



Equity LifeStyle Properties, Inc.
Two North Riverside Plaza
Chicago, IL 60606

Phone 312.279.1400
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www.equitylifestyle.com

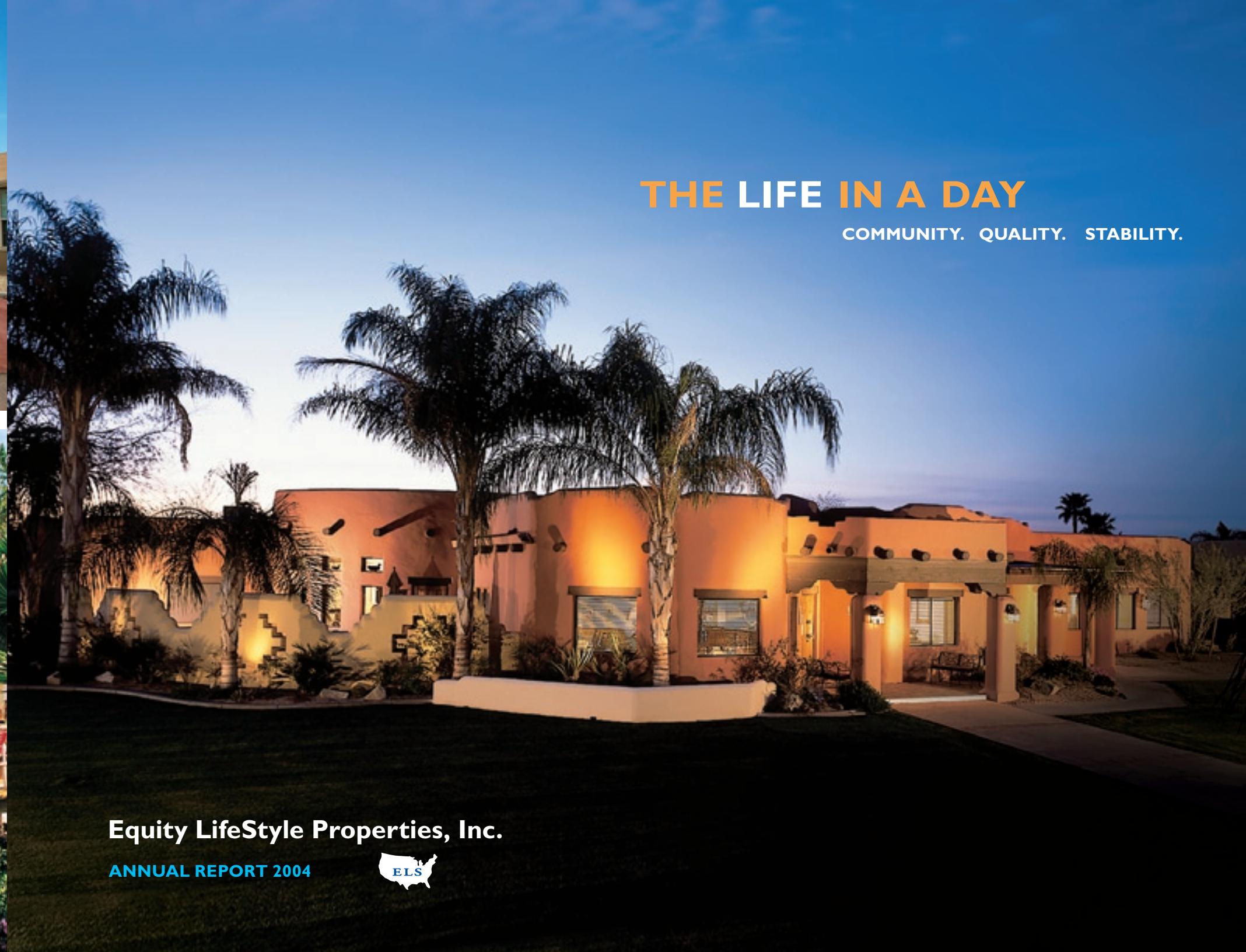


TOP:
Ashfield Model
BOTTOM:
Rental Cottage Tropical Palms
Orlando, Florida



THE LIFE IN A DAY

COMMUNITY. QUALITY. STABILITY.



