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

FORM 8-K

## CURRENT REPORT
**Pursuant to Section 13 or 15(d) of the**
**Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): October 19, 2015**

# EQUITY LIFESTYLE PROPERTIES, INC.
(Exact name of registrant as specified in its charter)

| | | |
|---|---|---|
| **Maryland** | **1-11718** | **36-3857664** |
| (State or other jurisdiction of incorporation or organization) | (Commission File No.) | (IRS Employer Identification Number) |

| | |
|---|---|
| **Two North Riverside Plaza, Chicago, Illinois** | **60606** |
| (Address of principal executive offices) | (Zip Code) |

**(312) 279-1400**
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
o Pre-commencement material pursuant to Rule 14a14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
o Pre-commencement material pursuant to Rule 13e-4(c) under the Exchange Act (17 CFE 240.13e-4(c))

**Item 2.02 Results of Operations and Financial Condition**

On October 19, 2015, Equity LifeStyle Properties, Inc. (referred to herein as “we,” “us,” and “our”) issued a news release announcing our results of operations for the three and nine months ended September 30, 2015.

The news release also contains detailed guidance assumptions on our projections for 2015 and preliminary projections for 2016. We project our Normalized Funds from Operations (“Normalized FFO”) per Common Share (fully diluted) and Funds from Operations (“FFO”) per Common Share (fully diluted) for the three months and year ending December 31, 2015 to be between $0.70 and $0.76. We also project our Normalized FFO and FFO per Common Share (fully diluted) for the year ending December 31, 2015 to be between $3.00 and $3.06 and $2.81 and $2.87, respectively. We preliminarily project our Normalized FFO and our FFO per Common Share (fully diluted) for the year ending December 31, 2016, to be between $3.15 and $3.25.

We also project our Net income per Common Share (fully diluted) for the three months and year ending December 31, 2015, to be between $0.37 and $0.43 and $1.50 and $1.56, respectively. We preliminarily project our Net income per Common Share (fully diluted) for the year ending December 31, 2016 to be between $1.87 and $1.97.

The projected 2015 and 2016 per Common Share amounts represent a range of possible outcomes and the mid-point of each range reflects management’s best estimate of the most likely outcome. Actual figures could vary materially from these amounts if any of our assumptions are incorrect. The news release is furnished as Exhibit 99.1 to this report on Form 8-K. The news release was also posted on our website, www.equitylifestyle.com, on October 19, 2015.

**Item 7.01 Regulation FD Disclosure**

Our annualized dividend for 2015 is $1.50 per common share. At the next quarterly Board of Directors meeting, our management intends to recommend an increase of $0.20 per common share to the annual dividend for 2016 for a total dividend of $1.70 per common share. Our Board of Directors has the sole discretion to approve an increase of the dividend and therefore there can be no assurance that this increase will be approved.

The information contained in Items 2.02, 7.01 and 9.01 of this report on Form 8-K, including Exhibit 99.1, shall not be deemed “filed” with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by Equity LifeStyle Properties, Inc. under the Securities Act of 1933, as amended.

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, unless the context requires otherwise, are intended to identify forward-looking statements and may include, without limitation, information regarding our expectations, goals or intentions regarding the future, and the expected effect of our recent acquisitions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, including, but not limited to:

- our ability to control costs, real estate market conditions, the actual rate of decline in customers, the actual use of sites by customers and our success in acquiring new customers at our properties (including those that we may acquire);
- our ability to maintain historical or increase future rental rates and occupancy with respect to properties currently owned or that we may acquire;
- our ability to retain and attract customers renewing, upgrading and entering right-to-use contracts;
- our assumptions about rental and home sales markets;
- our assumptions and guidance concerning 2015 and 2016 estimated net income, FFO and Normalized FFO;
- our ability to manage counterparty risk;
- 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 recent acquisitions and our estimates regarding the future performance of recent acquisitions;
- the completion of future transactions in their entirety, if any, and timing and effective integration with respect thereto;
- unanticipated costs or unforeseen liabilities associated with recent acquisitions;
- 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;
- the effect of accounting for the entry of contracts with customers representing a right-to-use the properties under the

Codification Topic “*Revenue Recognition;*”

- the outcome of pending or future lawsuits filed against us, including those disclosed in our filings with the Securities and Exchange Commission, by tenant groups seeking to limit rent increases and/or seeking large damage awards for our alleged failure to properly maintain certain properties or other tenant related matters, such as the case currently pending in the California Court of Appeal, Sixth Appellate District, Case No. H041913, involving our California Hawaiian manufactured home property, including any further proceedings on appeal or in the trial court; and
- other risks indicated from time to time in our 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. We are under no obligation to, and expressly disclaim any obligation to, update or alter our forward-looking statements whether as a result of such changes, new information, subsequent events or otherwise.

We are a fully integrated owner and operator of lifestyle-oriented properties and own or have an interest in 387 quality properties in 32 states and British Columbia consisting of 143,895 sites. We are a self-administered, self-managed, real estate investment trust (REIT) with headquarters in Chicago.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

The information contained in the attached exhibit is unaudited and should be read in conjunction with the Registrant's annual and quarterly reports filed with the Securities and Exchange Commission.

99.1 Equity LifeStyle Properties, Inc. press release dated October 19, 2015, “ELS Reports Third Quarter Results”

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

**EQUITY LIFESTYLE PROPERTIES, INC.**

By:/s/ Paul Seavey
Paul Seavey
Executive Vice President, Chief Financial Officer and Treasurer

Date: October 20, 2015

FOR IMMEDIATE RELEASE
October 19, 2015

# ELS REPORTS THIRD QUARTER RESULTS
## Continued Strong Core Performance

**CHICAGO, IL –** October 19, 2015 **–** Equity LifeStyle Properties, Inc. (NYSE: ELS) (referred to herein as "we," "us," and "our") today announced results for the quarter and nine months ended September 30, 2015. All per share results are reported on a fully diluted basis unless otherwise noted.

**Financial Results for the Quarter Ended September 30, 2015**

Normalized Funds from Operations ("Normalized FFO") available for Common Stockholders increased $7.4 million, or $0.08 per Common Share, to $70.5 million, or $0.77 per Common Share, compared to $63.1 million, or $0.69 per common share, for the same period in 2014. Funds from Operations ("FFO") available for Common Stockholders increased $12.9 million, or $0.14 per Common Share, to $70.3 million, or $0.77 per Common Share, compared to $57.4 million, or $0.63 per Common Share, for the same period in 2014. Net income available for Common Stockholders increased $11.0 million, or $0.12 per Common Share, to $36.7 million, or $0.43 per Common Share, compared to $25.7 million, or $0.31 per Common Share, for the same period in 2014.

**Portfolio Performance**

For the quarter ended September 30, 2015, property operating revenues, excluding deferrals, increased $10.1 million to $199.3 million compared to $189.2 million for the same period in 2014. For the nine months ended September 30, 2015, property operating revenues, excluding deferrals, increased $30.8 million to $585.2 million compared to $554.4 million for the same period in 2014. For the quarter ended September 30, 2015, income from property operations, excluding deferrals and property management, increased $6.5 million to $112.2 million compared to $105.7 million for the same period in 2014. For the nine months ended September 30, 2015, income from property operations, excluding deferrals and property management, increased $20.7 million to $338.1 million compared to $317.4 million for the same period in 2014.

For the quarter ended September 30, 2015, Core property operating revenues increased approximately 4.1 percent and Core income from property operations, excluding deferrals and property management, increased approximately 5.0 percent compared to the same period in 2014. For the nine months ended September 30, 2015, Core property operating revenues increased approximately 4.2 percent and Core income from property operations, excluding deferrals and property management, increased approximately 5.4 percent compared to the same period in 2014.

