



els[®]
Equity LifeStyle Properties

Investor Presentation

November 2021

ELS at a Glance

ELS owns and operates the highest quality portfolio of manufactured home ("MH") communities, recreational vehicle ("RV") resorts, campgrounds and marinas in North America

1969
Year Founded

\$18.2B
Enterprise Value



436
Properties

~4,000
Employees

\$15.1B
Equity Market Value

33 + 1
States Canadian
Province

7,508%
Total Return Since IPO⁽¹⁾

534%
Ten Year Total Return⁽¹⁾

167,123
Sites

- 1,609% S&P 500
- 1,650% Dow Jones Equity ALL REIT Index

- 366% S&P 500
- 215% Dow Jones Equity ALL REIT Index

90%
Revenue from Annual Sources

Notes: All data as of September 30, 2021

(1) Total return calculation assumes dividend reinvestment. Total returns through September 30, 2021. Source: S&P Global

ELS at a Glance

ELS owns and operates the highest quality portfolio of manufactured home ("MH") communities, recreational vehicle ("RV") resorts, campgrounds and marinas in North America

\$1.02B

Core Annual
Revenue (2020)

\$1.45

Annualized Dividend
per Common Share

9%

NFFO/Share CAGR⁽¹⁾⁽²⁾
(2006 - 2020)

12

Avg Years to Maturity
of Secured Debt

4.2%

Avg Long-Term Core
NOI Growth⁽³⁾

1.9%

Dividend Yield

24%

Dividend/Share CAGR⁽²⁾
(2006 - 2020)

3.6%

Weighted Avg
Interest Rate

Notes: All data as of September 30, 2021 unless otherwise specified

(1) See Non-GAAP Financial Measures at the end of the presentation for the reconciliation and definition of Normalized FFO.

(2) Adjusted for stock splits.

(3) Average quarterly growth from Q3 1998 through Q2 2021

Recent Highlights⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾

(Since October 19, 2021)



MH Performance Update:

- Core MH base rental rate growth for October QTD is 4.2%
- Core Occupancy of 95.2% as of October 31, 2021

RV Performance Update:

- Core RV annual base rental rate growth for October QTD is 4.3%



Notes: (1) Core Portfolio is defined as properties owned and operated since January 1, 2020. The Core Portfolio may change from time-to-time depending on acquisitions, dispositions and significant transactions or unique situations.
(2) Compared to comparable period in 2020.
(3) The factors that affected our results for October QTD 2021 may not continue and therefore, our results for that period may not be indicative of our results for the full quarter or year.
(4) Excludes joint venture properties.

Track record of delivering superior total returns and dividend growth

1. Portfolio Composition

- High-quality properties located in retirement and vacation destinations
- Over 110 properties with lake, river, or ocean frontage
- Over 120 properties within 10 miles of coastal United States
- Over 70% of MH properties are age-restricted or have a resident base with an average age over 55

2. Business Model

- Own the land and lease developed sites to owners of manufactured homes, vacation cottages, RVs and boats
- Consistent results throughout the real estate cycle with low maintenance costs and capital expenditures
- Strong customer demand with minimal new supply
- Innovative strategy driving external growth through new lines of business

3. Operating Platform

- Integrated operating platform focused on providing superior customer service to all residents and value creation for shareholders
- Focus on generating stable, predictable revenue
- Technology driven
- Digital marketing strategy

4. Balance Sheet

- Long term strategy focused on access to a variety of capital sources
- Well laddered maturities with average years to maturity of 12 years and weighted average interest rate of 3.6%
- Strong balance sheet with capacity to fund growth with debt and/or equity

5. Acquisitions / Development

- Robust acquisitions and development pipeline
- Focus on accretive and/or value add transactions
- History of entering new asset classes that fit the portfolio strategy

6. ESG

- Sustainability is at the core of Our Nature through Uniting People, Places & Purpose
- Commitment to sustainability supports the business model, minimizes environmental impacts, maintains a safe and healthy workplace and upholds a high standard of business ethics and conduct

7. Management Team

- Experienced executive management team with a track record of delivering results

Track Record

Consistent total returns that outperform the market

ITEM	IPO Year - 1993	2020
Properties	41	422
Sites	12,312	160,489
States	16	33
Net Income Per Share - Fully Diluted	\$0.15	\$1.25
FFO Per Share - Fully Diluted ⁽¹⁾	\$0.23	\$2.11
Normalized FFO Per Share - Fully Diluted ⁽¹⁾	\$0.23	\$2.17
Common Stock Price ⁽²⁾	\$3.22	\$63.36
Enterprise Value ⁽³⁾	\$296 million	\$15 billion
Dividend Paid Cumulative ⁽⁴⁾	-	\$14.81
Cumulative Total Return ⁽⁵⁾	-	5,981%
S&P 500 Total Return ⁽⁵⁾	-	1,374%

Notes: (1) See Non-GAAP Financial Measures at the end of the presentation for the reconciliation and definition of FFO and Normalized FFO. The 1993 amount was determined from amounts presented in the 1996 Form 10-K.

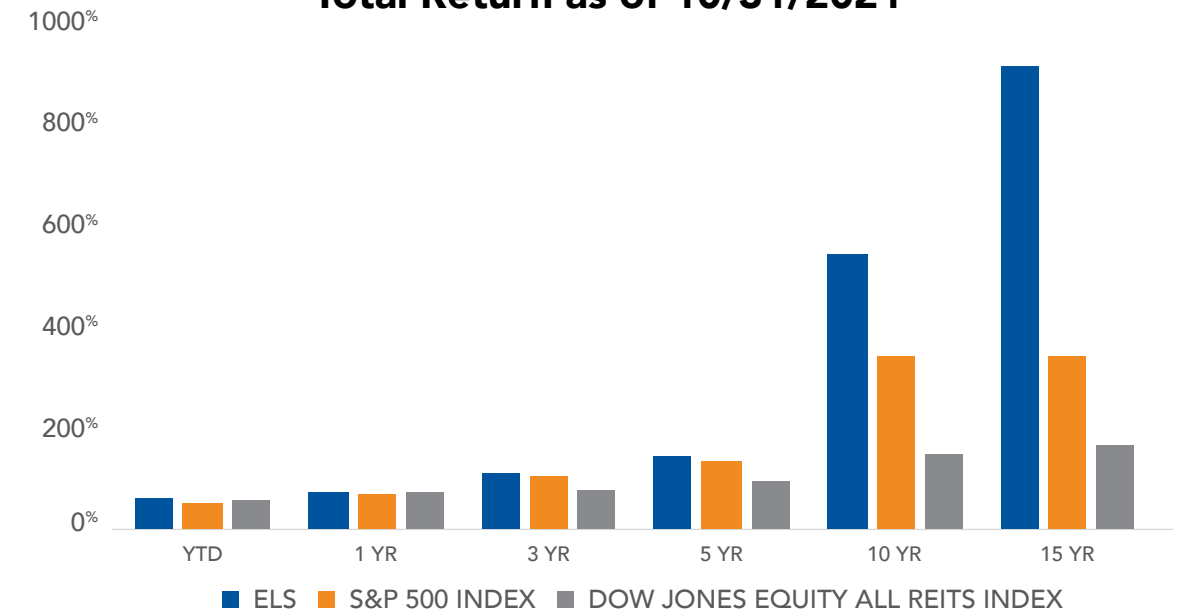
(2) The 1993 stock price is adjusted for stock splits; the 2020 price is the closing price as of December 31, 2020.

(3) The 2020 enterprise value as of December 31, 2020.

(4) Source: S&P Global. Includes dividends paid from IPO date of February 25, 1993 through December 31, 2020 and adjusted for stock splits.

(5) Source: S&P Global from IPO through December 31, 2020 (calculation assumes common dividend reinvestment).

Total Return as of 10/31/2021



Total Return Performance Since IPO (%)



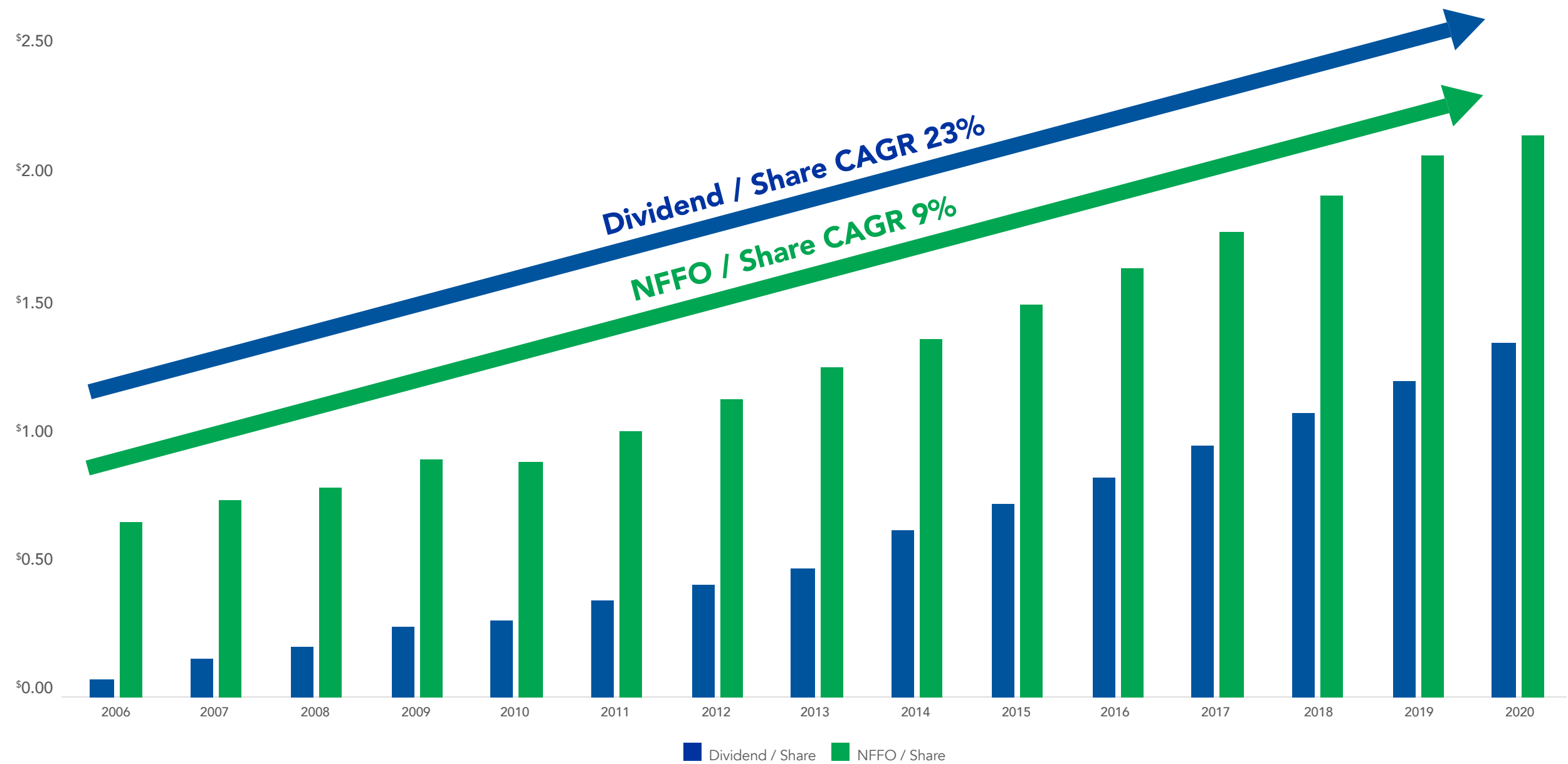
Notes: Source: S&P Global

(1) Total return calculation assumes dividend reinvestment.

(2) Total return through October 31, 2021.