Equity LifeStyle Properties, Inc.

ANNUAL REPORT 2004





FINANCIAL HIGHLIGHTS

COVER:
Monte Vista Village Resort
Mesa, Arizona
Acquired May 2004

Equity LifeStyle Properties provides housing and lifestyle choices to its customers. We own and operate high quality properties where active adults, seasonal and second homeowners, and recreational vehicle owners can make their homes and pursue their passions. More than 100,000 sites at these 275 developed properties are leased to our customers, where they may place their resort home, cottage or recreational vehicle. Our properties are in highly desirable locations that appeal to myriad lifestyles, with amenities ranging from swimming, golf and tennis, to crafts, game rooms, wellness and fitness centers and entertainment. Whether customers are seeking to fulfill dreams of year-round resort living in highly maintained communities, opportunities for seasonal or second home ownership in the Sunbelt or prime vacation areas, or a home base for their RV adventures, we provide those lifestyle choices. Our value proposition is that we strive to exceed the expectations of the consumers in our marketplace, and we offer a predictable, stable revenue stream that appeals to investors. A self-administered, self-managed real estate investment trust (REIT), we trade on the New York Stock Exchange under the symbol ELS.

The foundation of our value proposition is **COMMUNITY, QUALITY and STABILITY.**

OPPOSITE PAGE, LEFT:
Pro Shop
CountryWood
Tampa, Florida

OPPOSITE PAGE, RIGHT:
Clubhouse
Coquina Crossing
St. Augustine, Florida

Board of Directors

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

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

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

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

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

Joe B. McAdams
Director, Affinity Group, Inc.

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

Gary Waterman
President, Waterman Limited

Executive Officers

Thomas P. Heneghan
President and Chief Executive Officer

Roger Maynard
Chief Operating Officer

Ellen Kelleher
Executive Vice President, General Counsel and Secretary

Michael Berman
Vice President, Chief Financial Officer and Treasurer

Corporate Office

Equity LifeStyle Properties, Inc.
Two North Riverside Plaza
Chicago, Illinois 60606
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Transfer Agent

LaSalle Bank, N.A.
P.O. Box LL
135/1811
Chicago, IL 60690-9882
Phone: 800-246-5761
www.lasallebanks.com

Auditors

Ernst & Young LLP
Chicago, Illinois

Form 10-K Availability

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

Investor Relations Department
Equity LifeStyle Properties, Inc.
Two North Riverside Plaza
Chicago, Illinois 60606
Phone: 800-247-5279
investor_relations@mhchomes.com

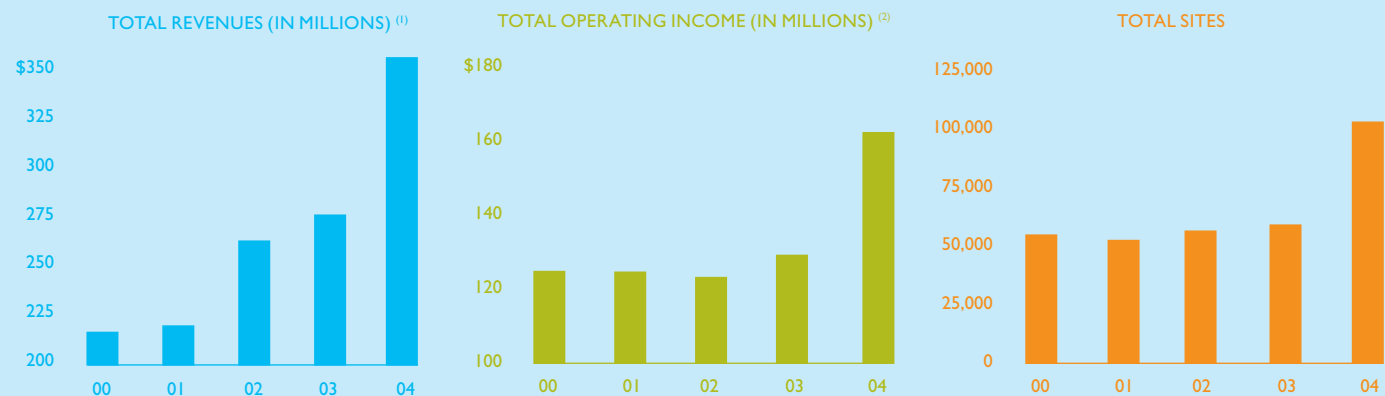
The Commission also maintains a Web site that contains reports, proxy information and statements, and other information regarding registrants that file electronically with the Commission. The Web site address is: <http://www.sec.gov>. ELS files electronically.