**About Equity LifeStyle Properties**

We are a self-administered, self-managed real estate investment trust ("REIT") with headquarters in Chicago.
As of October 19, 2015, we own or have an interest in 387 quality properties in 32 states and British Columbia consisting of 143,895 sites.

For additional information, please contact our Investor Relations Department at (800) 247-5279 or at investor_relations@equitylifestyle.com.

**Conference Call**

A live webcast of our conference call discussing these results will take place tomorrow, Tuesday, October 20, 2015, at 10:00 a.m. Central Time. Please visit the Investor Information section at www.equitylifestyle.com for the link. A replay of the webcast will be available for two weeks at this site.

## Reporting Calendar

Quarterly financial results and related earnings conference calls for the next three quarters are expected to occur as follows:

| | Release Date | Earnings Call |
|---|---|---|
| Fourth Quarter 2015 | Monday, January 25, 2016 | Tuesday, January 26, 2016 10:00 a.m. CT |
| First Quarter 2016 | Monday, April 18, 2016 | Tuesday, April 19, 2016 10:00 a.m. CT |
| Second Quarter 2016 | Monday, July 18, 2016 | Tuesday, July 19, 2016 10:00 a.m. CT |

## Forward-Looking Statements

In addition to historical information, this press release 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, unless the context requires otherwise, are intended to identify forward-looking statements and may include, without limitation, information regarding our expectations, goals or intentions regarding the future, and the expected effect of our recent acquisitions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, including, but not limited to:

- our ability to control costs, real estate market conditions, the actual rate of decline in customers, the actual use of sites by customers and our success in acquiring new customers at our properties (including those that we may acquire);
- our ability to maintain historical or increase future rental rates and occupancy with respect to properties currently owned or that we may acquire;
- our ability to retain and attract customers renewing, upgrading and entering right-to-use contracts;
- our assumptions about rental and home sales markets;
- our assumptions and guidance concerning 2015 and 2016 estimated net income, FFO and Normalized FFO;
- our ability to manage counterparty risk;
- 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 recent acquisitions and our estimates regarding the future performance of recent acquisitions;
- the completion of future transactions in their entirety, if any, and timing and effective integration with respect thereto;
- unanticipated costs or unforeseen liabilities associated with recent acquisitions;
- 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;
- the effect of accounting for the entry of contracts with customers representing a right-to-use the properties under the Codification Topic “*Revenue Recognition;*”
- the outcome of pending or future lawsuits filed against us, including those disclosed in our filings with the Securities and Exchange Commission, by tenant groups seeking to limit rent increases and/or seeking large damage awards for our alleged failure to properly maintain certain properties or other tenant related matters, such as the case currently pending in the California Court of Appeal, Sixth Appellate District, Case No. H041913, involving our California Hawaiian manufactured home property, including any further proceedings on appeal or in the trial court; and
- other risks indicated from time to time in our 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. We are under no obligation to, and expressly disclaim any obligation to, update or alter our forward-looking statements whether as a result of such changes, new information, subsequent events or otherwise.

# Investor Information

## Equity Research Coverage [1]

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1. Any opinions, estimates or forecasts regarding our performance made by these analysts or agencies do not represent our opinions, forecasts or predictions. We do not by reference to these firms imply our endorsement of or concurrence with such information, conclusions or recommendations.

# Financial Highlights

*(In millions, except shares outstanding and per share data, unaudited)*

| | As of and for the Three Months Ended | | | | |
|---|---|---|---|---|---|
| | September 30, 2015 | June 30, 2015 | March 31, 2015 | December 31, 2014 | September 30, 2014 |
| **Operating Information** | | | | | |
| Total revenues | $ 210.1 | $ 201.5 | $ 208.4 | $ 190.3 | $ 200.8 |
| Net income | $ 42.1 | $ 36.8 | $ 31.8 | $ 34.3 | $ 30.3 |
| Net income available for Common Shares | $ 36.7 | $ 31.8 | $ 27.2 | $ 29.4 | $ 25.7 |
| Normalized EBITDA (1) | $ 99.0 | $ 92.9 | $ 106.1 | $ 91.2 | $ 93.3 |
| FFO available for Common Shares (1)(2) | $ 70.3 | $ 64.5 | $ 59.1 | $ 60.3 | $ 57.4 |
| Normalized FFO available for Common Shares (1)(2) | $ 70.5 | $ 64.5 | $ 76.5 | $ 60.8 | $ 63.1 |
| Funds available for distribution (FAD) available for Common Shares (1)(2) | $ 62.5 | $ 53.6 | $ 69.1 | $ 53.2 | $ 57.1 |
| **Shares Outstanding and Per Share Data** | | | | | |
| Common stock and OP units, end of the period | 91,505 | 91,498 | 91,462 | 91,112 | 91,138 |
| Weighted average Common Shares outstanding - fully diluted | 91,940 | 91,851 | 91,777 | 91,644 | 91,528 |
| Net income per Common Share - fully diluted | $ 0.43 | $ 0.38 | $ 0.32 | $ 0.35 | $ 0.31 |
| FFO per Common Share - fully diluted | $ 0.77 | $ 0.70 | $ 0.64 | $ 0.66 | $ 0.63 |
| Normalized FFO per Common Share - fully diluted | $ 0.77 | $ 0.70 | $ 0.83 | $ 0.66 | $ 0.69 |
| FAD per Common Share - fully diluted | $ 0.68 | $ 0.58 | $ 0.75 | $ 0.58 | $ 0.62 |
| Dividends per Common Share | $ 0.375 | $ 0.375 | $ 0.375 | $ 0.325 | $ 0.325 |
| **Balance Sheet** | | | | | |
| Total assets | $ 3,440 | $ 3,448 | $ 3,469 | $ 3,446 | $ 3,451 |
| Total liabilities | $ 2,450 | $ 2,466 | $ 2,490 | $ 2,467 | $ 2,475 |
| **Market Capitalization** | | | | | |
| Total debt | $ 2,156 | $ 2,167 | $ 2,212 | $ 2,212 | $ 2,206 |
| Total market capitalization (3) | $ 7,651 | $ 7,114 | $ 7,374 | $ 7,045 | $ 6,203 |
| **Ratios** | | | | | |
| Total debt / total market capitalization | 28.2% | 30.5% | 30.0% | 31.4% | 35.6% |
| Total debt + preferred stock / total market capitalization | 30.0% | 32.4% | 31.8% | 33.3% | 37.8% |
| Total debt / Normalized EBITDA (4) | 5.5 | 5.7 | 5.8 | 5.9 | 5.9 |
| Interest coverage (5) | 4.0 | 3.7 | 4.1 | 3.4 | 3.5 |
| Fixed charges + preferred distributions coverage (6) | 3.5 | 3.3 | 3.6 | 3.0 | 3.1 |

1. See page 19-20 for non-GAAP measure definitions of Normalized EBITDA, FFO, Normalized FFO and FAD.
2. See page 6 for a reconciliation of Net income available for Common Shares to FFO available for Common Shares, Normalized FFO available for Common Shares and FAD available for Common Shares.
3. See page 17 for market capitalization calculation as of September 30, 2015.
4. Represents trailing twelve months Normalized EBITDA. We believe trailing twelve months Normalized EBITDA provides additional information for determining our ability to meet future debt service requirements.
5. Interest coverage is calculated by dividing Normalized EBITDA for the period by the interest expense incurred.
6. See page 20 for a definition of fixed charges. This ratio is calculated by dividing Normalized EBITDA for the period by the sum of fixed charges and preferred stock dividends.