Dividend and NFFO Growth

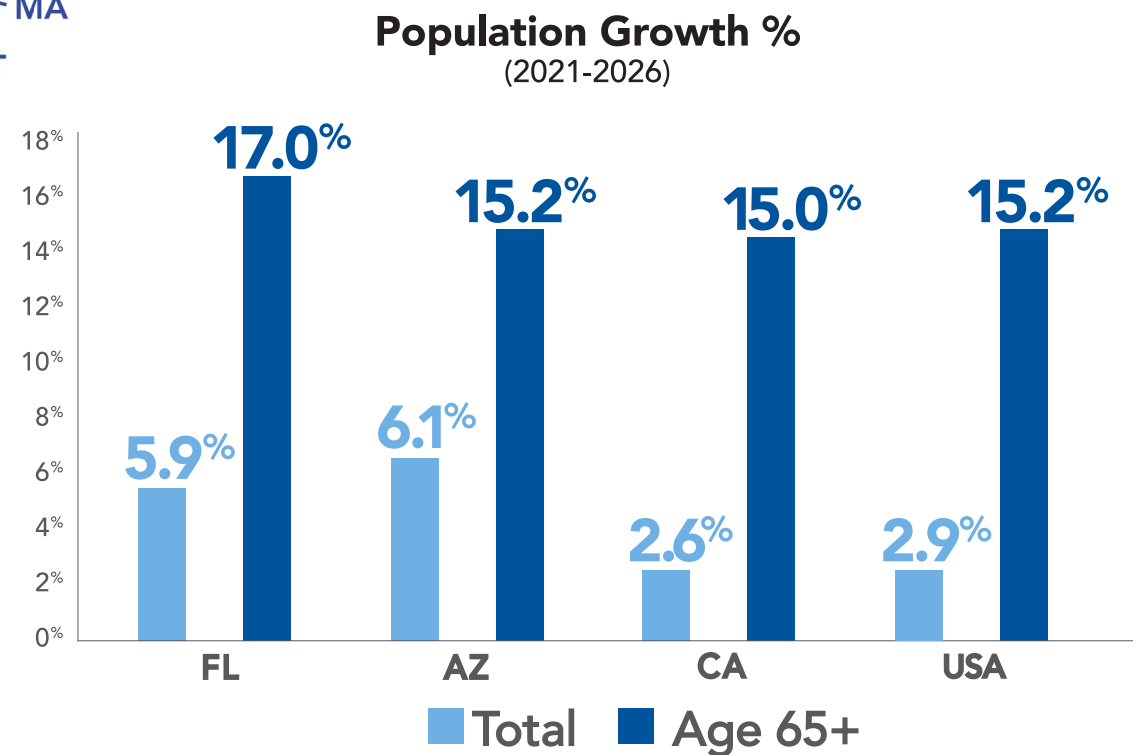
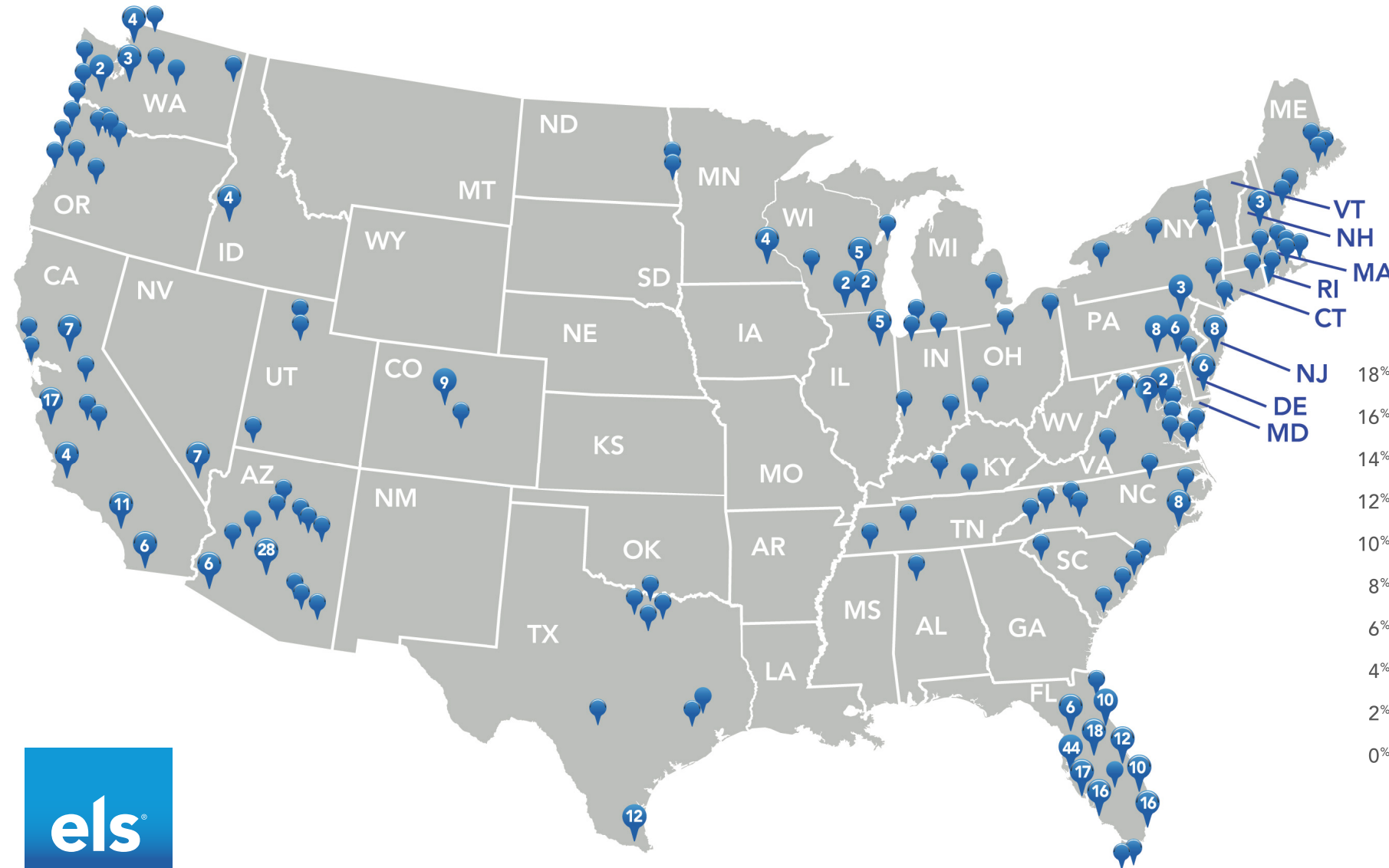
Time-tested through real estate cycle



Note: See Non-GAAP Financial Measures at the end of the presentation for the reconciliation and definition of Normalized FFO. Adjusted for stock splits.

Portfolio Locations

ELS operates 436 properties in North America with a focus on high-quality coastal and sunbelt retirement and vacation destinations and urban areas



Source: S&P Global

Note: Property and site counts presented as of September 30, 2021

Portfolio Locations

The MH portfolio focuses on age-qualified communities in retirement destinations where our residents can be part of an active lifestyle



MH

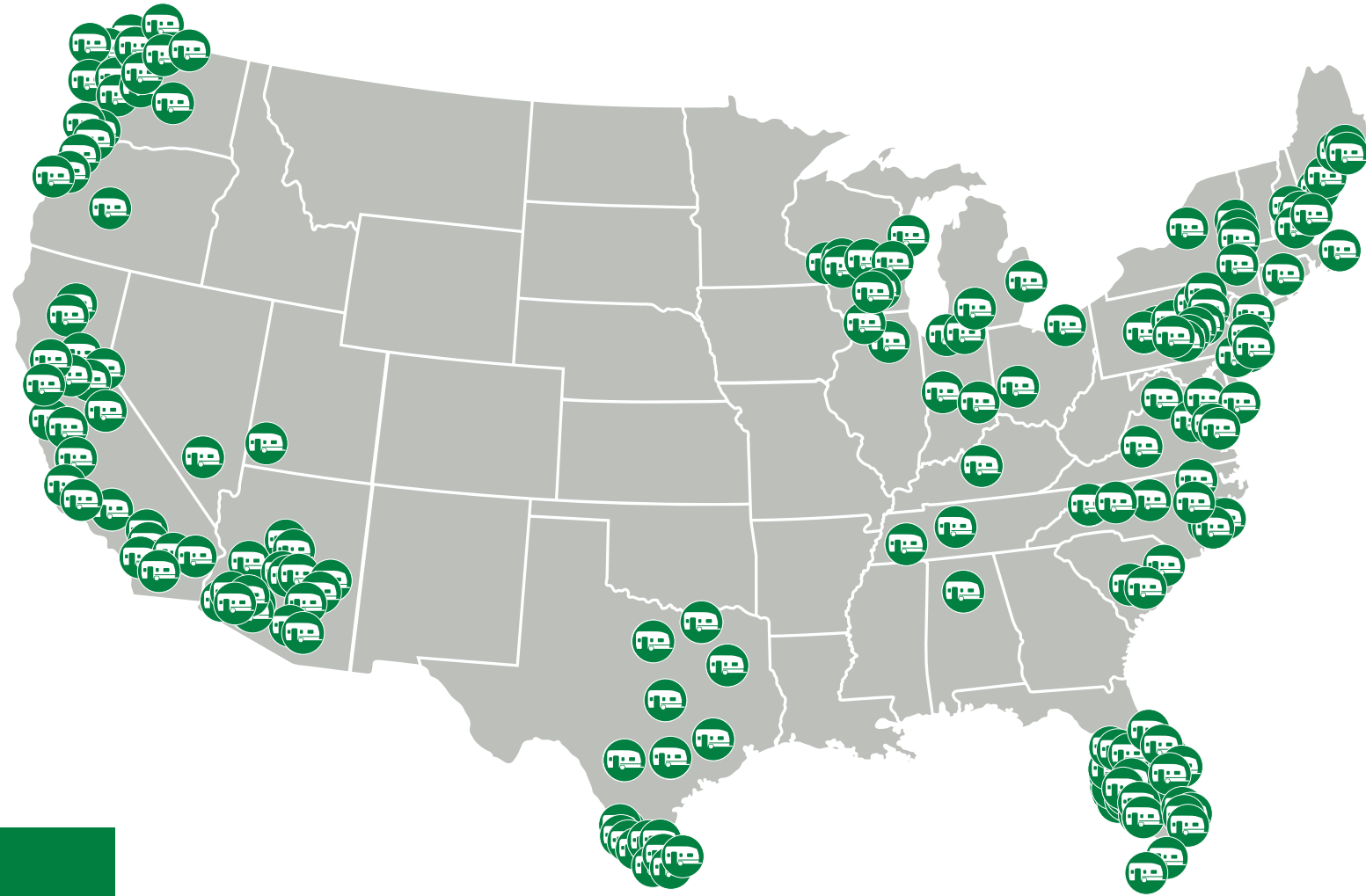
205 MH COMMUNITIES (47% of Portfolio)

- 75,300 sites



Portfolio Locations

The RV portfolio has over 200 resorts and campgrounds spread along the coast and in vacation destinations packed with family friendly amenities and activities



208 RV RESORTS (48% of Portfolio)

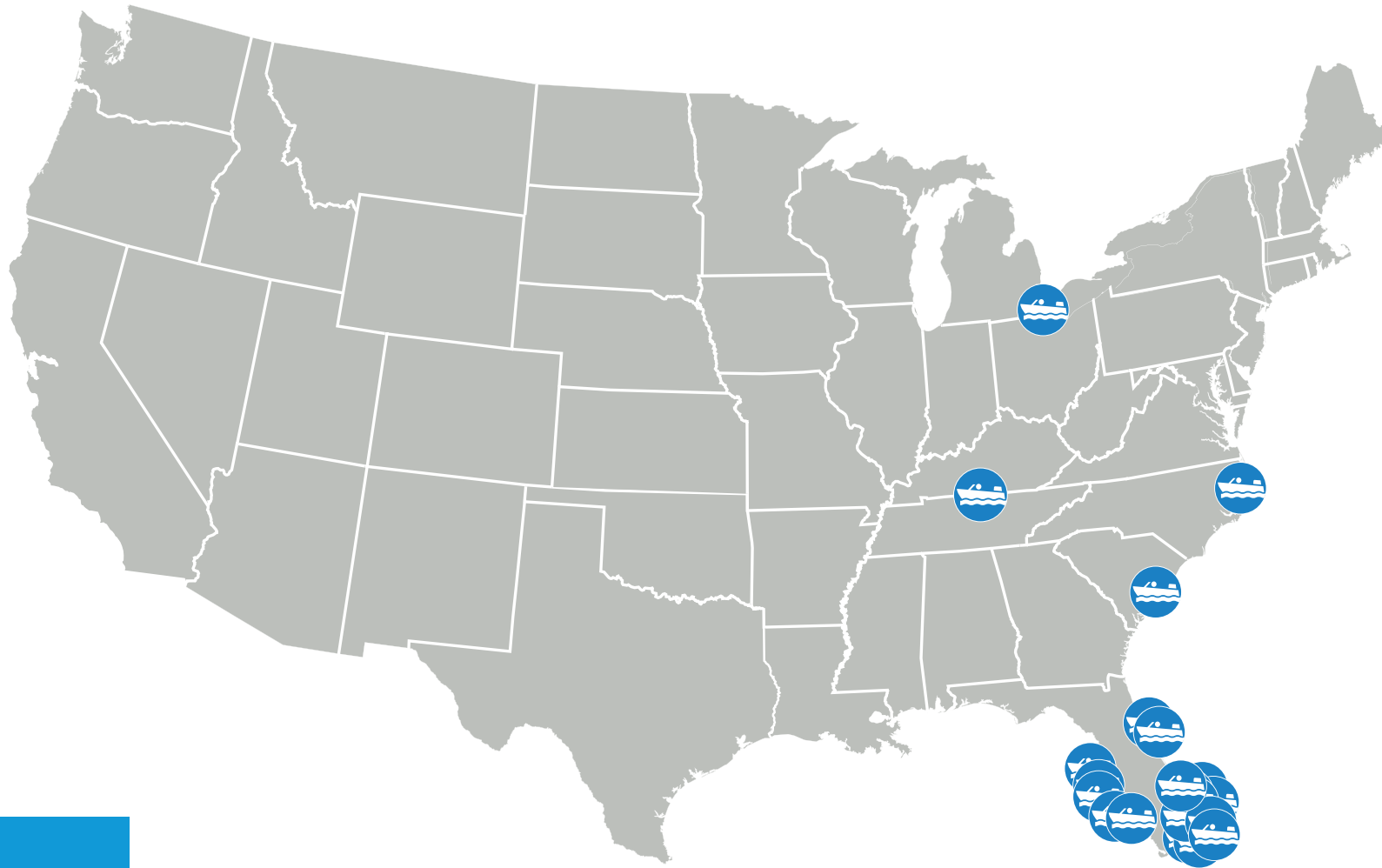
- 85,000 sites
 - Annual 33,300
 - Seasonal 11,000
 - Transient 15,900
 - Membership sites 24,800



RV

Portfolio Locations

High quality marina portfolio located primarily along the southeast coast, ideal for year-round boating which generates stable annual slip revenue



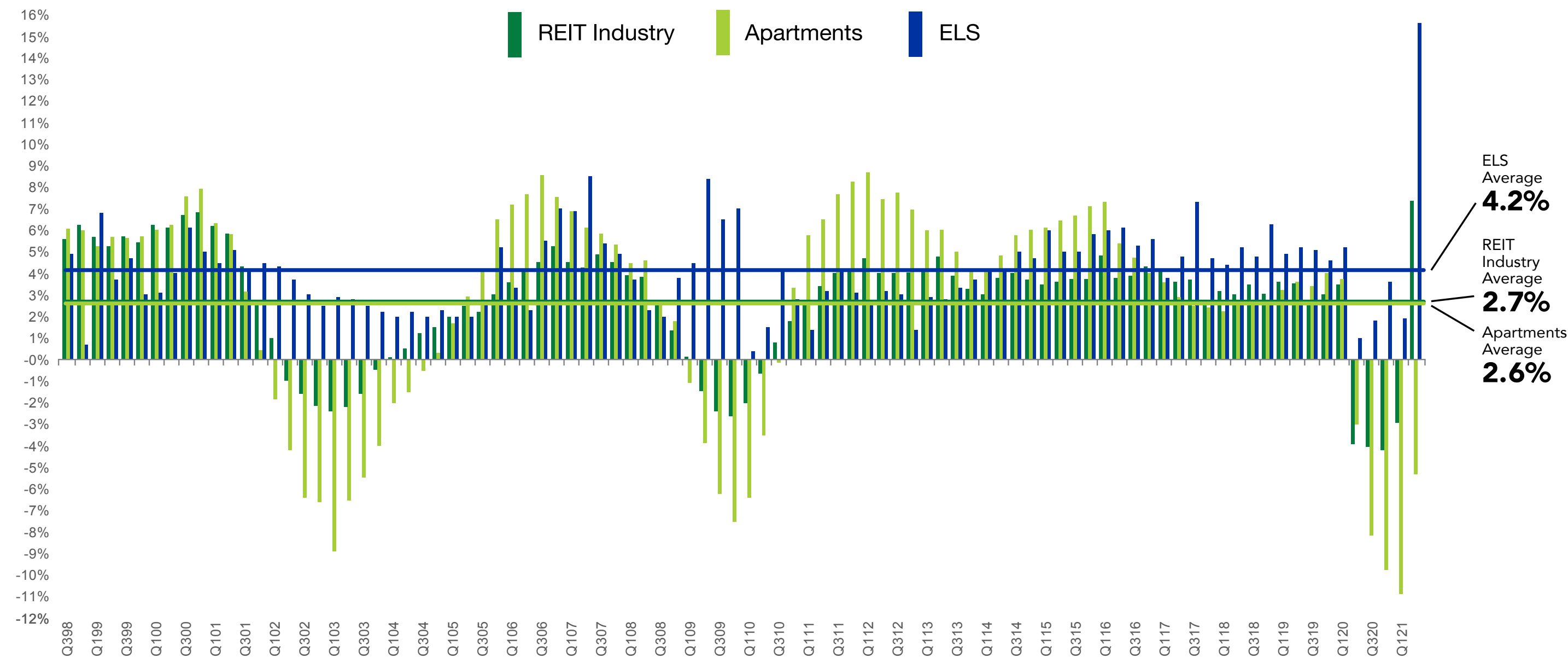
23 MARINAS (5% of Portfolio)