Dividend Reinvestment and Share Purchase Plan

ELS offers a Dividend Reinvestment and Share Purchase Plan. For an information packet, including the Plan prospectus and enrollment form, please call the Plan Administrator, LaSalle Bank, at 1-800-246-5761.

Shareholders

There were approximately 5,455 beneficial holders of Equity LifeStyle Properties, Inc. stock as of December 31, 2004.



The table to the right sets forth selected financial and operating information on a historical basis for the Company. This information should be read in conjunction with all of the financial statements and notes thereto provided in the Company's Form 10-K as filed with the SEC.

(1) The increase in revenues from 2001 to 2002 includes the effect of a change in the accounting treatment for home sales revenues. In prior years, the sales revenues were recorded net of expenses. In 2002, the Company acquired the remaining interest in Realty Systems, Inc. and began consolidating the results of this home sales subsidiary. As a result, revenues are recorded on a gross basis separate from expenses. This accounting change had no material effect on income from operations. The increase in revenues from 2003 to 2004 is mainly the result of 2004 acquisitions.

(2) Operating income is a non-gaap financial measure and is defined as net income, computed in accordance with GAAP, excluding gains or losses from sales of properties, depreciation, interest and related amortization expense, and income taxes.

FFO is defined as net income, computed in accordance with GAAP, excluding gains or losses from sales of properties, plus real estate related depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect FFO on the same basis. The Company believes that FFO is helpful to investors as one of several measures of the performance of an equity REIT. The Company further believes that by excluding the effect of depreciation, amortization and gains or losses from sales of real estate, all of which are based on historical costs and which may be of limited relevance in evaluating current performance, FFO can facilitate comparisons of operating performance between periods and among other equity REITs. Investors should review FFO, along with GAAP net income and cash flow from operating activities, investing activities and financing activities, when evaluating an equity REIT's operating performance. With the exception of 2000, which includes approximately \$1 million of loss on the extinguishment of debt, the Company computes FFO in accordance with standards established by NAREIT, which may not be comparable to FFO reported by other REITs that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently than we do.

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

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

(4) Represents capital expenditures for existing sites and includes both normal maintenance programs and community upgrade programs.

(5) During 2004, the Company changed the way it accounted for costs incurred in pursuing certain rent control initiatives. As a result, the Company has restated its Consolidated Financial Statements for the years ended December 31, 2003, 2002 and 2001 to expense the costs of the initiatives in the year in which they were incurred. The Company had historically classified these costs, primarily legal, in other assets. To the extent the Company's efforts to effectively change the use and operations of the Properties were successful, the Company capitalized the costs to net investment in real estate as an increase in the established value of the revised project and depreciated them over 30 years. To the extent these efforts were not successful, the costs would have been expensed. See Note 2 of the Company's Form 10-K filed with the SEC for a summary of the effects of these changes on the Company's financial statements.