# Third Quarter 2015 - Selected Financial Data

*(In millions, except shares outstanding and per share data, unaudited)*

| | | Quarter Ended September 30, 2015 |
|---|---|---|
| Income from property operations, excluding deferrals and property management - 2015 Core [(1)] | $ | 110.7 |
| Income from property operations, excluding deferrals and property management - Acquisitions [(2)] | | 1.5 |
| Property management and general and administrative (excluding transaction costs) | | (18.5) |
| Other income and expenses | | 5.3 |
| Financing costs and other | | (28.5) |
| **Normalized FFO available for Common Shares [(3)]** | | **70.5** |
| Transaction costs | | (0.1) |
| **FFO available for Common Shares[(3)]** | **$** | **70.4** |
| | | |
| Normalized FFO per Common Share - fully diluted | $ | 0.77 |
| FFO per Common Share - fully diluted | $ | 0.77 |
| | | |
| **Normalized FFO available for Common Shares [(3)]** | $ | 70.5 |
| Non-revenue producing improvements to real estate | | (7.9) |
| **FAD available for Common Shares [(3)]** | **$** | **62.6** |
| | | |
| FAD per Common Share - fully diluted | $ | 0.68 |
| | | |
| Weighted average Common Shares outstanding - fully diluted | | 91.9 |

1. See page 19-20 for definitions of Income from property operations, excluding deferrals and property management, and Core. See page 8 for details of the 2015 Core Income from Property Operations, excluding deferrals and property management.
2. See page 20 for definition of Acquisition properties. See page 9 for details of the Income from Property Operations, excluding deferrals and property management for the Acquisition properties.
3. See page 6 for a reconciliation of Net income available for Common Shares to FFO available for Common Shares, Normalized FFO available for Common Shares and FAD available for Common Shares. See definitions of FFO, Normalized FFO and FAD on page 19.

# Balance Sheet

*(In thousands, except share and per share data)*

| | September 30, 2015 (unaudited) | December 31, 2014 |
|---|---|---|
| **Assets** | | |
| Investment in real estate: | | |
| Land | $ 1,101,685 | $ 1,091,550 |
| Land improvements | 2,773,269 | 2,734,304 |
| Buildings and other depreciable property | 584,132 | 562,059 |
| | 4,459,086 | 4,387,913 |
| Accumulated depreciation | (1,254,085) | (1,169,492) |
| Net investment in real estate | 3,205,001 | 3,218,421 |
| Cash | 85,662 | 73,714 |
| Notes receivable, net | 36,334 | 37,137 |
| Investment in unconsolidated joint ventures | 17,554 | 13,512 |
| Deferred financing costs, net | 24,263 | 21,833 |
| Deferred commission expense | 30,781 | 28,589 |
| Escrow deposits, goodwill, and other assets, net | 40,062 | 53,133 |
| **Total Assets** | **$ 3,439,657** | **$ 3,446,339** |
| **Liabilities and Equity** | | |
| Liabilities: | | |
| Mortgage notes payable | $ 1,956,246 | $ 2,012,246 |
| Term loan | 200,000 | 200,000 |
| Unsecured lines of credit | — | — |
| Accrued expenses and accounts payable | 93,167 | 64,520 |
| Deferred revenue – upfront payments from right-to-use contracts | 78,103 | 74,174 |
| Deferred revenue – right-to-use annual payments | 10,860 | 9,790 |
| Accrued interest payable | 8,579 | 9,496 |
| Rents and other customer payments received in advance and security deposits | 69,212 | 67,463 |
| Distributions payable | 34,314 | 29,623 |
| **Total Liabilities** | 2,450,481 | 2,467,312 |
| Equity: | | |
| Stockholders' Equity: | | |
| Preferred stock, $0.01 par value 9,945,539 shares authorized as of September 30, 2015 and 9,765,900 shares authorized as of December 31, 2014; none issued and outstanding. As of December 31, 2014 includes 179,639 authorized shares 6% Series D Cumulative Preferred stock authorized, 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 September 30, 2015 and December 31, 2014 at liquidation value | 136,144 | 136,144 |
| Common stock, $0.01 par value 200,000,000 shares authorized as of September 30, 2015 and December 31, 2014; 84,296,350 and 83,879,779 shares issued and outstanding as of September 30, 2015 and December 31, 2014, respectively | 843 | 838 |
| Paid-in capital | 1,039,842 | 1,029,601 |
| Distributions in excess of accumulated earnings | (253,396) | (254,209) |
| Accumulated other comprehensive loss | (1,612) | (381) |
| Total Stockholders' Equity | 921,821 | 911,993 |
| Non-controlling interests – Common OP Units | 67,355 | 67,034 |
| **Total Equity** | 989,176 | 979,027 |
| **Total Liabilities and Equity** | **$ 3,439,657** | **$ 3,446,339** |

# Consolidated Income Statement

*(In thousands, unaudited)*

| | Quarters Ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| **Revenues:** | | | | |
| Community base rental income | $ 110,908 | $ 106,967 | $ 330,251 | $ 319,514 |
| Rental home income | 3,413 | 3,684 | 10,526 | 11,187 |
| Resort base rental income | 49,765 | 44,351 | 142,837 | 126,188 |
| Right-to-use annual payments | 11,334 | 11,404 | 33,260 | 33,859 |
| Right-to-use contracts current period, gross | 3,889 | 4,168 | 10,264 | 10,512 |
| Right-to-use contract upfront payments, deferred, net | (1,701) | (1,989) | (3,929) | (4,303) |
| Utility and other income | 20,027 | 18,581 | 58,010 | 53,070 |
| Gross revenues from home sales | 7,878 | 8,717 | 24,341 | 20,455 |
| Brokered resale revenue and ancillary services revenues, net | 1,051 | 1,124 | 4,045 | 3,491 |
| Interest income | 1,758 | 1,902 | 5,314 | 6,477 |
| Income from other investments, net | 1,822 | 1,869 | 5,119 | 6,098 |
| Total revenues | 210,144 | 200,778 | 620,038 | 586,548 |
| **Expenses:** | | | | |
| Property operating and maintenance | 69,227 | 66,105 | 194,522 | 186,018 |
| Rental home operating and maintenance | 1,874 | 1,829 | 5,232 | 5,376 |
| Real estate taxes | 12,923 | 12,263 | 38,169 | 36,905 |
| Sales and marketing, gross | 3,105 | 3,242 | 9,139 | 8,674 |
| Right-to-use contract commissions, deferred, net | (464) | (757) | (1,471) | (2,022) |
| Property management | 11,361 | 11,086 | 33,750 | 32,169 |
| Depreciation on real estate assets and rental homes | 28,410 | 27,831 | 84,861 | 83,234 |
| Amortization of in-place leases | 616 | 1,075 | 1,950 | 3,791 |
| Cost of home sales | 7,868 | 8,156 | 23,685 | 19,679 |
| Home selling expenses | 861 | 513 | 2,386 | 1,710 |
| General and administrative [(1)] | 7,225 | 7,623 | 22,172 | 20,178 |
| Property rights initiatives and other | 687 | 751 | 1,934 | 2,063 |
| Early debt retirement | — | 5,087 | 16,922 | 5,087 |
| Interest and related amortization | 26,227 | 27,864 | 79,648 | 84,177 |
| Total expenses | 169,920 | 172,668 | 512,899 | 487,039 |
| Income before equity in income of unconsolidated joint ventures and gain on sale of property | 40,224 | 28,110 | 107,139 | 99,509 |
| Equity in income of unconsolidated joint ventures | 1,882 | 1,237 | 3,606 | 3,768 |
| Gain on sale of property | — | 929 | — | 929 |
| Consolidated net income | 42,106 | 30,276 | 110,745 | 104,206 |
| Income allocated to non-controlling interest-Common OP Units | (3,136) | (2,219) | (8,191) | (7,929) |
| Series C Redeemable Perpetual Preferred Stock Dividends | (2,297) | (2,311) | (6,910) | (6,949) |
| **Net income available for Common Shares** | **$ 36,673** | **$ 25,746** | **$ 95,644** | **$ 89,328** |

1. Includes transaction costs, see Reconciliation of Net income available for Common Shares to FFO available for Common Shares, Normalized FFO available for Common Shares and FAD available for Common Shares on page 6.