- 6,800 slips



Unique Business Model

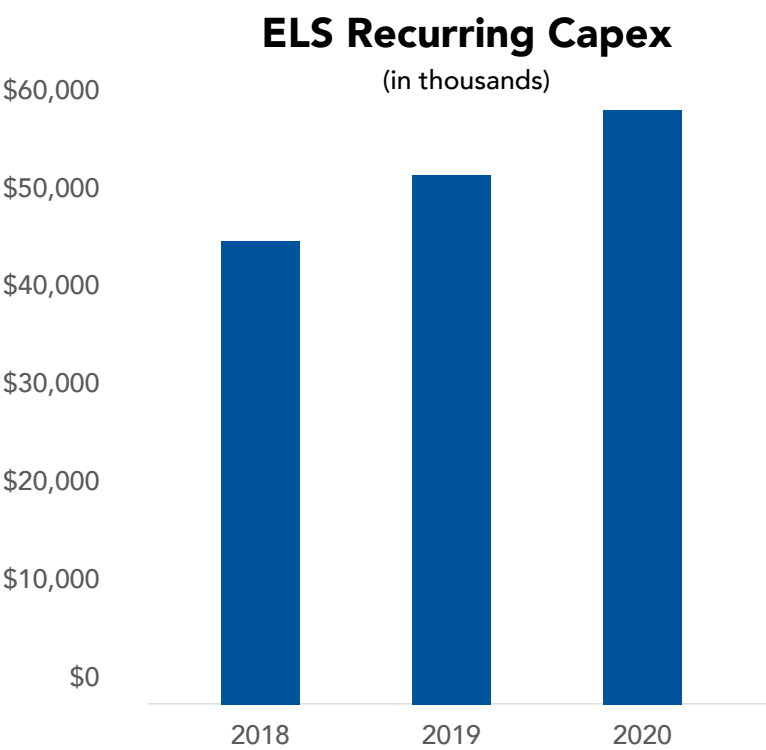
Drives sustained long-term outperformance



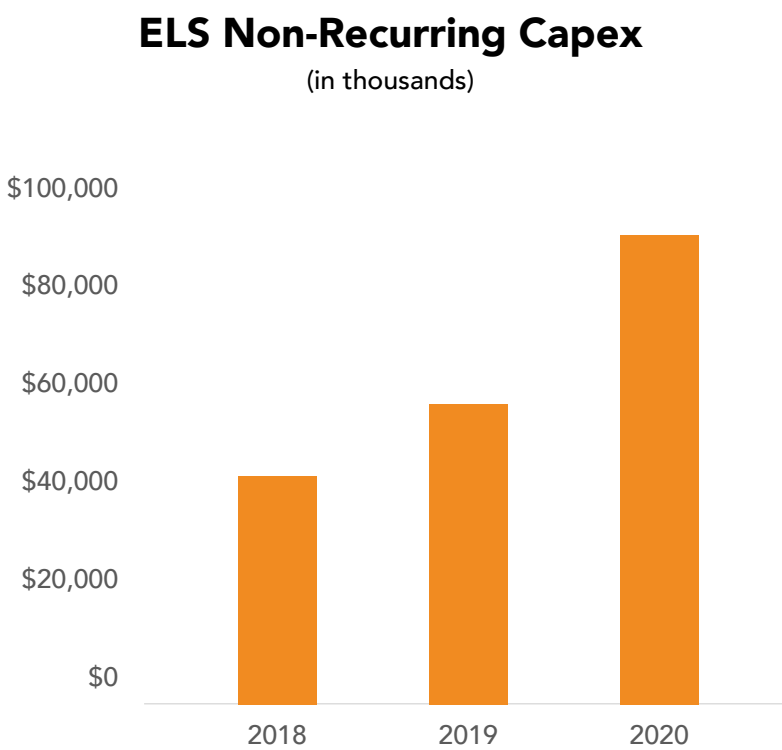
Note: 1) Source for Same Store NOI data: Citi Investment Research, August 2021. Earliest quarter collected by Citi is third quarter of 1998. Data through Q2 2021. "Reit Industry" includes an index of REITs across a variety of asset classes, including regional malls, shopping centers, multifamily, student housing, manufactured homes, self storage, office, industrial, mixed office and specialty.

Capital Expenditures

Land lease business model results in low maintenance and capital expenditure costs



Focus on updating Amenities



Focus on Expansion and Sustainability projects

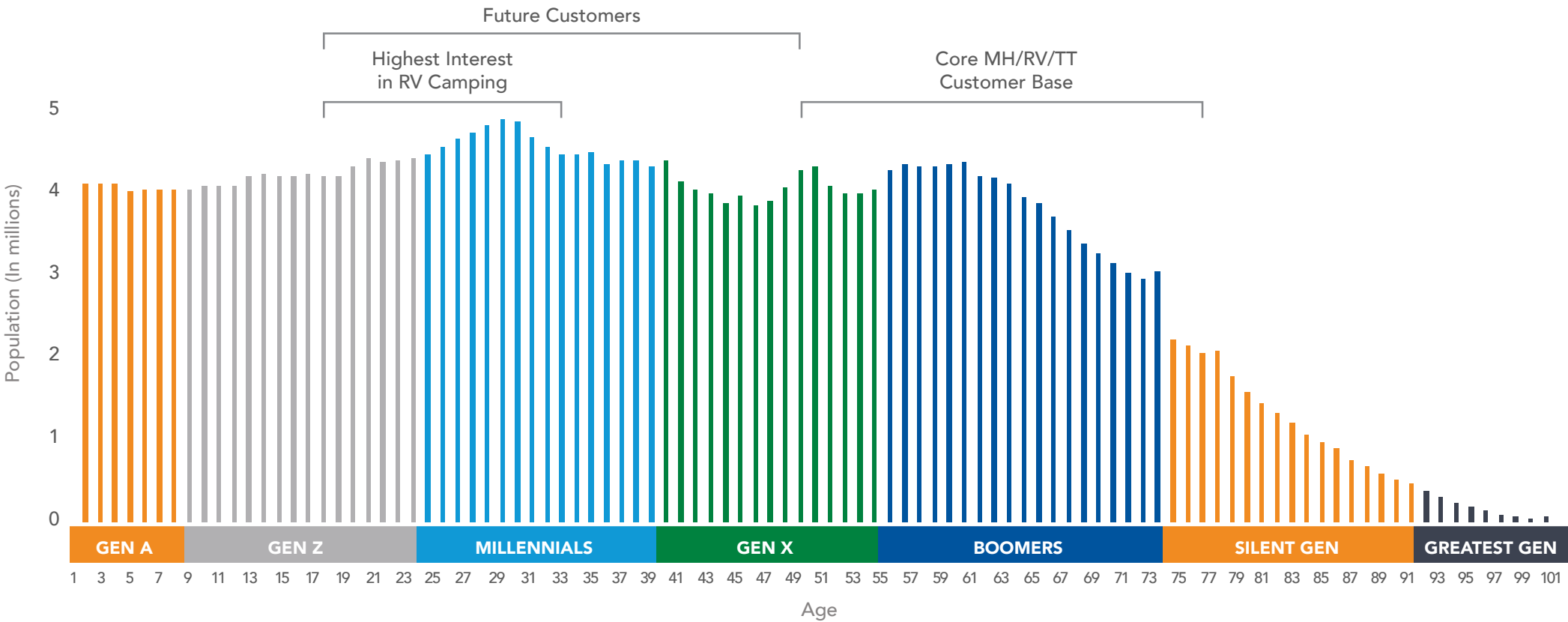


Demand Drivers - Unique Demographics

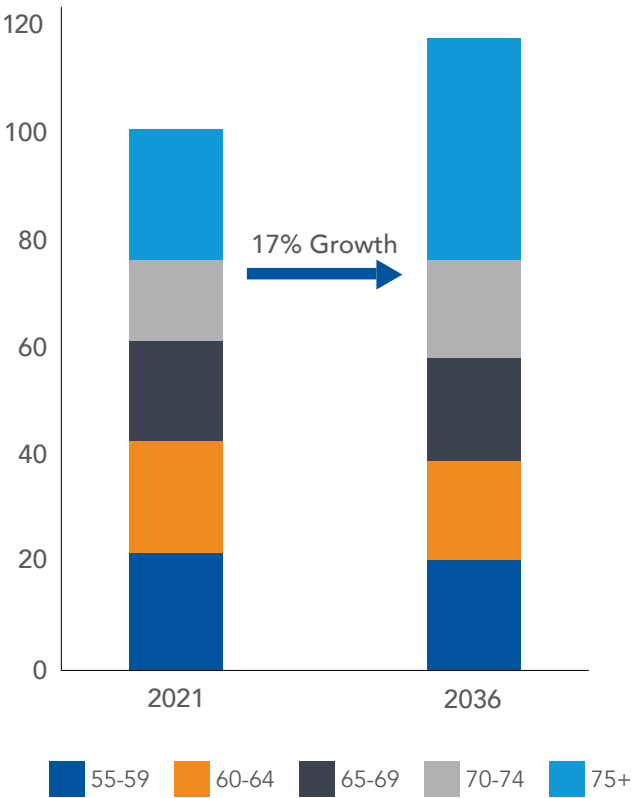
Unique customer demographics driven by baby boomers and a strong tailwind from future generations

- The population of people aged 55 and older in the U.S. is expected to grow 17% from 2021 to 2036
- Roughly 10,000 Baby Boomers will turn 65 every day though 2030
- Over 70% of ELS MH properties are age-restricted or have a resident base with an average age over 55
- Installed base of over 11 million RV owners in the U.S.

U.S. Population by Age and Generation



U.S. Population Over Age 55 (in millions)

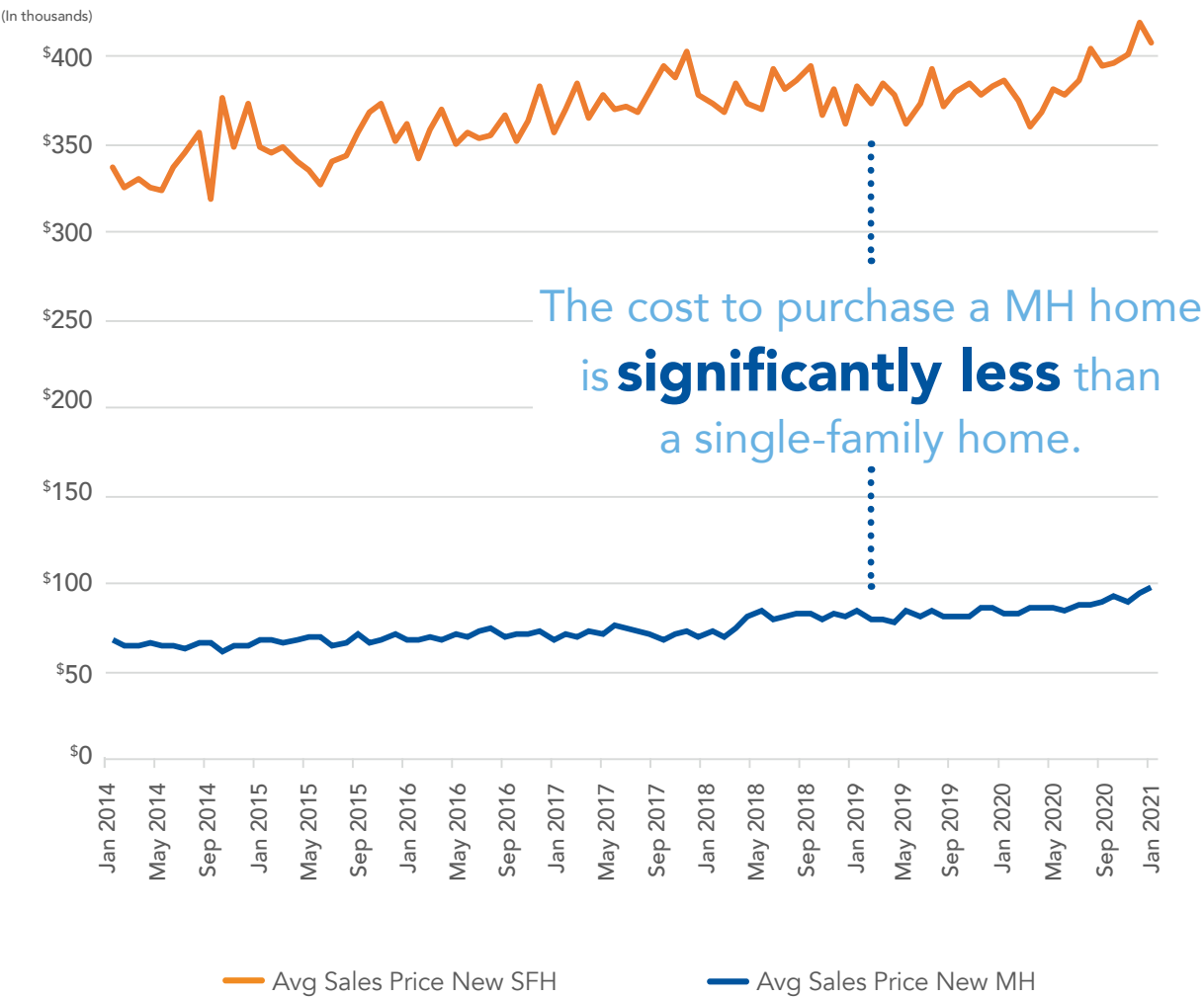


Note: Sources: US Census, Released September 2018, Pew Research Center 2010, RVIA.

