a short ride to historic Saratoga Springs where they might also take in the orchestra or spend the afternoon at the Saratoga Race Track. Or, in nearby Lake George they might take a steamboat cruise. Alpine Lake is just one example of our 285 properties situated throughout the country where our customers can choose from a variety of activities and amenities in picturesque surroundings.

All-in-all, Equity LifeStyle Properties is about quality living.



It is projected that 8.5 million households will own RVs by 2010, representing an 8 percent increase over 2005.⁽¹⁾ As our RV customers travel the U.S., they will find one of our 145 RV resorts in nearly every corner, featuring the amenities they desire most: natural beauty with hiking paths, and lakes and rivers for fishing, swimming and boating.

Photos from left to right: Enjoy the life you choose at your home in Pine Lakes Country Club, North Fort Myers, Florida; snuggle up for a cozy evening in front of the fireplace in your resort home; absorb the breathtaking beauty that surrounds Lake of the Springs, located near Sacramento, California.

(1) According to a 2005 University of Michigan Study commissioned by the Recreation Vehicle Industry Association.



STABILITY

OUR PORTFOLIO'S STABILITY derives from our lifestyle assets—located in highly desirable resort and vacation destinations—that appeal to our customers who are eager to enjoy the amenities available in our communities. Over 60 percent of our assets are in Florida, California, Arizona, or the Gulf Coast of Texas, which is an excellent match with future population growth projections for those states over the next ten years of 21 percent, 11 percent, 28 percent and 17 percent, respectively.⁽¹⁾

We want our investors to see stable cash flows and we want our customers to see the availability of highly desirable lifestyle choices. We have created a portfolio of great locations, well-designed homes, and communities—we have built a company with a unique product that our customers return to year-after-year.

We have been successful in building long-term relationships with our customers because we know what they want: a great location and the lifestyle they choose. On average our vacation and resort destination customers have been with us for more than 10 years, while over 80 percent of our RV customers are repeat customers or referrals.

Dominick and Alleene Pedicone are long-term owners of two homes in Equity LifeStyle locations, allowing them to enjoy vacation and resort living year-round. For 17 years,

they spent their summers at their resort cottage in Yukon Trails in Lyndon Station, Wisconsin where they enjoyed hiking, fishing and exploring the wilderness. Six years after visiting their Yukon friends who wintered in Florida, they purchased a resort home on the water and on the golf course at The Lakes at CountryWood in Plant City. Located near Tampa, this is now their winter home where they enjoy an active outdoor lifestyle that covers the full range of amenities. “It feels like we are on vacation all the time,” says Mrs. Pedicone.

We cement our relationships with our customers by offering a variety of locations and lifestyle options that meet their needs as their desires change. The family that enjoys camping in an RV and stays at one of our resorts will find themselves extending their stay each successive year as they join our Encore Royalty Club and enjoy its benefits. In time they might purchase a resort cottage, or they could be ready for a second home in a vacation destination. Either way, they will come back to Equity LifeStyle Properties to help them find a location and a community.

With our desirable and expansive locations, we serve our customers year-after-year. That creates the stability of our communities for our customers, our investors, our shareholders, and our Company.



We measure our success by the customers who return to our communities year-after-year to enjoy lifestyle activities and the company of friends.

Photos from left to right: The lodge is always a favorite gathering place at Lake George Escape, located in the Lake George area of New York; relax poolside at Monte Vista Village Resort, Mesa, Arizona; this lovely Hibiscus Resort Home is always a popular choice at CountryWood, near Tampa, Florida.

LOOKING



AS WE LOOK ahead we see great opportunity with our key customer groups, including the nearly 80 million baby boomers who will be retiring over the next two decades. We believe they will be drawn to our unparalleled portfolio of quality properties in desirable locations, the myriad of amenities and lifestyle activities we offer, and the social network our communities offer that sparks customer participation.

We will continue to look for high quality acquisitions in vacation and retirement locations that appeal to both baby boomers and RV enthusiasts. We know our customers like to be near major metropolitan areas, in Sun Belt locations and near or on waterfronts, which will be important criteria as we seek further property investments.