# Reconciliation of Net Income to FFO, Normalized FFO and FAD

*(In thousands, except shares outstanding and per share data, unaudited)*

| | Quarters Ended September 30, 2015 | Quarters Ended September 30, 2014 | Nine months ended September 30, 2015 | Nine months ended September 30, 2014 |
|---|---|---|---|---|
| **Net income available for Common Shares** | **$ 36,673** | **$ 25,746** | **$ 95,644** | **$ 89,328** |
| Income allocated to common OP Units | 3,136 | 2,219 | 8,191 | 7,929 |
| Right-to-use contract upfront payments, deferred, net [1] | 1,701 | 1,989 | 3,929 | 4,303 |
| Right-to-use contract commissions, deferred, net [2] | (464) | (757) | (1,471) | (2,022) |
| Depreciation on real estate assets | 25,747 | 25,058 | 76,811 | 74,947 |
| Depreciation on rental homes | 2,663 | 2,773 | 8,050 | 8,287 |
| Amortization of in-place leases | 616 | 1,075 | 1,950 | 3,791 |
| Depreciation on unconsolidated joint ventures | 274 | 228 | 799 | 690 |
| Gain on sale of property | — | (929) | — | (929) |
| **FFO available for Common Shares[3]** | **$ 70,346** | **$ 57,402** | **$ 193,903** | **$ 186,324** |
| Change in fair value of contingent consideration asset [4] | — | — | — | (65) |
| Transaction costs [5] | 121 | 620 | 603 | 1,151 |
| Early debt retirement | — | 5,087 | 16,922 | 5,087 |
| **Normalized FFO available for Common Shares[3]** | **70,467** | **63,109** | **211,428** | **192,497** |
| Non-revenue producing improvements to real estate | (7,931) | (5,983) | (26,196) | (17,286) |
| **FAD available for Common Shares [3]** | **$ 62,536** | **$ 57,126** | **$ 185,232** | **$ 175,211** |
| | | | | |
| **Net income available per Common Share - Basic** | **$ 0.44** | **$ 0.31** | **$ 1.14** | **$ 1.07** |
| **Net income available per Common Share - Fully Diluted** | **$ 0.43** | **$ 0.31** | **$ 1.13** | **$ 1.06** |
| | | | | |
| **FFO per Common Share - Basic** | **$ 0.77** | **$ 0.63** | **$ 2.13** | **$ 2.05** |
| **FFO per Common Share - Fully Diluted** | **$ 0.77** | **$ 0.63** | **$ 2.11** | **$ 2.04** |
| | | | | |
| **Normalized FFO per Common Share - Basic** | **$ 0.77** | **$ 0.70** | **$ 2.32** | **$ 2.12** |
| **Normalized FFO per Common Share - Fully Diluted** | **$ 0.77** | **$ 0.69** | **$ 2.30** | **$ 2.10** |
| | | | | |
| **FAD per Common Share - Basic** | **$ 0.69** | **$ 0.63** | **$ 2.03** | **$ 1.93** |
| **FAD per Common Share - Fully Diluted** | **$ 0.68** | **$ 0.62** | **$ 2.02** | **$ 1.92** |
| | | | | |
| Average Common Shares - Basic | 84,057 | 83,531 | 84,016 | 83,295 |
| Average Common Shares and OP Units - Basic | 91,269 | 90,784 | 91,236 | 90,766 |
| Average Common Shares and OP Units - Fully Diluted | 91,940 | 91,528 | 91,877 | 91,471 |

1. We are required by GAAP to defer, over the estimated customer life, recognition of non-refundable upfront payments from sales of new and upgrade right-to-use contracts. The customer life is currently estimated to be 31 years and is based upon our experience operating the membership platform since 2008. The amount shown represents the deferral of a substantial portion of current period upgrade sales, offset by amortization of prior period sales.
2. We are required by GAAP to defer recognition of commissions paid related to the entry of right-to-use contracts. The deferred commissions will be amortized using the same method as used for the related non-refundable upfront payments from the entry of right-to-use contracts and upgrade sales. The amount shown represents the deferral of a substantial portion of current period commissions on those contracts, offset by the amortization of prior period commissions.
3. See page 19 for non-GAAP measure definitions of FFO, Normalized FFO and FAD.
4. Included in Income from other investments, net on the Consolidated Income Statement on page 5.
5. Included in general and administrative on the Consolidated Income Statement on page 5.

# Consolidated Income from Property Operations [1]

*(In millions, except home site and occupancy figures, unaudited)*

| | Quarters Ended September 30, 2015 | Quarters Ended September 30, 2014 | Nine months ended September 30, 2015 | Nine months ended September 30, 2014 |
|---|---|---|---|---|
| Community base rental income [2] | $ 110.9 | $ 107.0 | $ 330.3 | $ 319.5 |
| Rental home income | 3.4 | 3.7 | 10.5 | 11.2 |
| Resort base rental income [3] | 49.8 | 44.4 | 142.8 | 126.2 |
| Right-to-use annual payments | 11.3 | 11.4 | 33.3 | 33.9 |
| Right-to-use contracts current period, gross | 3.9 | 4.2 | 10.3 | 10.5 |
| Utility and other income | 20.0 | 18.5 | 58.0 | 53.1 |
| Property operating revenues | 199.3 | 189.2 | 585.2 | 554.4 |
| | | | | |
| Property operating, maintenance and real estate taxes | 82.1 | 78.5 | 232.8 | 222.9 |
| Rental home operating and maintenance | 1.9 | 1.8 | 5.2 | 5.4 |
| Sales and marketing, gross | 3.1 | 3.2 | 9.1 | 8.7 |
| Property operating expenses | 87.1 | 83.5 | 247.1 | 237.0 |
| **Income from property operations, excluding deferrals and property management [1]** | **$ 112.2** | **$ 105.7** | **$ 338.1** | **$ 317.4** |
| | | | | |
| **Manufactured home site figures and occupancy averages:** | | | | |
| Total sites | 70,126 | 69,933 | 70,112 | 69,949 |
| Occupied sites | 64,918 | 64,405 | 64,767 | 64,363 |
| Occupancy % | 92.6% | 92.1% | 92.4% | 92.0% |
| Monthly base rent per site | $ 569 | $ 554 | $ 567 | $ 552 |
| | | | | |
| **Resort base rental income:** | | | | |
| Annual | $ 29.1 | $ 26.1 | $ 85.5 | $ 76.8 |
| Seasonal | 3.9 | 3.3 | 22.6 | 19.3 |
| Transient | 16.8 | 15.0 | 34.7 | 30.1 |
| Total resort base rental income | $ 49.8 | $ 44.4 | $ 142.8 | $ 126.2 |

1. See page 5 for the Consolidated Income Statement and page 19-20 for a definition and reconciliation of Income from property operations, excluding deferrals and property management.
2. See the manufactured home site figures and occupancy averages below within this table.
3. See resort base rental income detail included below within this table.