Demand Drivers - Value Proposition

Whether buying or renting, manufactured homes provide greater value as compared to other housing options

Avg Sales Price - New Single Family Home ("SFH") vs New Manufactured Home



U.S. Housing shortage of 3.8 million SFH creates demand for **manufactured housing**

ELS renters pay approximately **26% less per sq ft** than the average two bedroom rental in ELS submarkets

Buying a new MH vs Financing a new SFH

	MH	SFH	Difference in cost
Cost of Home	\$87,000	\$392,000	-78%
Upfront Cost ⁽¹⁾	\$87,000	\$78,400	11%
Monthly Cost ⁽²⁾	\$700	\$1,408	-50%

In 2020, the average upfront cost of purchasing a new MH in full was only slightly higher than putting 20% down on a new SFH, but the ongoing monthly rental payment for the MH was 50% lower than the SFH monthly mortgage payment. At ELS most homeowners do not have debt on their homes and over the past three years **ELS has financed only 2% of new home sales.**

Manufactured Home Construction Advantage:

- Controlled construction environment results in no weather delays
- Economies of scale to purchase materials in bulk
- Standardization of processes allows for efficient construction
- Centralized labor force allows for faster workforce training

Notes: Sources: U.S. Census Bureau, Freddie Mac, Moody's Analytics
(1) Assumes MH is paid in full and the SFH has a 20% downpayment on a loan
(2) Assumes SFH has a 30 year loan with a 3.5% interest rate

Demand Drivers - Lifestyle and Amenities

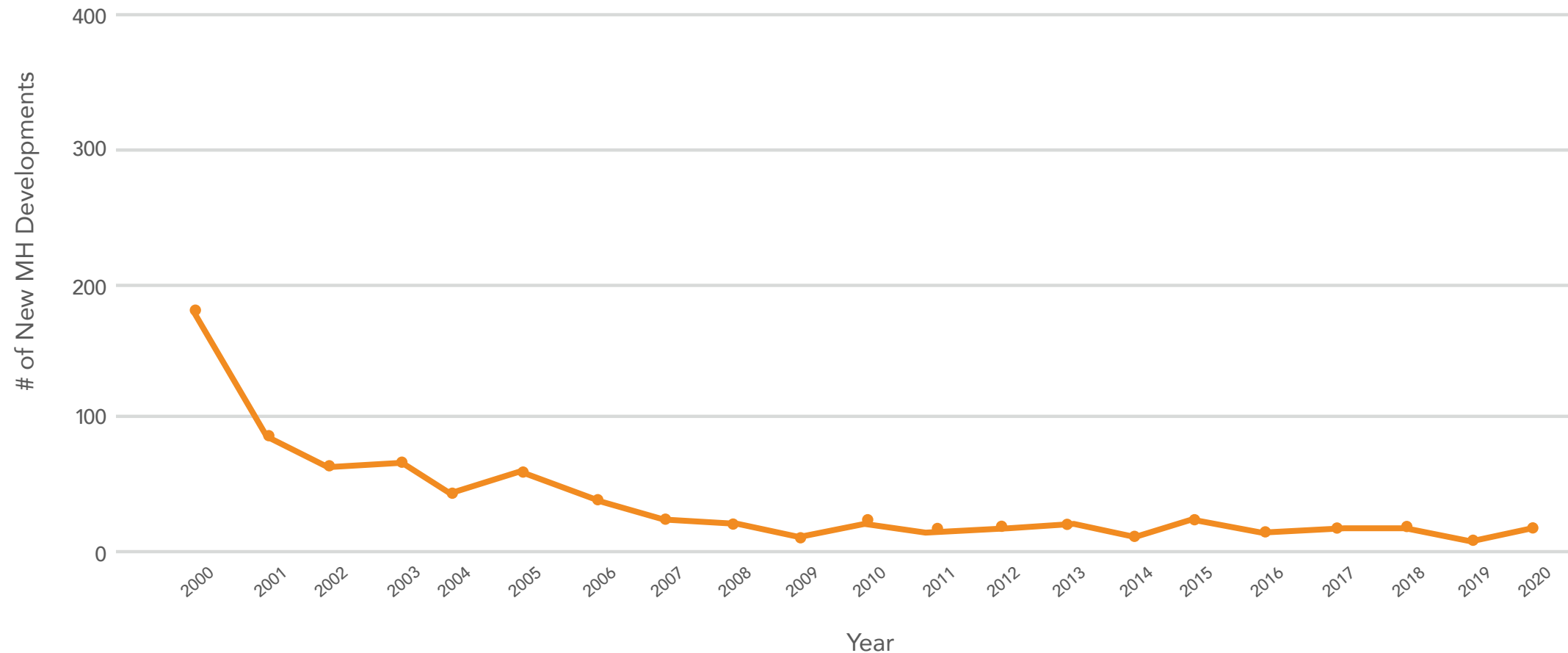
ELS communities and resorts have the amenities to build a thriving community where our residents and guests create memories together



Supply Constrained Asset Class

There has been limited MH development in the U.S. in the past 20 years
Growing demand coupled with almost no new supply is a strategic advantage for ELS

Manufactured Housing Developments in the U.S.



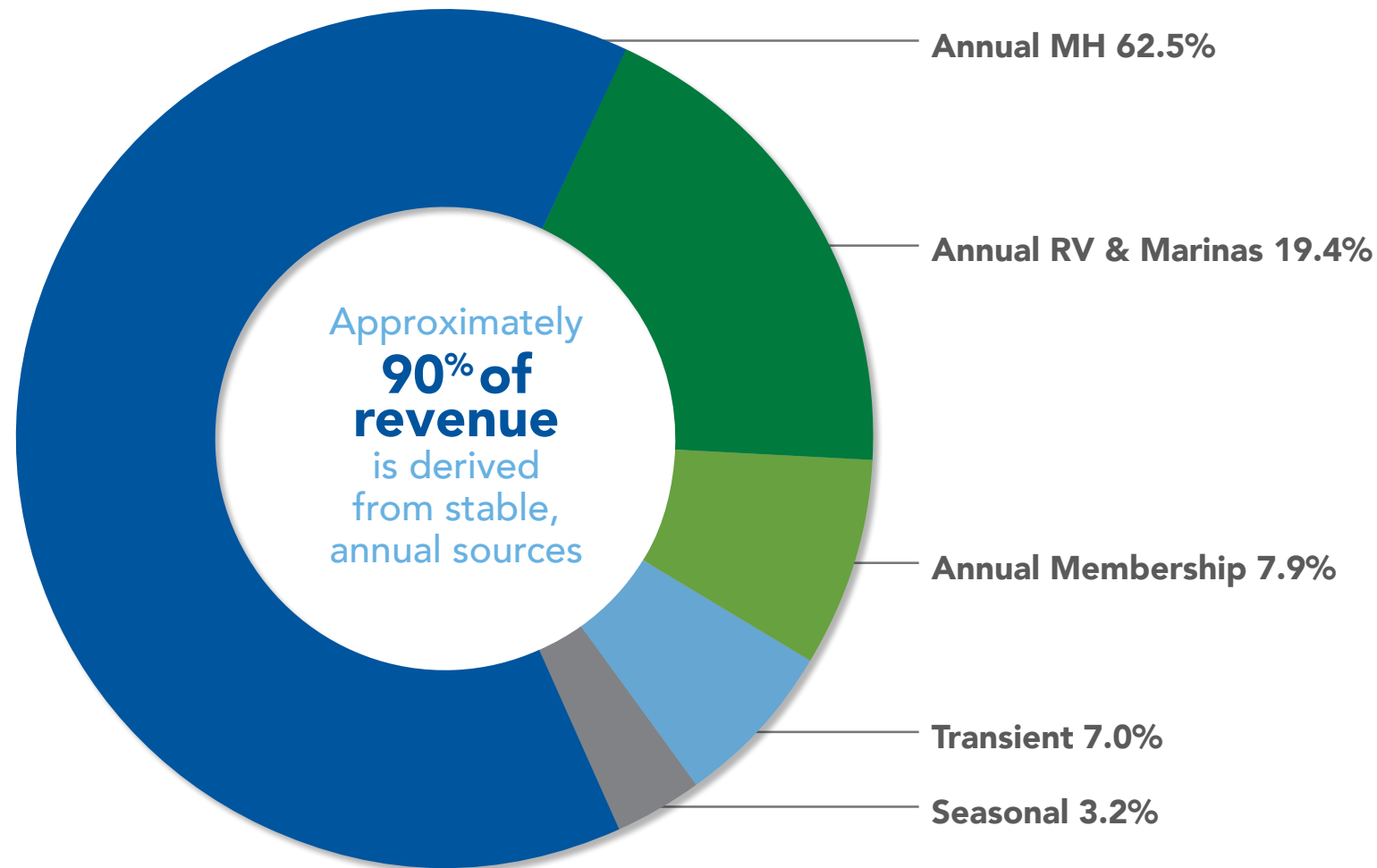
Note: Source: Datacomp

Reasons for the Supply Constraint

- **NIMBY** (Not in my backyard)
- **Restricted zoning & Regulations**
- **Federal planning vs Local planning**

Steady, Predictable Revenue Streams from High-Quality Occupancy

Property Operating Revenue Buckets⁽¹⁾



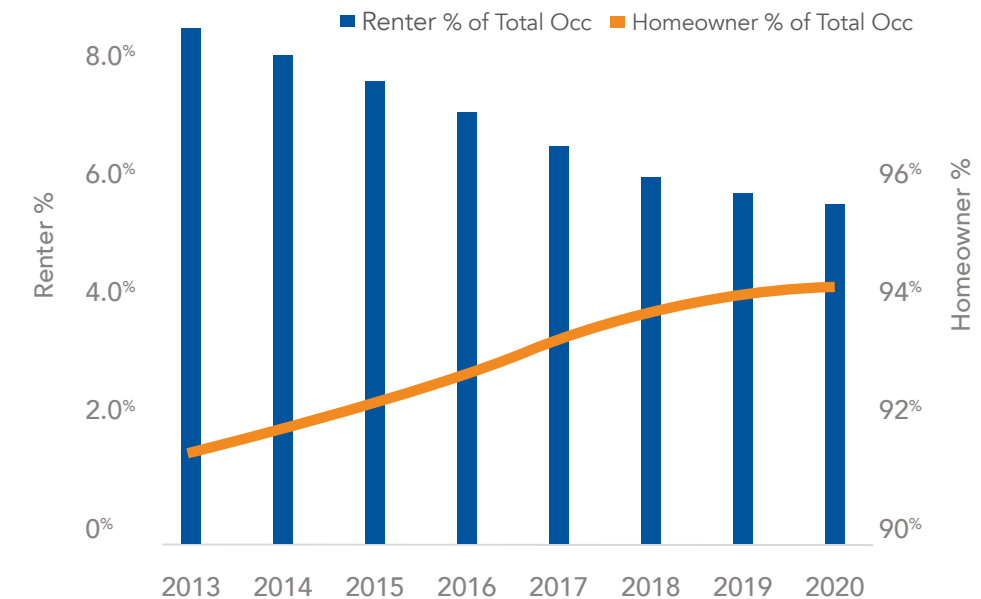
Note: (1) Property operating revenue buckets reflect trailing twelve months as of September 30, 2021.

71%

ELS MH New Home Sales
Residents with a FICO score
greater than 680

Since the housing crisis, ELS has steadily reduced the number of renters in our MH portfolio and increased homeowners. Renters typically stay less than three years, while homeowners stay approximately ten years contributing to a stable occupancy base. The rental program is utilized strategically to introduce residents to our communities.

Homeowner vs Renter % of Total Occupancy

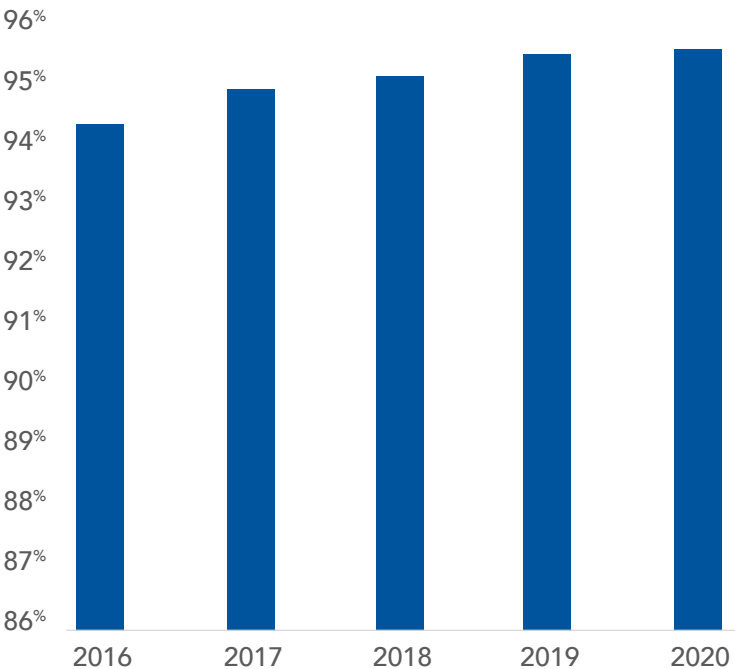


95.2%
Core MH
Occupancy

Property Operations

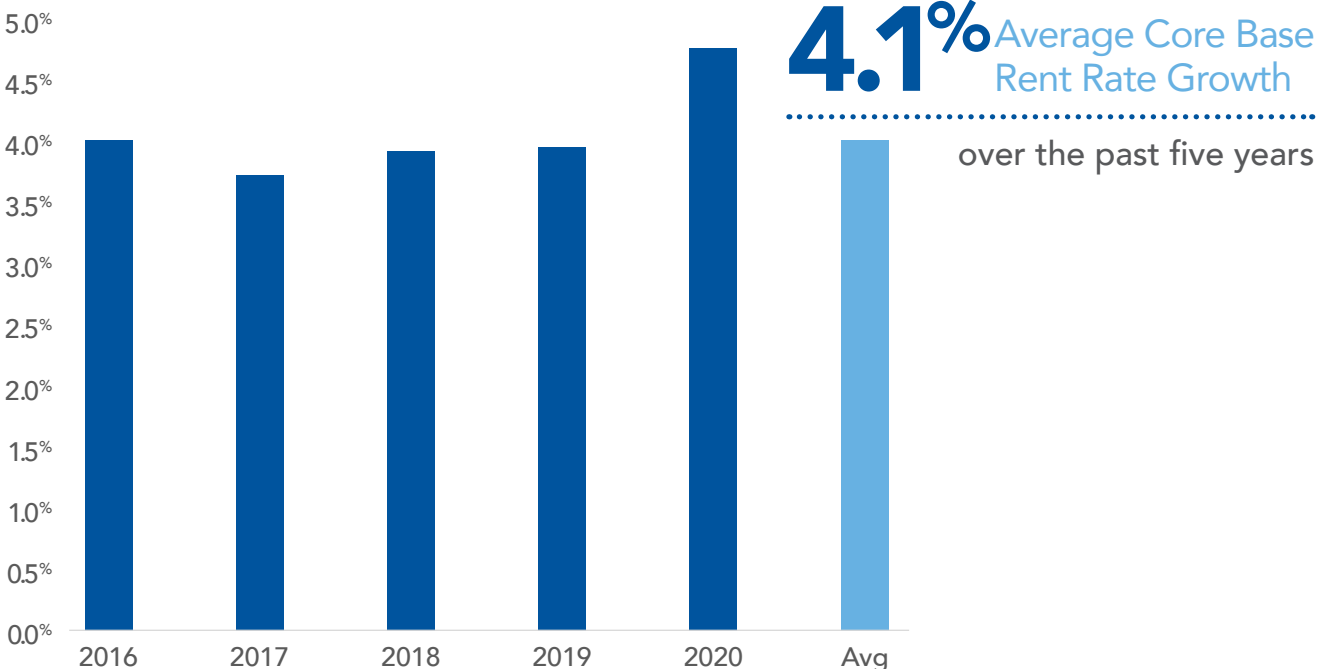
Best-in-class property operations platform drives consistent rate and occupancy increases