We will broaden our sales and marketing efforts by expanding our customer loyalty programs. In September we launched our Encore Royalty Club, which provides our customers with benefits and rewards for lengthening their stays at our communities. We will also continue to cross-market to the 100,000 members of Thousand Trails, so they can become familiar with our vacation and resort communities and see the advantages of seasonal residency.

We will continue to work closely with our RV resorts, with a goal of converting short-term visitors to seasonal or annual customers seeking vacation home ownership. Our

new locations bring important depth and diversity to our portfolio that our existing customers will see as yet another desirable vacation destination option as we seek to increase our occupancy levels and lengthen the amount of time our customers stay with us year over year.

Equity LifeStyle Properties continues to appeal to our customers with the introduction of new home designs. We know they are attracted to high-end design details, so this year we will also offer a smaller home with nine foot ceilings, stainless steel appliances, Corian countertops and ceramic tile.

In 2006 we also plan to unfold details about Privileged Access, which will lease sites at some of our properties for flexible use products including the sale of vacation-club products.

Looking ahead, our goals are clear. For our customers, we want to help them visualize the reality of home ownership where they can enjoy the active lifestyle that is the hallmark of our communities. And for our investors, we expect to continue to deliver reliable cash flows from our investments in real estate, while enhancing the stability of our rental streams by expanding and deepening our customer relationships.

AHEAD



Photos from left to right, beginning on opposite page: A Florida Resort Cottage may be your desire; take-in an inspiring view from the clubhouse at Bend/Sun River Resort in Bend, Oregon; the magnificent mountain views at Date Palm Country Club located near Palm Springs, California are enjoyed from every angle; and Virginia's Plankatank River is the setting at Chesapeake Bay Resort located near Colonial Williamsburg, Virginia.

A NATIONAL



DID YOU KNOW?

Over 60 percent of our investments are located in Arizona, California, Florida and the Gulf Coast of Texas.

Approximately one-third of our properties are located within ten miles of the coastal U.S. or are adjacent to major bodies of water.

ELS also has a substantial portion of properties clustered around the metropolitan areas of Chicago, Denver, Las Vegas and Seattle.

COMMUNITY



ELS HAS 285 PROPERTIES LOCATED ACROSS THE COUNTRY

- | | |
|-------------------|----------------------|
| Arizona (35) | New York (4) |
| California (47) | North Carolina (6) |
| Colorado (10) | Nevada (6) |
| Delaware (7) | Ohio (2) |
| Florida (84) | Oregon (9) |
| Iowa (1) | Pennsylvania (7) |
| Illinois (3) | South Carolina (2) |
| Indiana (7) | Tennessee (2) |
| Massachusetts (1) | Texas (16) |
| Maine (4) | Utah (2) |
| Michigan (2) | Virginia (4) |
| Montana (1) | Washington (13) |
| New Hampshire (1) | Wisconsin (5) |
| New Jersey (2) | British Columbia (1) |
| New Mexico (1) | |



ELS CORPO



Photos from the top: Enjoy these sunsets across the country with ELS, Palm Springs, California; Rio Grande Valley of Texas; the coast of Maine

COMMON STOCK MARKET PRICES AND DIVIDENDS

ELS' common stock is listed on the New York Stock Exchange (NYSE), ticker symbol ELS. The high and low sales prices and closing sales price for 2005 and 2004 on the NYSE and quarterly dividends were as follows:

2005	CLOSE	HIGH	LOW	DIVIDEND
First Quarter	\$35.25	\$36.26	\$32.73	\$0.025
Second Quarter	\$39.76	\$40.15	\$34.33	\$0.025
Third Quarter	\$45.00	\$48.00	\$39.82	\$0.025
Fourth Quarter	\$44.50	\$47.53	\$38.70	\$0.025

2004	CLOSE	HIGH	LOW	DIVIDEND
First Quarter	\$35.30	\$37.90	\$28.94	\$0.0125
Second Quarter	\$33.19	\$35.35	\$28.49	\$0.0125
Third Quarter	\$33.24	\$34.34	\$31.10	\$0.0125
Fourth Quarter	\$35.75	\$36.52	\$32.88	\$0.0125

SHAREHOLDERS

There were approximately 5,267 beneficial holders of Equity LifeStyle Properties, Inc. stock as of February 14, 2006.