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

	2004	2003	2002	2001	2000
Total Revenues (1)	\$ 352,967	\$ 271,155	\$ 261,365	\$ 220,914	\$ 215,881
Operating Income (2)	\$ 159,285	\$ 128,330 (5)	\$ 122,666 (5)	\$ 125,196 (5)	\$ 126,388
Funds from Operations (2)	\$ 54,448	\$ 58,479 (5)	\$ 62,695 (5)	\$ 64,599 (5)	\$ 63,807
Net Income Before Allocation to Minority Interests	\$ 16,246	\$ 42,388 (5)	\$ 50,925 (5)	\$ 49,186 (5)	\$ 52,701
Net Income Per Common Share—Basic	\$ 0.18	\$ 1.14 (5)	\$ 1.48 (5)	\$ 1.44 (5)	\$ 1.49
Net Income Per Common Share—Fully Diluted (3)	\$ 0.17	\$ 1.11 (5)	\$ 1.44 (5)	\$ 1.40 (5)	\$ 1.47
Funds from Operations Per Common Share—Basic (3)	\$ 1.88	\$ 2.13 (5)	\$ 2.32 (5)	\$ 2.44 (5)	\$ 2.36
Funds from Operations Per Common Share—Fully Diluted (3)	\$ 1.85	\$ 2.09 (5)	\$ 2.27 (5)	\$ 2.39 (5)	\$ 2.33
Weighted Average Common Shares Outstanding—Basic (3)	28,916	27,419	27,020	26,502	27,061
Weighted Average Common Shares Outstanding—Fully Diluted (3)	29,465	28,002	27,632	27,010	27,408
Capital Expenditures (4)	\$ 13,663	\$ 11,912	\$ 13,377	\$ 12,689	\$ 7,855
Total Properties Owned or Invested In	275	142	142	149	154
Total Sites	101,231	52,349	51,582	50,663	51,304

Reconciliation of Funds from Operations and Operating Income:

	2004	2003	2002	2001	2000
Net Income available for Common Shareholders	\$ 4,026	\$ 25,132 (5)	\$ 31,887 (5)	\$ 30,197 (5)	\$ 31,945
Income Allocated to Common OP Units	\$ 936	\$ 6,004	\$ 7,786	\$ 7,737	\$ 8,463
Depreciation on Real Estate & Other	\$ 48,862	\$ 37,265	\$ 34,826	\$ 33,540	\$ 34,242
Depreciation Expense in Discontinued Operations	\$ 32	\$ 135	\$ 484	\$ 605	\$ 698
Depreciation Expense Included in Income From Joint Ventures	\$ 1,230	\$ 769	\$ 726	\$ 688	\$ 512
Gain on Sale	\$ (638)	\$ (10,826)	\$ (13,014)	\$ (8,168)	\$ (12,053)
Funds from Operations	\$ 54,448	\$ 58,479 (5)	\$ 62,695 (5)	\$ 64,599 (5)	\$ 63,807
Interest Expense	\$ 91,922	\$ 58,402	\$ 50,729	\$ 51,305	\$ 53,280
Perpetual Preferred OP Unit Distributions	\$ 11,284	\$ 11,252	\$ 11,252	\$ 11,252	\$ 11,252
Discontinued Operations	\$ (26)	\$ (1,043)	\$ (3,287)	\$ (3,203)	\$ (3,090)
Depreciation on Corporate Assets	\$ 1,657	\$ 1,240	\$ 1,277	\$ 1,243	\$ 1,139
Operating Income	\$ 159,285	\$ 128,330 (5)	\$ 122,666 (5)	\$ 125,196 (5)	\$ 126,388



FELLOW SHAREHOLDERS

2004 HIGHLIGHTS

ACQUISITION ACTIVITY

In 2004, we invested \$735 million to acquire high quality real estate that provides our customers with premier lifestyle options throughout the United States. Our acquisitions included:

- The Village of Monte Vista in Mesa, Arizona, an 832-site resort with wide-ranging and appealing entertainment and amenity options geared toward empty nesters.
- The ViewPoint RV and Golf Resort, also in Mesa, which contains over 1,900 sites featuring an extensive amenity package.
- The acquisition of 28 properties operating under the Encore brand name.
- The acquisition of 57 properties operating under the Thousand Trails brand name.

NAME CHANGE

In 2004, we changed our name to Equity LifeStyle Properties, Inc., to reflect our Company's focus on properties that appeal to lifestyle-oriented customers, including empty-nesters and seasonal homeowners. Our New York Stock Exchange ticker symbol was changed to ELS.

DIVIDENDS

In January 2004, we paid a one-time special distribution of \$8 per share to our shareholders. We also announced that we doubled the rate of our 2005 annual dividend to \$0.10 per share.

QUALITY

We continue to see an improvement in the quality of the homes in our communities that are distinguished by quality workmanship, exquisite finishing touches and the opportunity for customization. In 2004, we sold 59 more new homes than the previous year.