Core MH Occupancy %

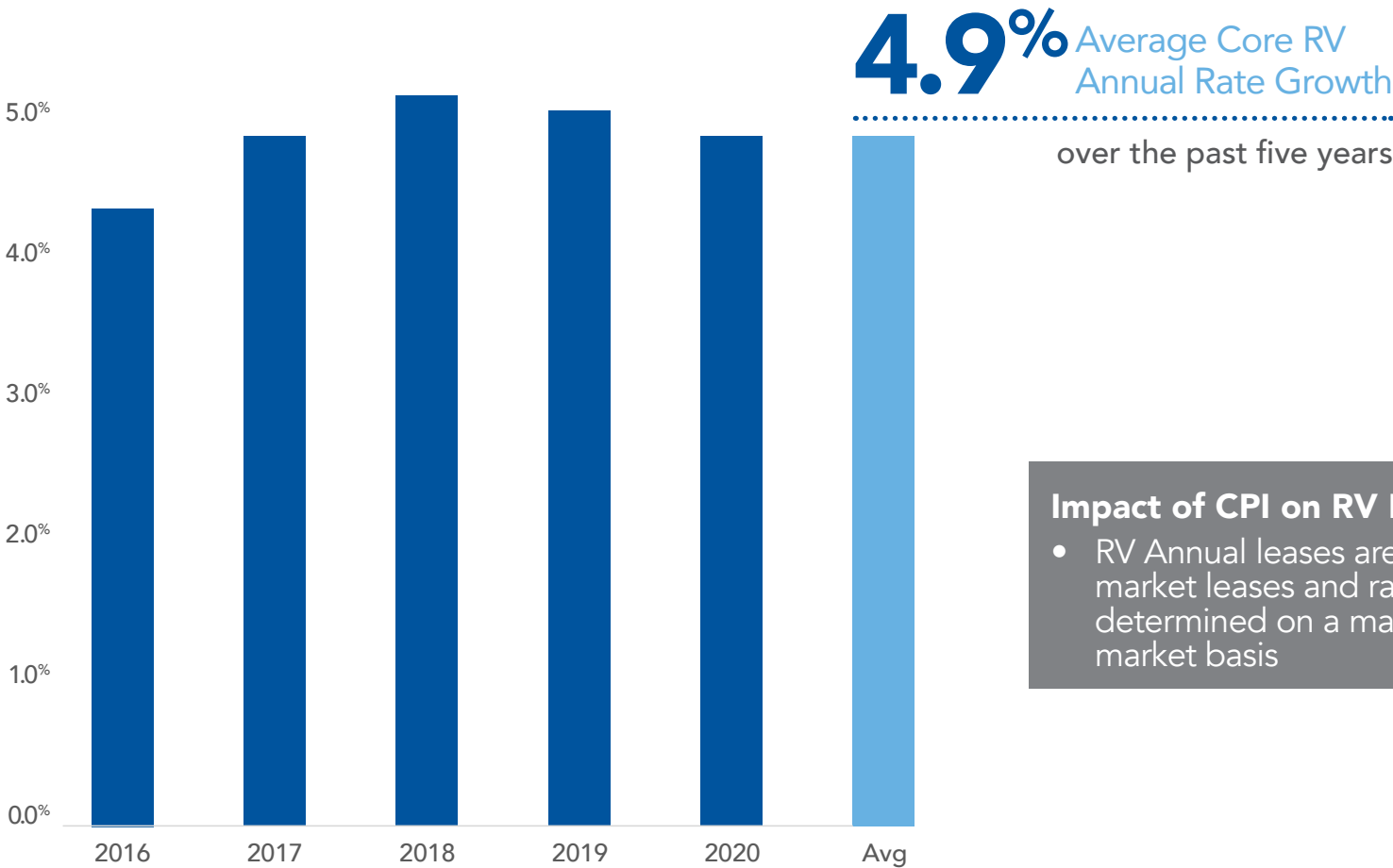


56% of MH Communities are 98%+ Occupied

Core Base Rent Rate Growth



Core RV Annual Rate Growth

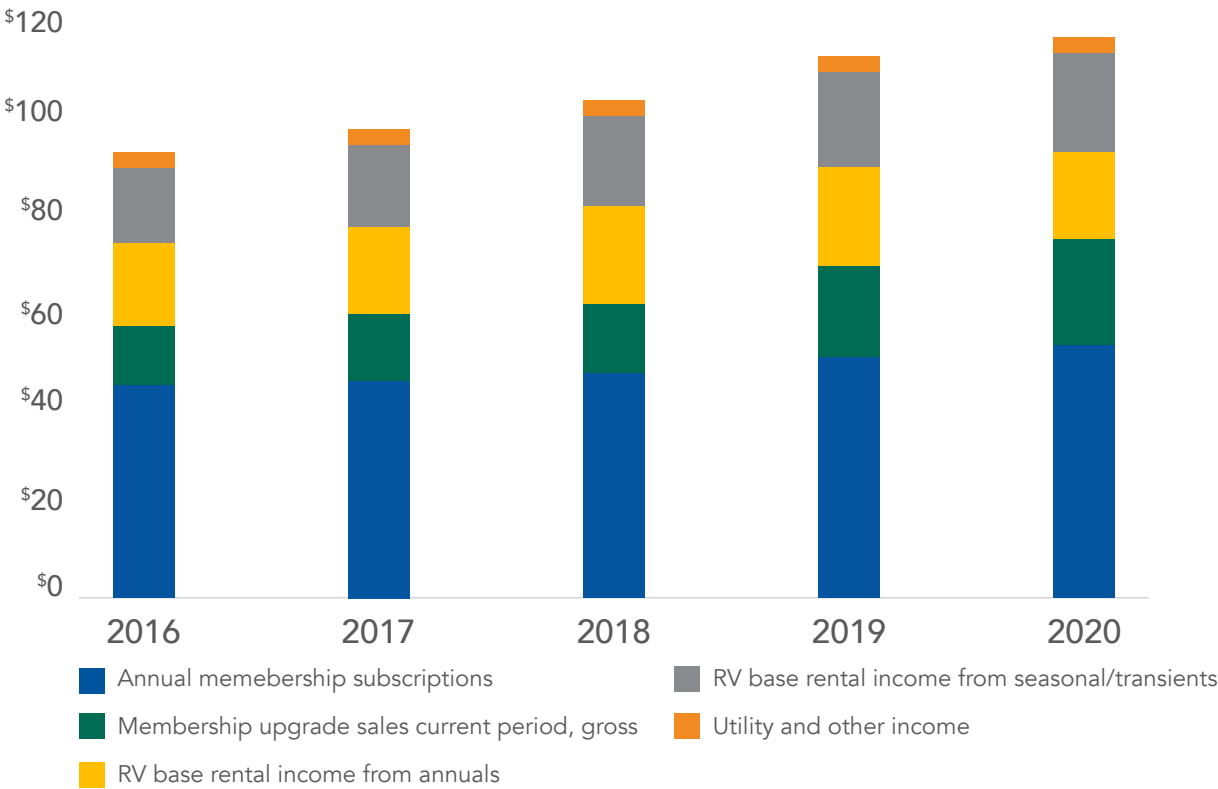


Impact of CPI on RV Leases:

- RV Annual leases are all market leases and rates are determined on a market-by-market basis

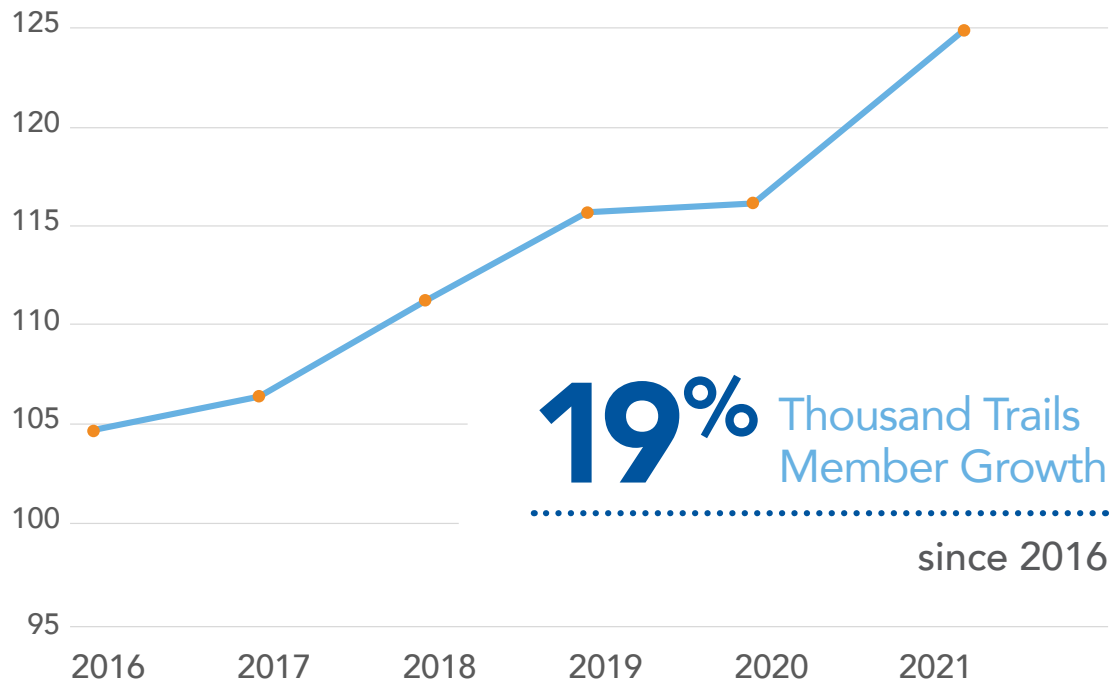


Thousand Trails Revenue
(in millions)

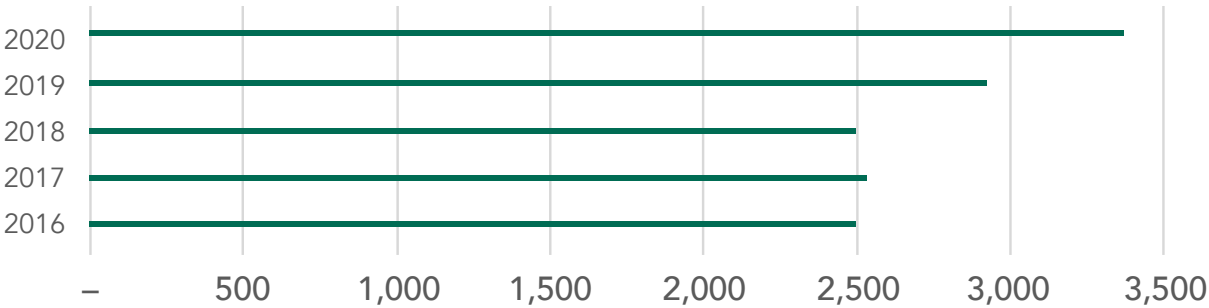


23%
of upgraded members
.....
have been with Thousand Trails
for at least 20 years

Thousand Trails Total Member Count
(in thousands)