# 2015 Core Income from Property Operations [1]

*(In millions, except home site and occupancy figures, unaudited)*

| | Quarters Ended September 30, 2015 | Quarters Ended September 30, 2014 | % Change [2] | Nine months ended September 30, 2015 | Nine months ended September 30, 2014 | % Change [2] |
|---|---|---|---|---|---|---|
| Community base rental income [3] | $ 110.8 | $ 107.0 | *3.6 %* | $ 330.0 | $ 319.5 | *3.3 %* |
| Rental home income | 3.4 | 3.7 | *(7.4)%* | 10.5 | 11.2 | *(5.9)%* |
| Resort base rental income [4] | 46.5 | 43.3 | *7.5 %* | 133.6 | 123.7 | *8.0 %* |
| Right-to-use annual payments | 11.3 | 11.4 | *(0.6)%* | 33.3 | 33.9 | *(1.8)%* |
| Right-to-use contracts current period, gross | 3.9 | 4.2 | *(6.7)%* | 10.3 | 10.5 | *(2.4)%* |
| Utility and other income | 19.8 | 18.5 | *6.4 %* | 57.1 | 52.9 | *8.1 %* |
| Property operating revenues | 195.7 | 188.1 | *4.1 %* | 574.8 | 551.7 | *4.2 %* |
| | | | | | | |
| Property operating, maintenance and real estate taxes | 80.0 | 77.7 | *3.1 %* | 227.5 | 221.6 | *2.7 %* |
| Rental home operating and maintenance | 1.9 | 1.8 | *2.5 %* | 5.2 | 5.4 | *(2.7)%* |
| Sales and marketing, gross | 3.1 | 3.2 | *(4.3)%* | 9.1 | 8.7 | *5.3 %* |
| Property operating expenses | 85.0 | 82.7 | *2.8 %* | 241.8 | 235.7 | *2.6 %* |
| **Income from property operations, excluding deferrals and property management [1]** | **$ 110.7** | **$ 105.4** | ***5.0 %*** | **$ 333.0** | **$ 316.0** | ***5.4 %*** |
| **Occupied sites [5]** | **64,880** | **64,500** | | | | |
| | | | | | | |
| **Core manufactured home site figures and occupancy averages:** | | | | | | |
| Total sites | 69,848 | 69,805 | | 69,851 | 69,821 | |
| Occupied sites | 64,785 | 64,405 | | 64,645 | 64,363 | |
| Occupancy % | 92.8% | 92.3% | | 92.5% | 92.2% | |
| Monthly base rent per site | $ 570 | $ 554 | | $ 567 | $ 552 | |
| | | | | | | |
| **Resort base rental income:** | | | | | | |
| Annual | $ 26.8 | $ 25.3 | *5.9 %* | $ 78.9 | $ 74.6 | *5.8 %* |
| Seasonal | 3.7 | 3.3 | *12.5 %* | 21.4 | 19.3 | *10.8 %* |
| Transient | 16.0 | 14.7 | *9.0 %* | 33.3 | 29.8 | *11.8 %* |
| Total resort base rental income | $ 46.5 | $ 43.3 | *7.5 %* | $ 133.6 | $ 123.7 | *8.0 %* |

1. See page 19-20 for definitions of Income from property operations, excluding deferrals and property management, and Core.
2. Calculations prepared using actual results without rounding.
3. See the Core manufactured home site figures and occupancy averages included below within this table.
4. See resort base rental income detail included below within this table.
5. Occupied sites as of the end of the period shown. Occupied sites have increased by 339 from 64,541 at December 31, 2014.

# Acquisitions - Income from Property Operations [1]

*(In millions, unaudited)*

| | Quarter Ended September 30, 2015 | Nine months ended September 30, 2015 |
|---|---|---|
| Community base rental income | $ 0.1 | $ 0.3 |
| Resort base rental income | 3.2 | 9.2 |
| Utility income and other property income | 0.3 | 0.8 |
| Property operating revenues | 3.6 | 10.3 |
| | | |
| Property operating expenses | 2.1 | 5.2 |
| **Income from property operations, excluding deferrals and property management** | **$ 1.5** | **$ 5.1** |

1. See page 20 for definition of Acquisition properties.

# Income from Rental Home Operations

*(In millions, except occupied rentals, unaudited)*

| | Quarters Ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| **Manufactured homes:** | | | | |
| New home | $ 5.6 | $ 5.6 | $ 16.9 | $ 17.2 |
| Used home | 7.0 | 7.9 | 21.3 | 23.8 |
| Rental operations revenues [1] | 12.6 | 13.5 | 38.2 | 41.0 |
| Rental operations expense | 1.9 | 1.8 | 5.2 | 5.4 |
| Income from rental operations, before depreciation | 10.7 | 11.7 | 33.0 | 35.6 |
| Depreciation on rental homes | 2.7 | 2.8 | 8.1 | 8.3 |
| **Income from rental operations, after depreciation** | **$ 8.0** | **$ 8.9** | **$ 25.0** | **$ 27.3** |
| | | | | |
| **Occupied rentals:** [2] | | | | |
| New | 2,076 | 2,087 | | |
| Used | 2,876 | 3,276 | | |
| **Total occupied rental sites** | 4,952 | 5,363 | | |

| | As of | | | |
|---|---|---|---|---|
| | September 30, 2015 | | September 30, 2014 | |
| **Cost basis in rental homes:** [3] | Gross | Net of Depreciation | Gross | Net of Depreciation |
| New | $ 110.2 | $ 89.2 | $ 110.7 | $ 94.2 |
| Used | 58.8 | 39.0 | 64.2 | 50.5 |
| Total rental homes | $ 169.0 | $ 128.2 | $ 174.9 | $ 144.7 |

1. For the quarters ended September 30, 2015 and 2014, approximately $9.2 million and $9.8 million, respectively, are included in the Community base rental income in the Consolidated Income from Property Operations table on page 7. For the nine months ended September 30, 2015 and 2014, approximately $27.7 million and $29.8 million, respectively, are included in the Community base rental income in the Consolidated Income from Property Operations table on page 7. The remainder of the rental operations revenue is included in the Rental home income in the Consolidated Income from Property Operations table on page 7.
2. Occupied rentals as of the end of the period shown in our Core portfolio. For the quarters ended September 30, 2015 and 2014, includes 72 and 15 homes rented through our ECHO joint venture, respectively. For the nine months ended September 30, 2015 and 2014, the rental home investment associated with our ECHO joint venture totals approximately $2.5 million and $0.6 million.
3. Includes both occupied and unoccupied rental homes. New home cost basis does not include the costs associated with our ECHO joint venture. At September 30, 2015 and 2014, our investment in the ECHO joint venture was approximately $10.0 million and $6.0 million, respectively.

# Total Sites and Home Sales

*(In thousands, except sites and home sale volumes, unaudited)*

**Summary of Total Sites as of September 30, 2015**

| | Sites |
|---|---|
| Community sites | 70,100 |
| Resort sites: | |
| Annuals | 25,800 |
| Seasonal | 10,400 |
| Transient | 10,400 |
| Membership [1] | 24,100 |
| Joint Ventures [2] | 3,100 |
| **Total** | **143,900** |

**Home Sales - Select Data**

| | Quarters Ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** |
| Total New Home Sales Volume [3] | 123 | 106 | 352 | 237 |
| *New Home Sales Volume - ECHO joint venture* | *52* | *52* | *140* | *94* |
| New Home Sales Gross Revenues[3] | $ 3,901 | $ 4,051 | $ 12,186 | $ 9,771 |
| | | | | |
| Used Home Sales Volume | 357 | 424 | 1,174 | 1,144 |
| Used Home Sales Gross Revenues | $ 3,977 | $ 4,666 | $ 12,155 | $ 10,684 |
| | | | | |
| Brokered Home Resales Volume | 202 | 251 | 668 | 720 |
| Brokered Home Resale Revenues, net | $ 290 | $ 336 | $ 941 | $ 916 |

1. Sites primarily utilized by approximately 102,000 members. Includes approximately 5,400 sites rented on an annual basis.
2. Joint venture income is included in the Equity in income from unconsolidated joint ventures in the Consolidated Income Statement on page 5.
3. Total new home sales volume includes home sales from our ECHO joint venture. New home sales gross revenues does not include the revenues associated with our ECHO joint venture.