RATE DATA

BOARD OF DIRECTORS

Samuel Zell
*Chairman of the Board of Directors
Equity LifeStyle Properties, Inc.
Chairman, Equity Group Investments, L.L.C.*

Howard Walker
*Vice Chairman of the Board of Directors
Equity LifeStyle Properties, Inc.*

Philip C. Callan
*Founder and Managing Partner of Kingsbury
Partners LLC and Principal of Waveland
Investments LLC*

Donald S. Chisholm
President, Ann Arbor Associates, Inc.

Thomas E. Dobrowski
*Retired Managing Director, Real Estate and
Alternative Investments
General Motors Investment Management Corp.*

Thomas P. Heneghan
*President and Chief Executive Officer,
Equity LifeStyle Properties, Inc.*

Sheli Z. Rosenberg
*Retired Vice Chairman, Equity Group
Investments, L.L.C.*

Gary Waterman
President, Waterman Limited

EXECUTIVE OFFICERS

Thomas P. Heneghan
President and Chief Executive Officer

Roger Maynard
Executive Vice President, Chief Operating Officer

Ellen Kelleher
*Executive Vice President, General Counsel
and Secretary*

Michael Berman
Executive Vice President, Chief Financial Officer

Marguerite Nader
Vice President of New Business Development

CORPORATE OFFICE

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www.equitylifestyle.com

TRANSFER AGENT

LaSalle Bank, N.A.
P.O. Box LL
135/1811
Chicago, Illinois 60690-9882
Phone: 800.246.5761
www.lasallebank.com

AUDITORS

Ernst & Young LLP
Chicago, Illinois

FORM 10-K AVAILABILITY

Requests for ELS' Form 10-K filed with the Securities and Exchange Commission, and other investor inquiries from individuals and institutional investors should be directed to:

Investor Relations Department
Equity LifeStyle Properties, Inc.
Two North Riverside Plaza
Chicago, Illinois 60606
Phone: 800.247.5279
investor_relations@mhchomes.com

The Commission also maintains a Web site that contains reports, proxy information and statements, and other information regarding registrants that file electronically with the Commission. The Web site address is: <http://www.sec.gov>. ELS files electronically.

The Company is listed on the New York Stock Exchange and is traded under the ticker symbol "ELS." The Company submitted a Section 12(a) CEO Certification to the NYSE last year. In addition, the Company has filed with the SEC the CEO/CFO certification required under Section 302 of the Sarbanes-Oxley Act as an exhibit to its most recently filed Form 10-K. For additional information about the Company please contact the Company's Investor Relations Department.

DIVIDEND REINVESTMENT AND SHARE PURCHASE PLAN

ELS offers a Dividend Reinvestment and Share Purchase Plan. For an information packet, including the Plan prospectus and enrollment form, please call the Plan Administrator, LaSalle Bank, at 800.246.5761.

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," "intend," "may be" and "will be" and similar words or phrases, or the negative thereof, unless the context requires otherwise, are intended to identify forward-looking statements. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, including, but not limited to: 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 markets volatility; in the all-age properties, 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; our ability to maintain rental rates and occupancy with respect to properties currently owned or pending acquisitions; our assumptions about rental and home sales markets; the completion of pending acquisitions and timing with respect thereto; the effect of interest rates as well as other risks indicated from time to time in our filings with the SEC. 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. ELS 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.

Photos left to right: A resort for all seasons, Snowflower, located near Sacramento, California; the setting at Tahoe Valley in Lake Tahoe, California is always spectacular; golfers tee off at ViewPoint RV & Golf Resort in Mesa, Arizona; Sunshine Key RV Resort & Marina in The Florida Keys is a water-lovers dream; make yourself at home in this Ashwood model at The Meadows in Tempe, Arizona.



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