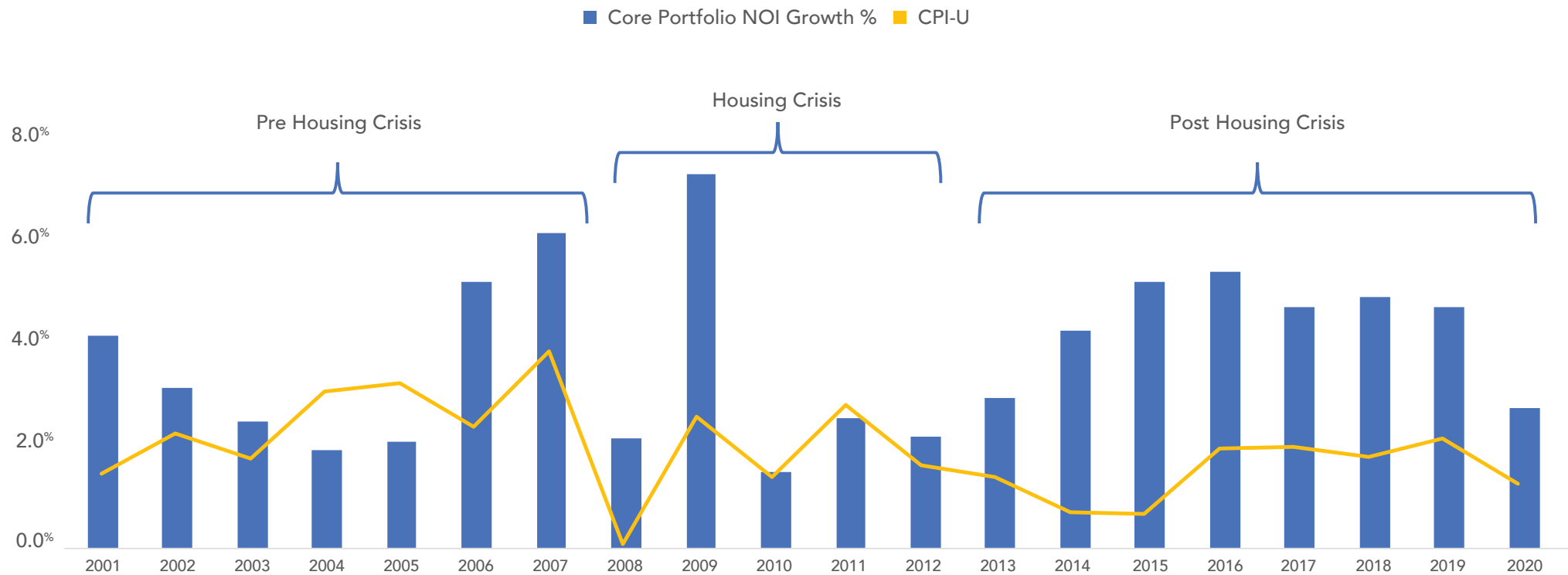
Thousand Trails Upgrade Sales



Note: 2021 data as of September 30, 2021

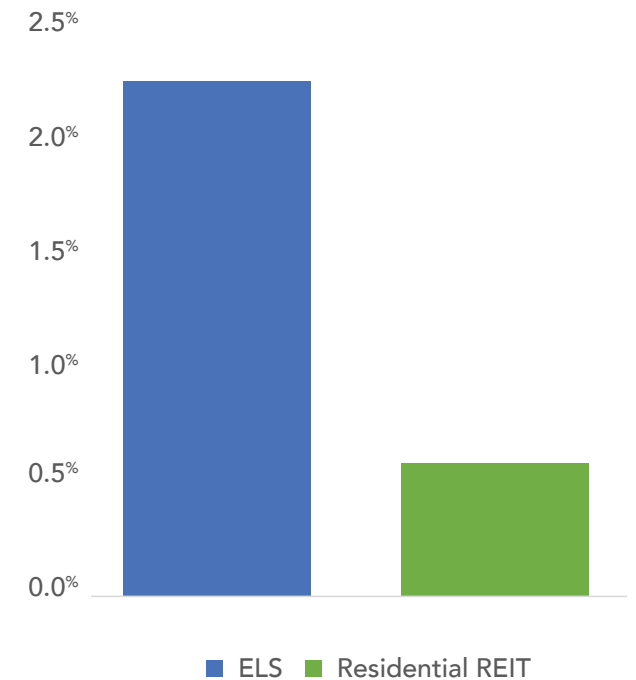
Stability through Economic Cycles

Historical Core Portfolio Growth Rate against CPI ⁽¹⁾⁽²⁾



	Avg. CPI	Avg. ELS Core Rev Growth	Avg. ELS Core Exp Growth	Avg. ELS Core NOI Growth
2001-2007	2.7%	4.1%	4.7%	3.8%
2008-2012	1.8%	2.3%	1.0%	3.3%
2013-2020	1.6%	4.4%	4.6%	4.6%

Average Spread between Same Store NOI Growth vs CPI (2001-2020)⁽³⁾



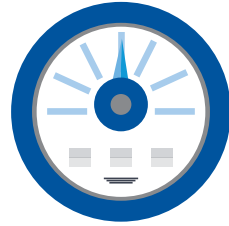
Notes: (1) The Core Portfolio for each year is defined as properties owned and operated for more than one year as of the start of that year. The Core Portfolio may change from time-to-time depending on acquisitions, dispositions and significant transactions or unique situations.

(2) See Non-GAAP Financial Measures at the end of the presentation for the definition of NOI.

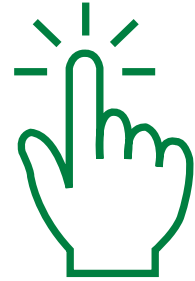
(3) Represents average spread between ELS Core Portfolio NOI growth and CPI growth from each year. Includes all publicly traded residential REITs (Multifamily, Single Family Rental, Student Housing) in S&P Global's coverage universe that had an enterprise value greater than \$4 billion as of May 25, 2021 and has same store NOI growth tracked by S&P Global.

Technology and Innovation

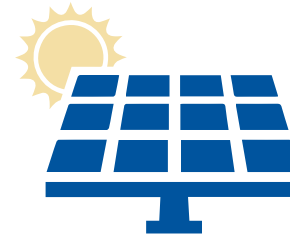
Utilizing the latest technology to drive operational efficiencies



Smart Meters



BOTS



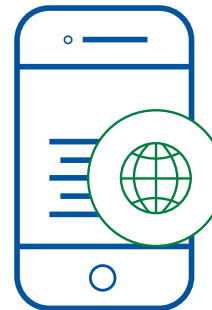
Solar Panels



Prop Tech



Digital signature



Online apps



Tech Investments



Cashless Transactions



Online Check-in



Digital Marketing Strategy – Social Media

Since January 2021, ELS has had over **6.7 Million** total engagements on social media channels



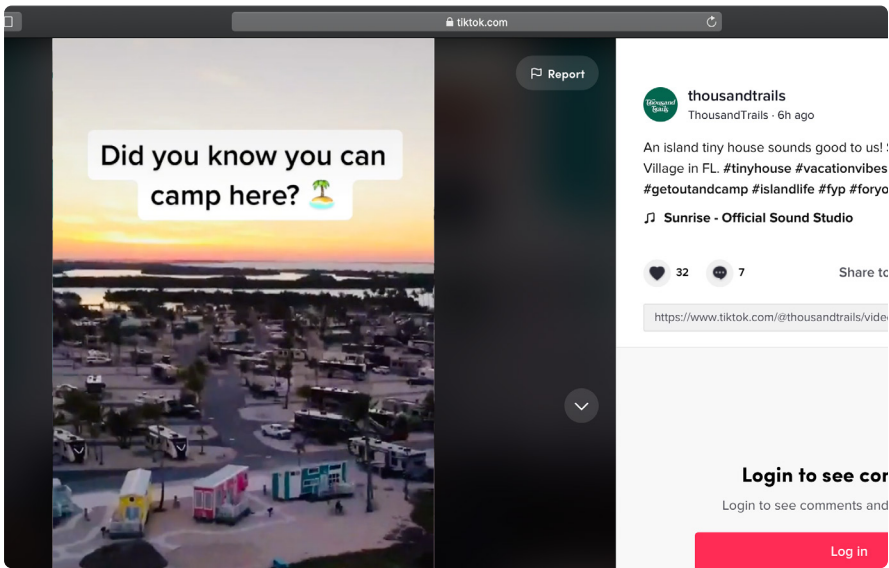
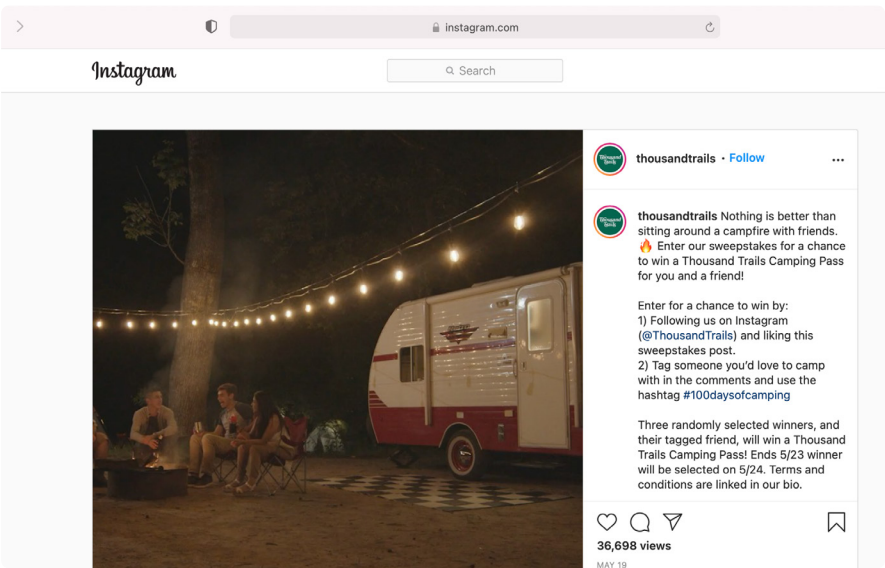
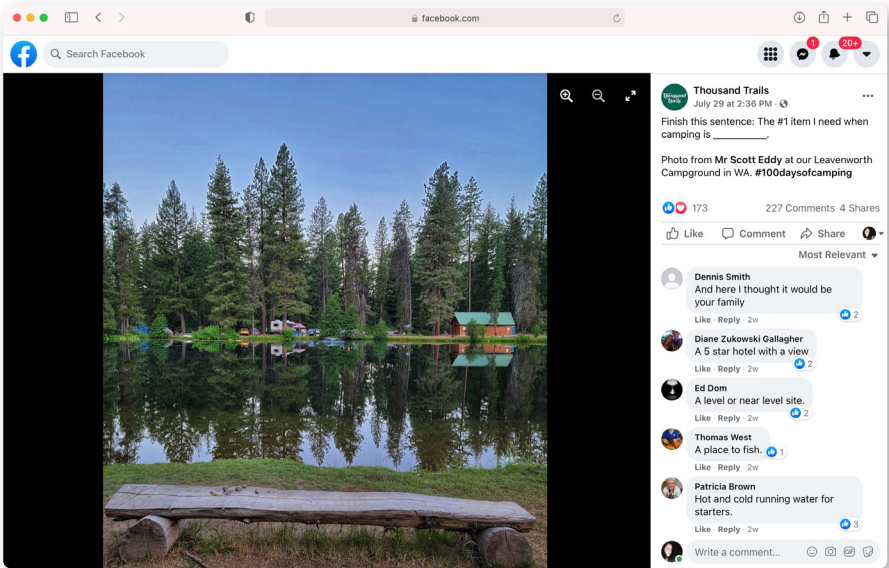
Click above to view  Stay Connected



Click above to view  Lost-Time

**Over 1 Million
Total Followers**
.....
across social media channels

ELS has an engagement-focused social media strategy where we build meaningful interactions with existing and potential customers. These interactions build brand awareness and help drive sales and reservations.



Interactive virtual tours allow residents to preview the community and their future home

**Model Home
Virtual Tour**



**MH Property
Virtual Tour**



Digital Marketing Strategy – Online Check-In

Implemented online check-in functionality to enhance the customer experience



Play video to view the online check-in process

Benefits of Online Check-In for Customers:


- Less wait time at the front desk
- Reduced contact at check-in
- Expedited entry and can go straight to assigned sites
- Mobile friendly

Benefits of Online Check-In for Property Teams:

- Receive full visibility of customer reservation details prior to arrival
- Reduced processing time at front desk
- Allows for more time to focus on building relationships with customers
- Shorter lines and wait times at entrances

Digital Marketing Strategy – Online Travel Agencies

Building brand awareness and expanding reach to new customers through strategic partnerships with online travel agencies

 **Tripadvisor**
15 HALL OF FAME INDUCTEES | 76 TRAVELERS' CHOICE AWARDS



Booking.com

**good
sam**

**reserve
america**



 **Expedia®**

 **CAMPGROUND
REVIEWS** BY RVLIFE

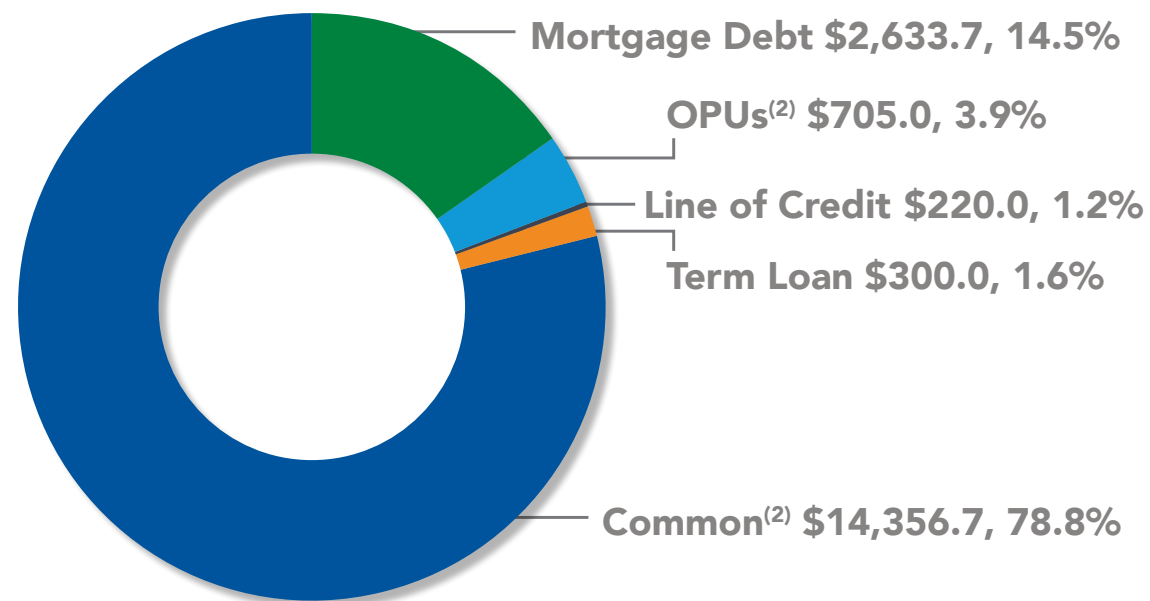
 **the dyrty**

Capital Structure

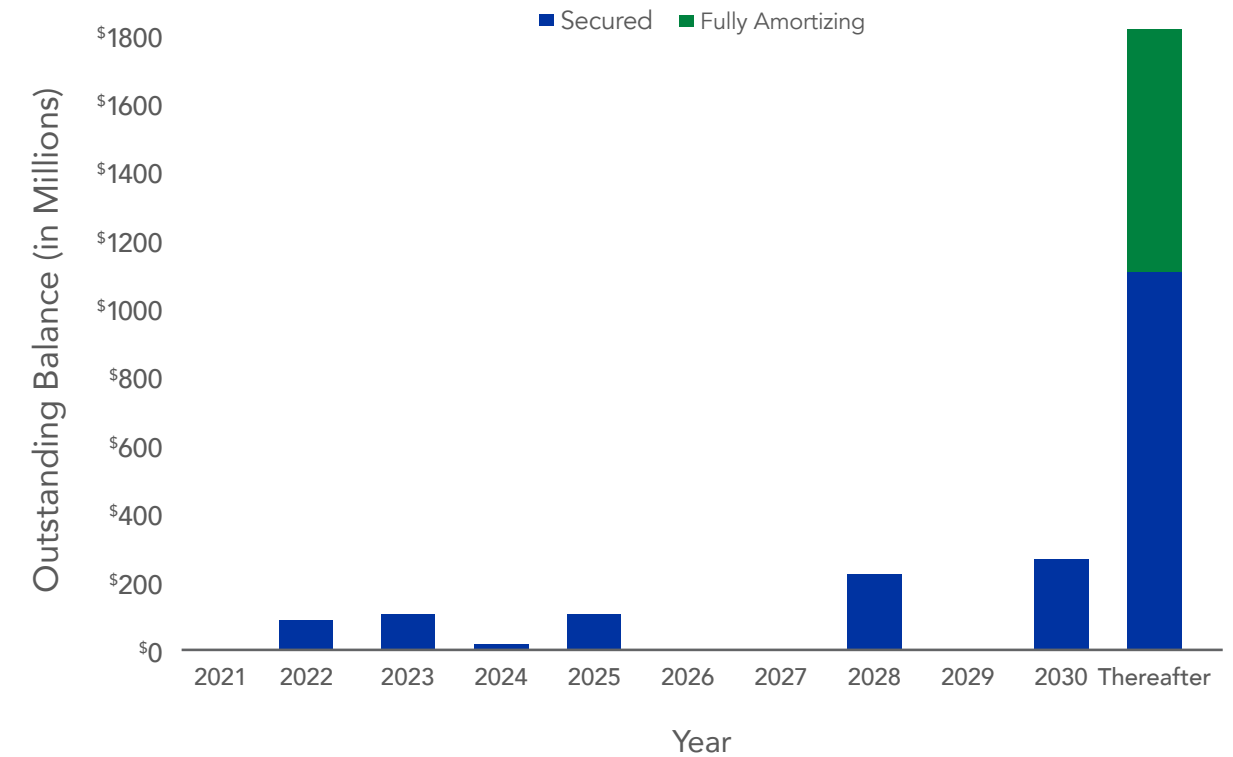
Balance sheet strategy supports long-term growth

As of September 30, 2021 (in millions)

- Total enterprise value is \$18.2 billion
- \$500 million line of credit
- Debt to enterprise value is 17.3%
- Total Debt/Adjusted EBITDAre is 5.5x⁽¹⁾



Secured Loan Maturity as of September 30, 2021



12

Average Years
to Maturity

3.6%

Weighted Average
Interest Rate

11%

% of Debt that is
Due Next 7 Years

28%

% of Debt that is
Fully Amortizing

Notes: (1) As of September 30, 2021. See Non-GAAP Financial Measures at the end of the presentation for the definition and reconciliation of Adjusted EBITDAre.