AWARDS

In 2004, the Manufactured Housing Institute awarded two of our communities with the honor of Community of the Year in their respective regions. CountryWood, located in Plant City, Florida, and Meadows of Chantilly, located in Chantilly, Virginia, were presented with this honor.

WEATHER

Our Company performed well despite the onslaught of four Florida hurricanes in August and September. Residents and employees worked together to get the properties back in operating condition.

Dear Fellow Shareholder,

In 2004, we marked the beginning of our second decade as a public company. It will be a challenge to exceed the impressive performance of the first ten years. We intend to do so. The investments made in 2004 position your Company for the opportunities of the next decade and beyond.

It was a year of significant and exciting growth. Your Company has improved its ability to meet the lifestyle expectations of the Baby Boom generation as they transition to a more leisure-focused lifestyle. In addition, we adhered to our core principle of owning high quality real estate: real estate that generates stable, predictable cash flow, is located near major metropolitan areas with high barriers to entry, and/or vacation and retirement destinations. It is a principle that has served us well in the past and will continue to guide our decisions in the future.

As a result, we are not just bigger, but better. We increased our presence in the key growth states of Florida, Arizona and California. We added flagship quality assets like Monte Vista and ViewPoint in Mesa, Arizona; new oceanfront locations on both the east and west coasts – including an island in the Florida Keys; and new markets such as fast growing Yuma and Casa Grande in Arizona. The overall quality of our portfolio is significantly improved.

Our new investments make us a younger, more vibrant and active company able to meet the myriad lifestyle choices demanded by our core customer. These younger customers are attracted to housing options that facilitate an active lifestyle. Our new name aptly describes our new opportunities.

These new markets and assets were made possible by focusing our acquisition effort on park model and recreational vehicle resorts. Properties that are able to meet both the lifestyle needs of our traditional customers



Coquina Crossing
St. Augustine, Florida

looking for high quality, affordable homes and our new customers who want the same lifestyle activities and amenities, but desire the freedom of a recreational vehicle.

By sticking to our core principles we seized the opportunity presented by these properties. It also resulted in our decision not to invest your capital in “traditional” affordable housing communities that didn’t meet our objectives. We have consistently declined opportunities to invest in markets that do not meet our criteria. Over the years, we have reduced our exposure by selling assets located in less attractive markets. The divergence in operating conditions between our lifestyle properties and “affordable housing” properties is insightful. The few properties remaining in our portfolio that are located in low barrier to entry or tertiary markets are currently struggling with vacancy and the inability to sell new homes. We look for opportunities to redeploy this capital into assets that are in line with our core principles.

Properties that meet our criteria, including our new investments, are experiencing solid fundamentals, demand for our lifestyle products and future prospects that can only be described as exciting. Our new home sales increased 23% since 2002, while the traditional manufactured home industry faced a continued and protracted decline. Our exposure to the recreational vehicle customer also comes at a time of record RV sales and predictions of a bright future due to underlying demographic trends.

Our success will be determined by how well we execute on the opportunities available to us. We now have a lifestyle business that offers our customers numerous entry points and experiences. Done well, we will enjoy the benefits of multiple and longer relationships with our customers as their evolving lifestyle is enhanced by the variety of lifestyle housing options available to them in our portfolio.

We will also continue to invest in attractive real estate locations that are consistent with our core principles. We believe these opportunities are becoming increasingly limited; however, we are confident in our ability to acquire quality assets in the future.

With this in mind, we believe it is in the shareholders’ best interest to maintain the financial flexibility necessary to seize attractive opportunities should they become available. We increased the annual dividend from \$.05 in 2004 to \$.10 in 2005. This decision recognizes our opportunities, the importance of the dividend to shareholders and our intention to return to a meaningful dividend at the appropriate time.

We thank our fellow board members and shareholders for their faith and support.

Sincerely,

Samuel Zell, Chairman of the Board

Thomas P. Heneghan, President and CEO



MAKE YOURSELF AT HOME



With the transformation of our Company into Equity LifeStyle Properties, we have introduced a multi-dimensional strategy to provide our customers with more options and choices for the place they call home. As our customers' lives evolve towards retirement, giving them more time to pursue the activities and lifestyles they enjoy – such as travel, tennis, golf, water sports, wellness and being with friends – we can be with them at every stage of this transformation. Our partnership with Thousand Trails and its more than 100,000 members has added new, significant breadth to our Company, with opportunities for more customers to become part of the Equity LifeStyle Properties family at an earlier age and then stay with us for decades. Our extensive portfolio of housing options and locations enables us to establish long-term relationships with our customers so we can be there to meet their needs for home and community as they shift over time.