# 2015 Guidance - Selected Financial Data [1]

Our guidance acknowledges the existence of volatile economic conditions, which may impact our current guidance assumptions. Factors impacting 2015 guidance include, but are not limited to the following: (i) the mix of site usage within the portfolio; (ii) yield management on our short-term resort sites; (iii) scheduled or implemented rate increases on community and resort sites; (iv) scheduled or implemented rate increases in annual payments under right-to-use contracts; (v) occupancy changes; (vi) our ability to retain and attract customers renewing or entering right-to-use contracts; (vii) our ability to integrate and operate recent acquisitions in accordance with our estimates; (viii) completion of pending transactions in their entirety and on assumed schedule; and (ix) ongoing legal matters and related fees.

*(In millions, except per share data, unaudited)*

| | Quarter Ended December 31, 2015 | Year Ended December 31, 2015 |
|---|---|---|
| Income from property operations, excluding deferrals and property management - 2015 Core [2] | $ 109.8 | $ 442.8 |
| Income from property operations - Acquisitions [3] | 1.5 | 6.7 |
| Property management and general and administrative | (18.1) | (73.4) |
| Other income and expenses | 1.9 | 17.1 |
| Financing costs and other | (28.3) | (115.0) |
| **Normalized FFO available for Common Shares [4]** | **66.8** | **278.2** |
| Transaction costs | — | (0.6) |
| Early debt retirement | — | (16.9) |
| **FFO available for Common Shares [4]** | **66.8** | **260.7** |
| Depreciation on real estate and other | (26.5) | (105.9) |
| Depreciation on rental homes | (2.6) | (10.7) |
| Deferral of right-to-use contract sales revenue and commission, net | (0.9) | (3.4) |
| Income allocated to OP units | (2.9) | (11.1) |
| **Net income available for Common Shares** | **$ 33.9** | **$ 129.6** |
| | | |
| Normalized FFO per Common Share - fully diluted | $0.70 - $0.76 | $3.00 - $3.06 |
| FFO per Common Share - fully diluted | $0.70 - $0.76 | $2.81 - $2.87 |
| Net income per Common Share - fully diluted [5] | $0.37 - $0.43 | $1.50 - $1.56 |
| | | |
| Weighted average Common Shares outstanding - fully diluted | 92.0 | 91.9 |

1. Each line item represents the mid-point of a range of possible outcomes and reflects management's estimate of the most likely outcome. Actual Normalized FFO available for Common Shares, Normalized FFO per Common Share, FFO available for Common Shares, FFO per Common Share, Net income available for Common Shares and Net income per Common Share could vary materially from amounts presented above if any of our assumptions are incorrect.
2. See page 13 for 2015 Core Guidance Assumptions. Amount represents 2014 income from property operations, excluding deferrals and property management, from the 2015 Core properties of $103.9 million multiplied by an estimated growth rate of 5.7% and $419.9 million multiplied by an estimated growth rate of 5.4% for the quarter and year ended December 31, 2015, respectively.
3. See page 13 for the 2015 Assumptions regarding the Acquisition properties.
4. See page 19 for definitions of Normalized FFO and FFO.
5. Net income per fully diluted Common Share is calculated before Income allocated to Common OP Units.

## 2015 Core Guidance Assumptions[1]

*(In millions, unaudited)*

| | Quarter Ended December 31, 2014 | Fourth Quarter 2015 Growth Factors (2) | Year Ended December 31, 2014 | 2015 Growth Factors (2) |
|---|---|---|---|---|
| Community base rental income | $ 107.4 | 3.6 % | $ 426.9 | 3.4 % |
| Rental home income | 3.6 | (5.8)% | 14.8 | (5.9)% |
| Resort base rental income (3) | 36.2 | 6.6 % | 159.9 | 7.7 % |
| Right-to-use annual payments | 11.0 | 0.8 % | 44.9 | (1.1)% |
| Right-to-use contracts current period, gross | 3.4 | (6.9)% | 13.9 | (3.5)% |
| Utility and other income | 17.1 | 1.5 % | 69.9 | 6.5 % |
| Property operating revenues | 178.7 | 3.5 % | 730.3 | 4.0 % |
| Property operating, maintenance, and real estate taxes | 69.0 | 1.6 % | 290.6 | 2.4 % |
| Rental home operating and maintenance | 2.1 | (4.9)% | 7.4 | (3.3)% |
| Sales and marketing, gross | 3.7 | (20.8)% | 12.4 | (2.6)% |
| Property operating expenses | 74.8 | 0.3 % | 310.4 | 2.1 % |
| **Income from property operations, excluding deferrals and property management** | **$ 103.9** | **5.7 %** | **$ 419.9** | **5.4 %** |
| **Resort base rental income:** | | | | |
| Annual | $ 25.9 | 6.0 % | $ 100.5 | 5.8 % |
| Seasonal | 5.6 | 8.0 % | 24.9 | 10.2 % |
| Transient | 4.7 | 8.0 % | 34.5 | 11.3 % |
| Total resort base rental income | $ 36.2 | 6.6 % | $ 159.9 | 7.7 % |

## 2015 Assumptions Regarding Acquisition Properties [1]

*(In millions, unaudited)*

| | Quarter Ended December 31, 2015 (4) | Year Ended December 31, 2015 (4) |
|---|---|---|
| Community base rental income | $ 0.1 | $ 0.4 |
| Resort base rental income | 3.0 | 12.2 |
| Utility income and other property income | 0.2 | 1.1 |
| Property operating revenues | 3.3 | 13.7 |
| Property operating, maintenance, and real estate taxes | 1.8 | 7.0 |
| Property operating expenses | 1.8 | 7.0 |
| **Income from property operations, excluding deferrals and property management** | **$ 1.5** | **$ 6.7** |

1. Refer to page 20 for definition of Core and Acquisition properties.
2. Management's estimate of the growth of property operations in the 2015 Core properties compared to actual 2014 performance. Represents our estimate of the mid-point of a range of possible outcomes. Calculations prepared using actual results without rounding. Actual growth could vary materially from amounts presented above if any of our assumptions are incorrect.
3. See Resort base rental income table included below within this table.
4. Each line item represents our estimate of the mid-point of a possible range of outcomes and reflects management's best estimate of the most likely outcome for the Acquisition properties. Actual income from property operations for the Acquisition properties could vary materially from amounts presented above if any of our assumptions are incorrect.

# Preliminary 2016 Guidance - Selected Financial Data [1]

Our guidance acknowledges the existence of volatile economic conditions, which may impact our current guidance assumptions. Factors impacting 2016 guidance include, but are not limited to the following: (i) the mix of site usage within the portfolio; (ii) yield management on our short-term resort sites; (iii) scheduled or implemented rate increases on community and resort sites; (iv) scheduled or implemented rate increases in annual payments under right-to-use contracts; (v) occupancy changes; (vi) our ability to retain and attract customers renewing or entering right-to-use contracts; (vii) our ability to integrate and operate recent acquisitions in accordance with our estimates; (viii) completion of pending transactions in their entirety and on assumed schedule; and (ix) ongoing legal matters and related fees.