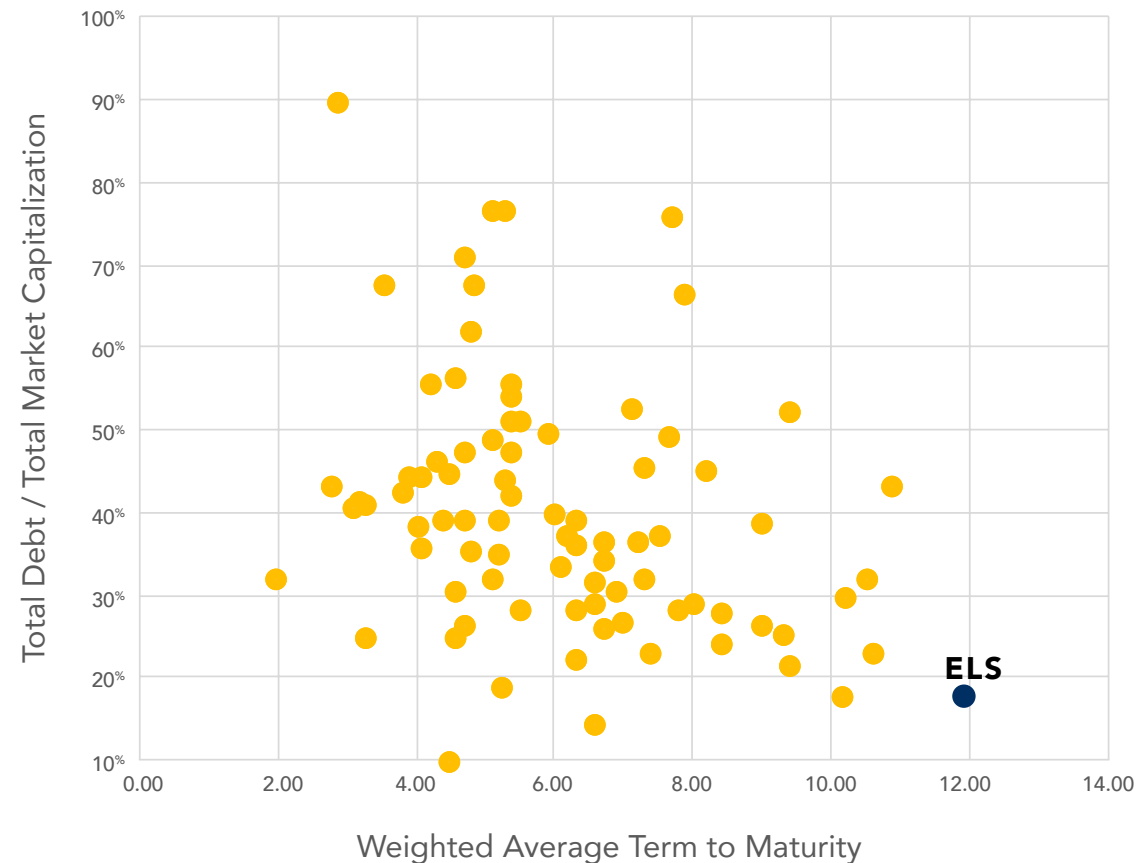
(2) Based on the stock price as of September 30, 2021.

Transformative Debt Strategy

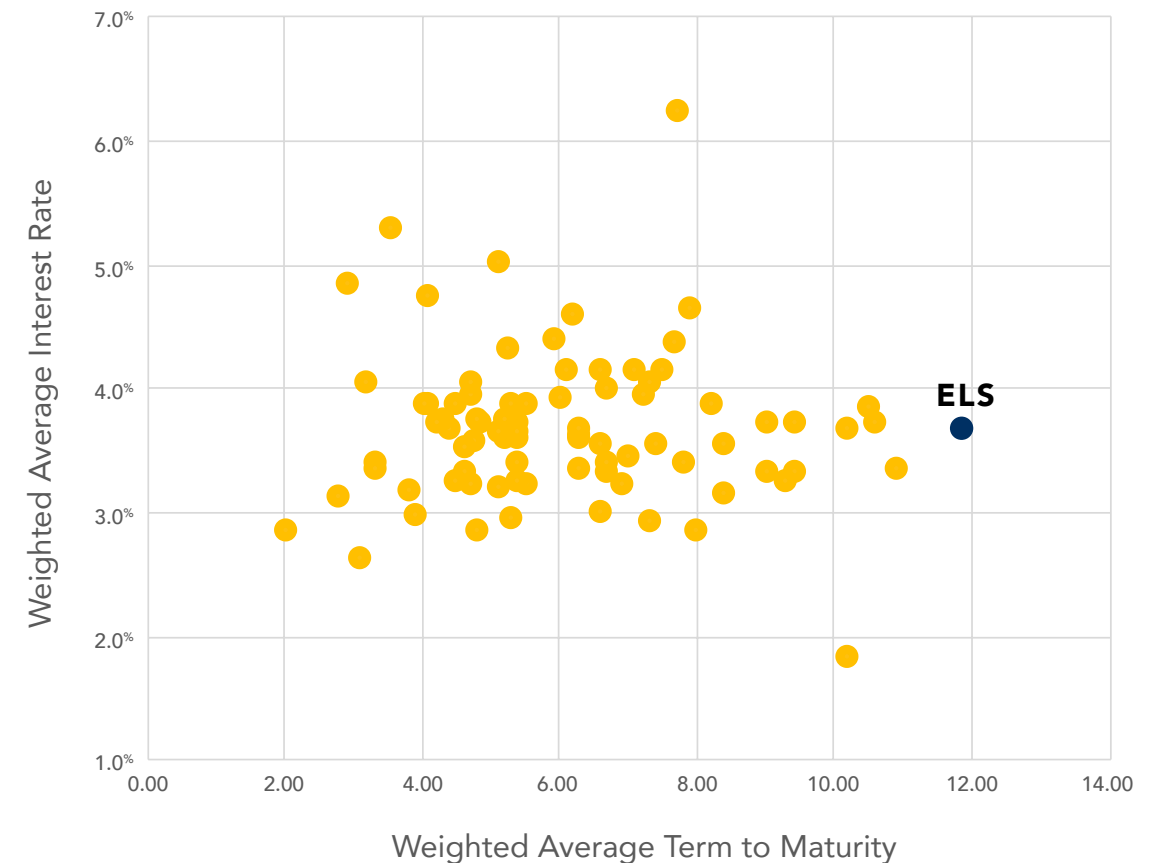
Weighted average term to maturity is approximately double the REIT average⁽¹⁾

Weighted average interest rate in line with the REIT average⁽²⁾

Term To Maturity Vs. Total Debt / Total Market Capitalization



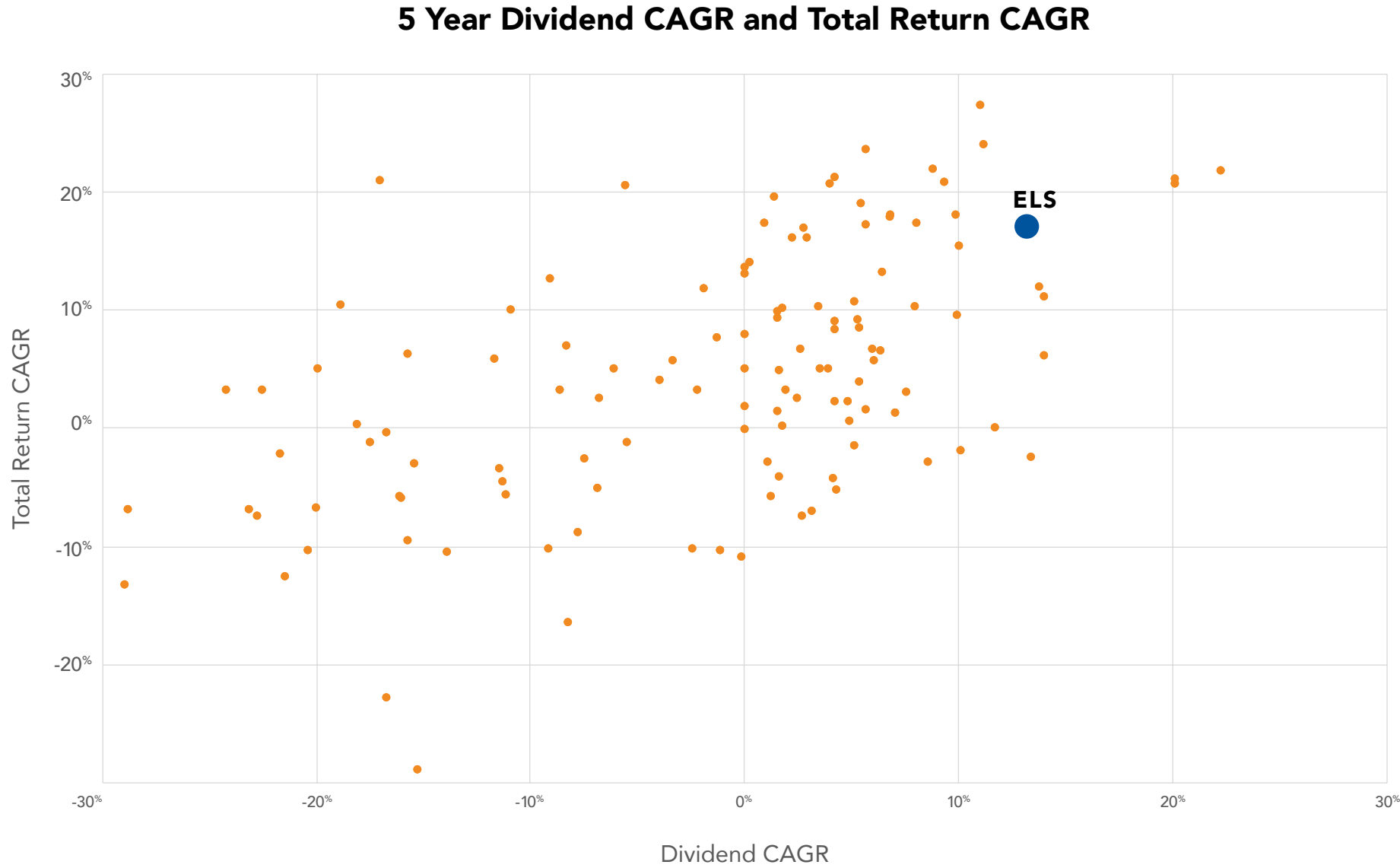
Term To Maturity Vs. Weighted Average Interest Rate



Notes: Source: S&P Global

(1) Includes all publicly traded U.S. Equity REITs in S&P Global's coverage universe that reported weighted average term to maturity for their most recent year as of April 2021. ELS as of December 31, 2020.

(2) Includes all publicly traded U.S. Equity REITs in S&P Global's coverage universe that reported weighted average interest rate for their most recent year as of April 2021. ELS as of December 31, 2020.



Dividend Growth

5 year CAGR

- ELS 13%⁽¹⁾
- REIT Average -4.1%⁽²⁾

Notes:
(1) Compound annual growth rate through 2020.
(2) Source: S&P Global; Includes all publicly traded U.S. Equity REITs in S&P Global's coverage universe that declared regular dividends during the period January 1, 2015 through December 31, 2020.