At its heart, Equity LifeStyle Properties is about home—however our customers define the word home. And whatever definition they see in their dreams, our goal is to turn their dreams into reality with our robust and dynamic offerings.

Sites in our properties offer flexibility in housing choices in a variety of ways. The majority of our sites are used by homeowners seeking an active lifestyle. Additionally, in some locations, RV owners may choose to rent a site for a weekend, a season, or a year, enjoying the benefits of community, outdoor recreation, state of the art amenities and lifestyle. When they find a community they want to return to time after time, and they are ready to trade in their wheels, Equity LifeStyle will be there to help them find the perfect resort home or resort cottage.

OPPOSITE PAGE:
Carthage Model

Seasonal vacationers looking to escape the cold for three- to six-month vacations, are drawn to our two- and three-bedroom seasonal rental homes in Florida and Arizona. These homes give customers a taste of our lifestyle in our well-maintained properties.

Our homeowners have chosen to live in one of our 275 communities because of their prime locations and lifestyle offerings, the appeal of owning an attractive, well-priced

and well-built home, and the opportunity to be with friends and neighbors with whom they share interests and passions.

Equity LifeStyle Properties – where we provide homes for people who are seeking not just places to live, but rather, places where they can live the lives that they choose.



TOP:
Crystal River
Clermont, Florida
Acquired February 2004
(Encore Portfolio)

RIGHT:
Carthage Model Interiors

LEFT:
Resort Cottage
Bulow Plantation
Daytona Beach, Florida





COMMUNITY



We have built our Company with the goal of providing attractive, well-kept communities that are geared specifically to meet lifestyle demands. With 275 properties located in prime resort areas, vacation destinations and near major metropolitan centers, we strive to create environments that our customers want to return to over and over again.

Our customers tend to be active adults including the Baby Boom generation, and retirees who desire to live in communities distinguished by varied and high-end amenities. Our communities are appealing and desirable to a population that enjoys life. With 35 percent of our sites in Florida and almost 30 percent in California, Arizona and Nevada, the majority of our residents are looking for activities that speak to active and healthy living. Lifestyle amenities available in our communities include clubhouses or lodges, pools and spas, marinas, tennis courts, financial centers, golf courses, craft centers, fitness and wellness centers, and music and art rooms. And residents may

choose from concerts that have included appearances by the Oak Ridge Boys and Lee Greenwood. Recreational and competitive sports tournaments abound, while dance lessons, theatrical performances and a choir are available for any and all. A card game is always under way, as is billiards, and other scheduled activities. And you will always receive a happy wave hello from those out walking just to enjoy the day.

Our residents are looking for a lifestyle that includes the ability to be mobile and flexible, while still living in high quality, affordable homes. Often they define themselves by their interests, whether it's athletic performance or performing arts. They are neighborhood focused and they like being with friends, old and new, with whom they share common passions.

OPPOSITE PAGE, LEFT:
Monte Vista Village Resort

OPPOSITE PAGE, RIGHT:
Tropical Palms
Orlando, Florida
Acquired February 2004
(Encore Portfolio)

Many of our customers have moved into our communities after selling their large family homes where they may have lived for decades. Now, these empty nesters are ready to take the equity out of their houses in exchange for still high quality housing, but in homes that are also more affordable and located in more desirable areas of the country. Many of these customers are ready to retire to an active, outdoor, healthy lifestyle.

Our stable core portfolio – reflecting our repeat customers, high occupancy levels and variety of choices for homes and lifestyles that allow our customers to trade up – is at the heart of our reliable cash flows. As we have evolved into a company that now provides a myriad of options for homes and desirable locations, we believe our future growth will emphasize communities and lifestyle choices that meet our investment criteria.



Pick Your Passion
Recreational and competitive
sports tournaments abound.