*(In millions, except per share data, unaudited)*

| | Year Ended December 31, 2016 |
|---|---|
| Income from property operations, excluding deferrals and property management - 2016 Core [2] | $ 466.5 |
| Income from property operations - Acquisitions | 1.6 |
| Property management and general and administrative | (76.3) |
| Other income and expenses | 14.7 |
| Financing costs and other | (111.6) |
| **Normalized FFO and FFO available for Common Shares [3]** | **294.9** |
| Depreciation on real estate and other | (103.8) |
| Depreciation on rental homes | (10.5) |
| Deferral of right-to-use contract sales revenue and commission, net | (3.9) |
| Income allocated to OP units | (13.9) |
| **Net income available for Common Shares** | **$ 162.8** |
| | |
| Normalized FFO per Common Share - fully diluted | $3.15 - $3.25 |
| FFO per Common Share - fully diluted | $3.15 - $3.25 |
| Net income per Common Share - fully diluted [4] | $1.87 - $1.97 |
| | |
| Weighted average Common Shares outstanding - fully diluted | 92.3 |

1. Each line item represents the mid-point of a range of possible outcomes and reflects management's estimate of the most likely outcome. Actual Normalized FFO available for Common Shares, Normalized FFO per common share, FFO available for Common Shares, FFO per common share, Net income available for Common Shares and Net income per common share could vary materially from amounts presented above if any of our assumptions are incorrect.
2. See page 15 for 2016 Core Guidance Assumptions. Amount represents 2015 income from property operations, excluding deferrals and property management, from the 2016 Core properties of $448.7 million multiplied by an estimated growth rate of 4.0% for the year ended December 31, 2016.
3. See page 19 for definitions of Normalized FFO and FFO.
4. Net income per fully diluted Common Share is calculated before Income allocated to Common OP Units.

# Preliminary 2016 Core [1] Guidance Assumptions - Income from Property Operations

*(In millions, unaudited)*

| | Estimated 2015 | 2016 Growth Factors [2] |
|---|---|---|
| Community base rental income | $ 441.2 | *3.5 %* |
| Rental home income | 14.0 | *(6.7)%* |
| Resort base rental income [3] | 183.2 | *5.1 %* |
| Right-to-use annual payments | 44.4 | *(0.1)%* |
| Right-to-use contracts current period, gross | 13.4 | *(1.4)%* |
| Utility and other income | 75.3 | *1.1 %* |
| Property operating revenues | 771.5 | *3.1 %* |
| | | |
| Property operating, maintenance, and real estate taxes | 303.5 | *2.1 %* |
| Rental home operating and maintenance | 7.2 | *(7.1)%* |
| Sales and marketing, gross | 12.1 | *3.9 %* |
| Property operating expenses | 322.8 | *2.0 %* |
| **Income from property operations** | **$ 448.7** | ***4.0 %*** |
| | | |
| **Resort base rental income:** | | |
| Annual | $ 114.6 | *5.7 %* |
| Seasonal | 28.9 | *4.0 %* |
| Transient | 39.7 | *4.0 %* |
| Total resort base rental income | $ 183.2 | *5.1 %* |

1. 2016 Core properties include properties we expect to own and operate during all of 2015 and 2016. Excludes property management expenses and the GAAP deferral of right to use contract upfront payments and related commissions, net.
2. Management's estimate of the growth of property operations in the 2016 Core Properties compared to actual 2015 performance. Represents our estimate of the mid-point of a range of possible outcomes. Calculations prepared using actual results without rounding. Actual growth could vary materially from amounts presented above if any of our assumptions are incorrect.
3. See Resort base rental income table included below within this table.

# Right-To-Use Memberships - Select Data

*(In thousands, except member count, number of Thousand Trail Camping Pass, number of annuals and number of upgrades, unaudited)*

| | Year Ended December 31, | | | | |
|---|---|---|---|---|---|
| | **2012** | **2013** | **2014** | **2015** [1] | **2016** [1] |
| Member Count [2] | 96,687 | 98,277 | 96,130 | 98,400 | 99,700 |
| Thousand Trails Camping Pass (TTC) Origination [3] | 10,198 | 15,607 | 18,187 | 24,400 | 26,800 |
| *TTC Sales* | *8,909* | *9,289* | *10,014* | *11,700* | *13,800* |
| *RV Dealer TTC Activations* | *1,289* | *6,318* | *8,173* | *12,700* | *13,000* |
| Number of annuals [4] | 4,280 | 4,830 | 5,142 | 5,400 | 5,700 |
| Number of upgrade sales [5] | 3,069 | 2,999 | 2,978 | 2,800 | 2,600 |
| | | | | | |
| Right-to-use annual payments [6] | $ 47,662 | $ 47,967 | $ 44,860 | $ 44,350 | $ 44,300 |
| Resort base rental income from annuals | $ 9,585 | $ 11,148 | $ 12,491 | $ 13,800 | $ 15,300 |
| Resort base rental income from seasonals/transients | $ 11,042 | $ 12,692 | $ 13,894 | $ 15,450 | $ 16,100 |
| Upgrade contract initiations [7] | $ 14,025 | $ 13,815 | $ 13,892 | $ 13,400 | $ 13,225 |
| Utility and other income | $ 2,407 | $ 2,293 | $ 2,455 | $ 2,430 | $ 2,700 |

1. Guidance estimate. Each line item represents our estimate of the mid-point of a possible range of outcomes and reflects management’s best estimate of the most likely outcome. Actual figures could vary materially from amounts presented above if any of our assumptions are incorrect.
2. Members have entered into right-to-use contracts with us that entitle them to use certain properties on a continuous basis for up to 21 days.
3. TTCs allow access to any of five geographic areas in the United States.
4. Members who rent a specific site for an entire year in connection with their right-to-use contract.
5. Existing customers that have upgraded agreements are eligible for longer stays, can make earlier reservations, may receive discounts on rental units, and may have access to additional properties. Upgrades require a non-refundable upfront payment.
6. The years ended December 31, 2012 and December 31, 2013, include $0.1 million and $2.1 million, respectively, of revenue recognized related to our right-to-use annual memberships activated through our dealer program. During the third quarter of 2013, we changed the accounting treatment of revenues and expenses associated with the RV dealer program to recognize as revenue only the cash received from members generated by the program.
7. Revenues associated with contract upgrades, included in Right-to-use contracts current period, gross, on our Consolidated Income Statement on page 5.

# Market Capitalization

*(In millions, except share and OP Unit data, unaudited)*

## Capital Structure as of September 30, 2015

| | Total Common Stock/Units | % of Total | Total | % of Total | % of Total |
|---|---|---|---|---|---|
| Secured Debt | | | $ 1,956 | 90.7% | |
| Unsecured Debt | | | 200 | 9.3% | |
| **Total Debt** | | | **$ 2,156** | **100.0%** | **28.2%** |
| Common Stock | 84,296,350 | 92.1% | | | |
| OP Units | 7,208,228 | 7.9% | | | |
| Total Common Stock and OP Units | 91,504,578 | 100.0% | | | |
| Common Stock price at September 30, 2015 | $ 58.57 | | | | |
| Fair Value of Common Stock | | | $ 5,359 | 97.5% | |
| Perpetual Preferred Equity | | | 136 | 2.5% | |
| **Total Equity** | | | **$ 5,495** | **100.0%** | **71.8%** |
| **Total Market Capitalization** | | | **$ 7,651** | | **100.0%** |

## Perpetual Preferred Equity as of September 30, 2015

| Series | Callable Date | Outstanding Shares | Liquidation Value | Annual Dividend Per Share | Annual Dividend Value |
|---|---|---|---|---|---|
| 6.75% Series C | 9/7/2017 | 54,458 | $136 | $168.75 | $ 9.2 |