Acquisitions

ELS has a strong pipeline of external growth opportunities and a disciplined strategy focused on acquiring accretive properties



Voyager RV Resort

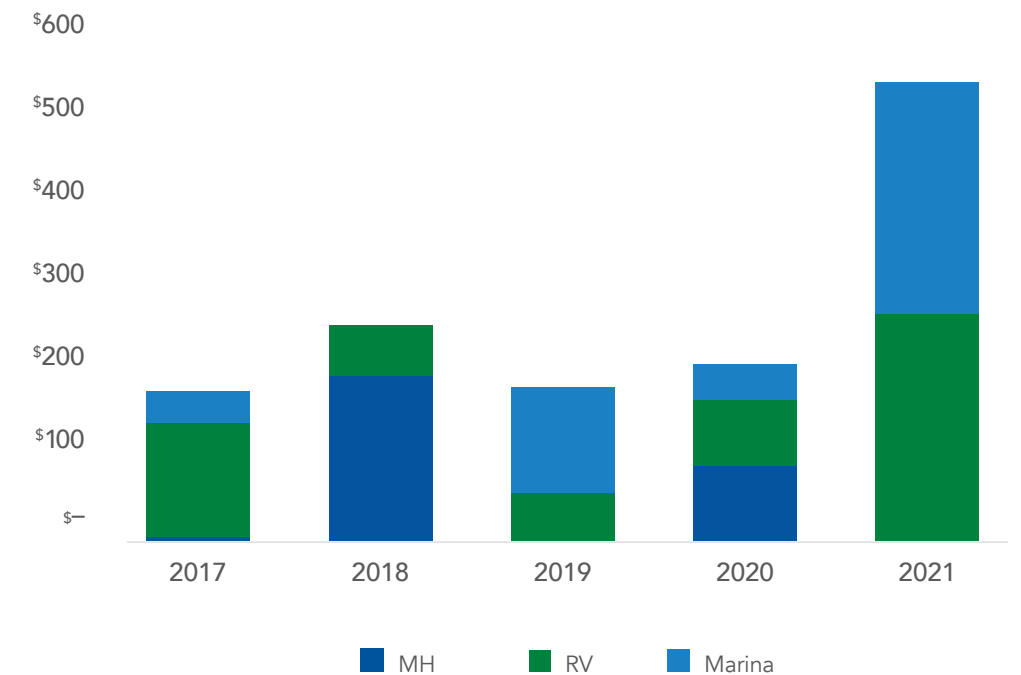
Location: Tuscon, AZ

Total Sites: 1,801

Purchase Price: \$55.3 million

Purchase Date: October 2021

Property Acquisitions



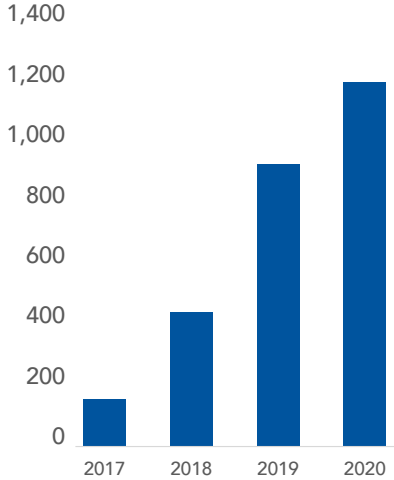
Over \$1 Billion Invested
in New Acquisitions Since 2017

Expansion

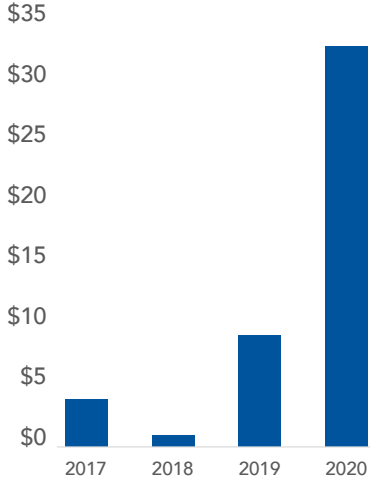
Expansions maximize returns by increasing the number of sites at communities with high demand with minimal increase to operating costs

The land is typically zoned for MH/RV development reducing the timeframe to build out the new sites

Expansion Sites Added



Land Purchases (in Millions)



8% - 12%

Expected Stabilized Yields⁽¹⁾

Planning for ~1,000

expansion sites each year through 2025



Monte Vista – Mesa, AZ
Completed Expansion Sites

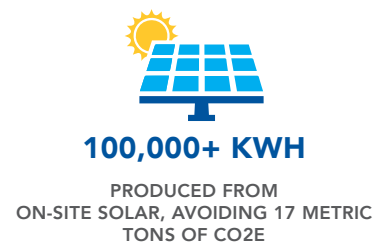


2016



2021

Note: (1) This represents management's estimate based on facts known to management as of the date hereof. There is no guarantee that such yields will be realized at all, in these amounts or over what time table.



Our Sustainability Strategy is in Our Nature: Uniting People, Places & Purpose

Lake George Escape RV Resort
Lake George, NY



SPOTLIGHT: LAKE GEORGE ESCAPE RV RESORT WETLANDS RESTORATION PROJECT

At Lake George Escape RV Resort, a 576-site campground in upstate New York, we completed a \$1 million wetland restoration project in September of 2020.

The wetland remediation project restored and enhanced the wetlands throughout the approximately 175-acre campground, restoring part of a large stream and wetland complex in and around the shores of the beautiful Schroon River.

The restoration project included an overhaul of natural habitats, the replacement of bridges, a significant number of plantings around the shoreline and a back-to-nature experience around the Schroon River for guests of Lake George Escape and visitors to the area.

Note: To download the 2020 Sustainability Report please visit www.equitylifestyleproperties.com/sustainability

At ELS, we are proud of the diversity of our guests and residents and are committed to preserving the unique personality and character of each of our properties. We believe that embracing and fostering this in everything we do is what sets ELS apart.

To us, diversity includes celebrating differences in education, opinions, culture, ethnicity, race, sex, gender identity and expression, nation of origin, age, languages spoken, veteran status, color, religion, disability, sexual orientation and beliefs.

We are especially proud that women represent not only more than 50% of our workforce but also more than 50% of our management positions. Also, as our guest and resident base spans generations, so does our workforce with an average team member age of 51.

SPOTLIGHT: DIVERSITY, EQUITY AND INCLUSION AT ELS

.....

56% 

WOMEN IN MANAGEMENT


SIGNED
CEO **ACTION** FOR
DIVERSITY & INCLUSION™


EXPANDED DEI-RELATED
LEARNING CURRICULUM


RECRUITMENT AND
DEVELOPMENT EFFORTS

4.31

★ ★ ★ ★ ★

AVERAGE RV RESORT
& CAMPGROUND CUSTOMER
SATISFACTION SURVEY SCORE



TEAM MEMBERS
VOLUNTEERED FOR 3,030
COMMUNITY IMPACT
HOURS IN 2020

 ~8,700

COVID-19 VACCINATIONS
FACILITATED AT 39 COMMUNITIES
AS OF APRIL 2021

17 
HOURS

EACH ELS EMPLOYEE
RECEIVED AN AVERAGE OF
17 HOURS OF TRAINING
IN 2020

Note: To download the 2020 Sustainability Report please visit www.equitylifestyleproperties.com/sustainability

els 34



ADOPTED VENDOR
CODE OF CONDUCT

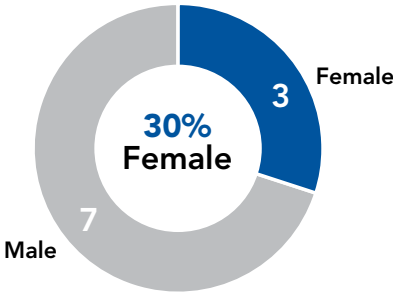
#1
IN
Real Estate

FOR JUST CAPITAL'S
COMMUNITIES CATEGORY



NAMED ONE OF
AMERICA'S MOST
RESPONSIBLE
COMPANIES FOR 2021
BY NEWSWEEK®

Board of Directors
Gender Diversity



At ELS, sustainability is embedded in all aspects of the Company. With a dedicated Sustainability team, we are committed to incorporating ESG principles into our business operations in collaboration with heads of departments.

The ESG Taskforce is comprised of a diverse cross-section of employees to ensure we capture all aspects of Our Nature.

LEADERSHIP	DEPARTMENT STAKEHOLDERS
 Chief Operating Officer (Executive Sponsor)	 Compliance / Communications
 Asset Management (Chairperson)	 Operations
 Investor Relations (Secretary)	 Marketing
	 Risk Management / Financial Reporting
	 Legal
	 Human Resources

Experienced Executive Management Team

Long tenure leadership in the MH, RV, and marina industry

Marguerite Nader

President and CEO

28 Years

Paul Seavey

EVP and CFO

27 Years

Patrick Waite

EVP and COO

28 Years

Roger Maynard

EVP - Investments

24 Years

David Eldersveld

EVP, CLO and Secretary

6 Years

Larisa Drake

EVP, CMO and Sales

8 Years

Forward Looking Statement

Under the Private Securities Litigation Reform Act of 1995:

The forward-looking statements contained in this presentation are subject to certain economic risks and uncertainties described under the heading "Risk Factors" in our 2020 Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 (The "Q3 Quarterly Report"). See our Q3 Quarterly Report for the full text of our forward-looking statements. We assume no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

Non-GAAP Financial Measures

Net Income to FFO and Normalized FFO Reconciliation (in millions)

	2015	2016	2017	2018	2019	2020
Net income available for common stockholder	\$130.1	\$164.0	\$189.9	\$212.6	\$279.1	\$228.3
Income allocated to common OP units	11.1	13.9	12.8	13.8	16.8	13.1
Deferral of right-to-use contracts + sales revenue and commission, net	2.7	2.9	3.8	6.6	9.2	10.4
Depreciation and amortization	117.1	122.1	125.2	139.0	153.4	155.9
Gain on unconsolidated joint ventures	–	–	–	–	–	(1.2)
Gain on real estate	–	–	–	–	(52.5)	–
FFO available for common stock and OP unit holders	261.0	302.9	331.7	372.0	406.0	406.4
Change in fair value of contingent consideration asset	–	–	–	–	–	–
Transaction costs	1.1	1.2	0.7	–	–	–
Early debt retirement	16.9	–	2.7	1.1	2.0	10.8
Litigation settlement, net	–	2.4	–	–	–	–
Insurance proceeds due to catastrophic weather event and other, net ⁽¹⁾	–	–	–	(5.2)	(6.2)	–
Preferred stock original issuance costs	–	–	0.8	–	–	–
COVID-19 expenses	–	–	–	–	–	1.4
Normalized FFO available for common stock and OP unit holders	\$279.0	\$306.5	\$335.9	\$367.9	\$401.8	\$418.7

Note: (1) Includes \$6.2 million and \$6.7 million of insurance recovery revenue from reimbursement for capital expenditures related to Hurricane Irma for the years ended December 31, 2019 and 2018 respectively. Also includes \$1.6 million related to settlement of a previously disclosed civil investigation by certain Californian District attorney for the quarter and year ended December 31, 2018.

Non-GAAP Financial Measures

This presentation contains certain non-GAAP measures used by management that we believe are helpful in understanding our business, as further discussed in the paragraphs below. We believe investors should review these non-GAAP 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. Our definitions and calculations of these non-GAAP financial and operating measures and other terms may differ from the definitions and methodologies used by other REITs and, accordingly, may not be comparable. These non-GAAP financial and operating measures 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 flows 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.

FUNDS FROM OPERATIONS (FFO). We define FFO as net income, computed in accordance with GAAP, excluding gains or losses from sales of properties, depreciation and amortization related to real estate, impairment charges and adjustments to reflect our share of FFO of unconsolidated joint ventures. Adjustments for unconsolidated joint ventures are calculated to reflect FFO on the same basis. We compute FFO in accordance with our interpretation of standards established by the National Association of Real Estate Investment Trusts ("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. We receive non-refundable upfront payments from membership upgrade contracts. In accordance with GAAP, the non-refundable upfront payments and related commissions are deferred and amortized over the estimated membership upgrade contract term. Although the NAREIT definition of FFO does not address the treatment of non-refundable upfront payments, we believe that it is appropriate to adjust for the impact of the deferral activity in our calculation of FFO.

NORMALIZED FUNDS FROM OPERATIONS (NORMALIZED FFO). We define Normalized FFO as FFO excluding non-operating income and expense items, such as gains and losses from early debt extinguishment, including prepayment penalties and defeasance costs, and other miscellaneous non-comparable items.

Normalized FFO presented herein is not necessarily comparable to Normalized FFO presented by other real estate companies due to the fact that not all real estate companies use the same methodology for computing this amount.

We believe that FFO and Normalized FFO are helpful to investors as supplemental measures of the performance of an equity REIT. We believe that by excluding the effect of gains or losses from sales of properties, depreciation and amortization related to real estate and impairment charges, 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. We further believe that Normalized FFO provides useful information to investors, analysts and our management because it allows them to compare our operating performance to the operating performance of other real estate companies and between periods on a consistent basis without having to account for differences not related to our normal operations. For example, we believe that excluding the early extinguishment of debt, and other miscellaneous non-comparable items from FFO allows investors, analysts and our management to assess the sustainability of operating performance in future periods because these costs do not affect the future operations of the properties. In some cases, we provide information about identified non-cash components of FFO and Normalized FFO because it allows investors, analysts and our management to assess the impact of those items.

Non-GAAP Financial Measures Continued

INCOME FROM PROPERTY OPERATIONS, EXCLUDING DEFERRALS AND PROPERTY MANAGEMENT (NOI).

We define Income from property operations, excluding deferrals and property management as rental income, membership subscriptions and upgrade sales, utility and other income less property and rental home operating and maintenance expenses, real estate taxes, sales and marketing expenses, excluding property management and the GAAP deferral of membership upgrade sales upfront payments and membership sales commissions, net. For comparative purposes, we present bad debt expense within Property operating, maintenance and real estate taxes in the current and prior periods. We believe that this Non-GAAP financial measure is helpful to investors and analysts as a measure of the operating results of our properties.

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION FOR REAL ESTATE (EBITDAre) AND ADJUSTED EBITDAre.

We define EBITDAre as net income or loss excluding interest income and expense, income taxes, depreciation and amortization, gains or losses from sales of properties, impairments charges, and adjustments to reflect our share of EBITDAre of unconsolidated joint

ventures. We compute EBITDAre in accordance with our interpretation of the standards established by NAREIT, which may not be comparable to EBITDAre 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. We receive non-refundable upfront payments from membership upgrade contracts. In accordance with GAAP, the non-refundable upfront payments and related commissions are deferred and amortized over the estimated customer life. Although the NAREIT definition of EBITDAre does not address the treatment of non-refundable upfront payments, we believe that it is appropriate to adjust for the impact of the deferral activity in our calculation of EBITDAre. We define Adjusted EBITDAre as EBITDAre excluding non-operating income and expense items, such as gains and losses from early debt extinguishment, including prepayment penalties and defeasance costs, and other miscellaneous non-comparable items. We believe that EBITDAre and Adjusted EBITDAre may be useful to an investor in evaluating our operating performance and liquidity because the measures are widely used to measure the operating performance of an equity REIT.

Consolidated Net Income to EBITDAre and Adjusted EBITDAre Reconciliations (in millions)

Trailing Twelve Months as of September 2021	
Consolidated net income	\$275.5
Interest income	(7.1)
Membership upgrade sales upfront payments, deferred, net	23.8
Membership sales commissions, deferred, net	(4.7)
Real estate depreciation and amortization	177.3
Other depreciation and amortization	2.8
Interest and related amortization	106.0
Loss on sale of real estate, net	0.1
Adjustments to our share of EBITDAre of unconsolidated joint ventures	(0.2)
EBITDAre	573.6
Early debt retirement	2.8
Adjusted EBITDAre	\$576.4