### Debt Maturity Schedule as of September 30, 2015

*(In thousands, unaudited)*

| Year | Secured Debt | Weighted Average Interest Rate | Unsecured Debt | Weighted Average Interest Rate | Total Debt | % of Total Debt | Weighted Average Interest Rate |
|---|---|---|---|---|---|---|---|
| 2015 | $ — | —% | $ — | — | $ — | —% | —% |
| 2016 | 80,425 | 5.79% | — | — | 80,425 | 3.75% | 5.79% |
| 2017 | 58,068 | 5.80% | — | — | 58,068 | 2.71% | 5.80% |
| 2018 | 204,073 | 5.97% | — | — | 204,073 | 9.51% | 5.97% |
| 2019 | 205,722 | 6.27% | — | — | 205,722 | 9.58% | 6.27% |
| 2020 | 124,645 | 6.13% | 200,000 | 2.39% | 324,645 | 15.12% | 3.83% |
| 2021 | 194,248 | 5.01% | — | — | 194,248 | 9.05% | 5.01% |
| 2022 | 154,805 | 4.59% | — | — | 154,805 | 7.21% | 4.59% |
| 2023 | 114,428 | 5.14% | — | — | 114,428 | 5.33% | 5.14% |
| Thereafter | 810,099 | 4.18% | — | — | 810,099 | 37.74% | 4.18% |
| **Total** | **$ 1,946,513** | **5.00%** | **$ 200,000** | **2.39%** | **$ 2,146,513** | **100.0%** | **4.76%** |
| **Note Premiums** | **9,733** | | **—** | | **9,733** | | |
| **Total Debt** | **$ 1,956,246** | **4.74% (1)** | **$ 200,000** | **2.39%** | **$ 2,156,246** | | **4.53% (1)** |
| **Average Years to Maturity** | **11.2** | | **4.3** | | **10.6** | | |

1. Effective interest rate including amortization of note premiums.

# Non-GAAP Financial Measures Definitions and Other Terms

This document contains certain non-GAAP measures we believe are helpful in understanding our business, as further discussed in the paragraphs below. Investors should review Funds from Operations ("FFO"), Normalized Funds from Operations ("Normalized FFO") and Funds available for distribution ("FAD"), along with GAAP net income and cash flow from operating activities, investing activities and financing activities, when evaluating an equity REIT's operating performance. 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. 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. FFO, Normalized FFO and FAD 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.

**FFO**. We define FFO as net income, computed in accordance with GAAP, excluding gains and actual or estimated losses from sales of properties, plus real estate related depreciation and amortization, impairments, if any, 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. We receive 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 non-refundable right-to-use payments, we believe that it is appropriate to adjust for the impact of the deferral activity in our calculation of FFO.

We believe FFO, as defined by NAREIT, is 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.

**Normalized FFO**. We define Normalized FFO as FFO excluding the following non-operating income and expense items: a) the financial impact of contingent consideration; b) gains and losses from early debt extinguishment, including prepayment penalties and defeasance costs; c) property acquisition and other transaction costs related to mergers and acquisitions; and d) other miscellaneous non-comparable items.

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 depreciation, amortization and actual or estimated 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. 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 operations. For example, we believe that excluding the early extinguishment of debt, property acquisition and other transaction costs related to mergers and acquisitions and the change in fair value of our contingent consideration asset from Normalized 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.

**FAD**. We define FAD as Normalized FFO less non-revenue producing capital expenditures.

**Income from Property Operations, excluding deferrals and property management**. We define Income from property operations, excluding deferrals and property management as rental income, utility income and right-to-use income less property and maintenance expenses, real estate tax, sales and marketing expenses, property management and the GAAP deferral of right-to-use contract upfront payments and related commissions, net. We believe that this non-GAAP financial measure is helpful to investors and analysts as a direct measure of the actual operating results of our manufactured home and RV properties.

The following table reconciles Income before equity in income of unconsolidated joint ventures to Income from property operations(amounts in thousands):

| | Quarters Ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| Income before equity in income of unconsolidated joint ventures | $ 40,224 | $ 28,110 | $ 107,139 | $ 99,509 |
| Right-to-use upfront payments, deferred, net | 1,701 | 1,989 | 3,929 | 4,303 |
| Gross revenues from home sales | (7,878) | (8,717) | (24,341) | (20,455) |
| Brokered resale revenues and ancillary services revenues, net | (1,051) | (1,124) | (4,045) | (3,491) |
| Interest income | (1,758) | (1,902) | (5,314) | (6,477) |
| Income from other investments, net | (1,822) | (1,869) | (5,119) | (6,098) |
| Right-to-use contract commissions, deferred, net | (464) | (757) | (1,471) | (2,022) |
| Property management | 11,361 | 11,086 | 33,750 | 32,169 |
| Depreciation on real estate and rental homes | 28,410 | 27,831 | 84,861 | 83,234 |
| Amortization of in-place leases | 616 | 1,075 | 1,950 | 3,791 |
| Cost of homes sales | 7,868 | 8,156 | 23,685 | 19,679 |
| Home selling expenses | 861 | 513 | 2,386 | 1,710 |
| General and administrative | 7,225 | 7,623 | 22,172 | 20,178 |
| Property rights initiatives and other | 687 | 751 | 1,934 | 2,063 |
| Early debt retirement | — | 5,087 | 16,922 | 5,087 |
| Interest and related amortization | 26,227 | 27,864 | 79,648 | 84,177 |
| Income from property operations, excluding deferrals and property management | $ 112,207 | $ 105,716 | $ 338,086 | $ 317,357 |
| Right-to-use contracts, deferred and sales and marketing, deferred, net | (1,237) | (1,232) | (2,458) | (2,281) |
| Property management | (11,361) | (11,086) | (33,750) | (32,169) |
| Income from property operations | $ 99,609 | $ 93,398 | $ 301,878 | $ 282,907 |

**Earnings before interest, tax, depreciation and amortization (EBITDA) and Normalized EBITDA.** We define EBITDA as net income or loss before interest income and expense, income taxes, depreciation and amortization. We define Normalized EBITDA as EBITDA excluding the following non-operating income and expense items: a) the financial impact of contingent consideration; b) gains and losses from early debt extinguishment, including prepayment penalties and defeasance costs; c) property acquisition and other transaction costs related to mergers and acquisitions; and d) other miscellaneous non-comparable items. The following table reconciles Income before equity in income of unconsolidated joint ventures to EBITDA and Normalized EBITDA (amounts in thousands):

| | Quarters Ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| Income before equity in income of unconsolidated joint ventures | $ 40,224 | $ 28,110 | $ 107,139 | $ 99,509 |
| Right-to-use contract upfront payments, deferred, net | 1,701 | 1,989 | 3,929 | 4,303 |
| Right-to-use contract commissions, deferred, net | (464) | (757) | (1,471) | (2,022) |
| Depreciation on real estate assets and rental homes | 28,410 | 27,831 | 84,861 | 83,234 |
| Amortization of in-place leases | 616 | 1,075 | 1,950 | 3,791 |
| Depreciation on corporate assets | 275 | 220 | 813 | 649 |
| Interest and related amortization | 26,227 | 27,864 | 79,648 | 84,177 |
| Equity in income from unconsolidated joint ventures | 1,882 | 1,237 | 3,606 | 3,768 |
| EBITDA | $ 98,871 | $ 87,569 | $ 280,475 | $ 277,409 |
| Change in fair value of contingent consideration asset | — | — | — | (65) |
| Transaction costs | 121 | 620 | 603 | 1,151 |
| Early debt retirement | — | 5,087 | 16,922 | 5,087 |
| Normalized EBITDA | $ 98,992 | $ 93,276 | $ 298,000 | $ 283,582 |

**Core.** The Core properties include properties we expect to own and operate during all of 2014 and 2015.

**Acquisitions.** The Acquisition properties include seven properties acquired during 2014 and three properties acquired during 2015.

**Non-Revenue Producing Improvements.** Represents capital expenditures that will not directly result in increased revenue or expense savings and are primarily comprised of common area improvements, furniture, and mechanical improvements.

**Fixed Charges.** Fixed charges consist of interest expense, amortization of note premiums and debt issuance costs.