QUALITY



Quality is a key driver in the success of Equity LifeStyle Properties. Our ability to provide our customers with modern homes that are also well built and priced attractively in well-maintained communities in desirable locations is at the heart of our business.

Our new homes range in size from 400 square foot cottages to over 2,000 square foot homes, with prices ranging from \$40,000 to over \$150,000. Their design has advanced to include everything from ceramic tile and hardwood floors, to nine foot ceilings and inviting front porches. These homes can be customized to include two-car garages and home offices. Yet even with all these accoutrements, they continue to sell for as much as 40 percent less than equivalent homes built on site.

But looking good isn't enough. 2004 was the year that showcased both the quality of the construction of our homes and the commitment and dedication of our employees and residents as both came together to undo the damage of four hurricanes in prime Florida locations. Because the building standards for new homes have improved significantly in recent years, new homes in our communities suffered little damage. Additionally, we set our homes between two and three feet above ground level to minimize the impact from flooding. The lasting impression from these unfortunate incidents, however, is the many images of our employees and residents pulling together to help with the clean-up effort. We are grateful for their hard work during that time of crisis.



One of the hallmarks of our Company's success is the number of new customers who come to us by way of existing customers. Word of mouth referrals is a critical component to our growth. In addition, we are gratified by the large number of our customers who trade-up within our portfolio as their lifestyles change. What starts as a weekend home may turn into a seasonal vacation home. In time, that might evolve into full-time resort living, or include the purchase of two homes in different communities to take advantage of the lifestyles that each offers. Because quality is ubiquitous to all our properties, we believe that this is an excellent way for us to extend and deepen our relationships with our customers.

Regardless of the community or the lifestyle choice, everything we do is underscored by our same commitment to quality.

TOP:
ViewPoint RV & Golf Resort
Mesa, Arizona
Acquired May 2004

RIGHT:
Carthage Model

OPPOSITE PAGE:
Sunshine Key RV Resort & Marina
Florida Keys
Acquired February 2004
(Encore Portfolio)





STABILITY

When we became Equity LifeStyle Properties in 2004, we signaled an important turning point in the evolution of our Company's business plan. Building on the stability of our core business, we have strategically increased our product offerings to include nearly 90 properties that carry the desirable Encore and Thousand Trails brand names, opening our Company to a whole new customer base. We see the opportunity to form relationships with our customers earlier in their lives and then continue serving them through the natural evolution of changing lifestyles and home ownership as their needs and tastes change.

The life cycle of our customer now includes buyers of recreational vehicles as they first begin to focus on lifestyle options, through the day when the desire for the on-the-road experience ends, but the desire for an active lifestyle continues. Our business strategy is grounded on the premise that more choices in our portfolio enable us to build a longer, more stable relationship with our customers, which translates into a predictable rental stream.

The substantial part of our portfolio is long-term in nature, which is the base of the steady, reliable cash flow that we are able to maintain for our investors. A second portion is the seasonal vacationer, including those who enjoy the RV lifestyle, who might stay in a resort for three- to six- months, and with whom we have a recurring relationship as they return to our resorts year after year.

The smallest but most dynamic part of our portfolio is the active RVers who might take multiple trips to our resorts. We are implementing loyalty programs for these customers and hope to retain their business as they transition to seasonal or long-term customers of our communities. So today's RVer – who may stay for a month at one vacation spot, or perhaps travel to two or three different locations – may become a seasonal vacationer for three or four months at one of our many resort communities. And in time, that customer may choose to purchase a resort home in a community that suits them.



As we offer more lifestyle and housing alternatives we also see opportunities for our customers to look at multiple home buying opportunities that reflect the activities and lifestyles they enjoy. They might marry ownership of a second home in a resort community with a Thousand Trails membership. Or, they might pick a resort such as Mt. Hood, located near Portland, Oregon, to take advantage of skiing and other winter sports and then a home in a destination community, such as Arizona or Florida.

The key to this strategy is connecting with customers at the onset of their lifestyle focus. For a large segment of the population that is the RV experience. With a 15 percent increase in RV shipments in 2004, as compared to 2003, we see great demand for this lifestyle.¹ And the prime driver is the Baby Boom population, which is the fastest growing segment of the RV market. As this generation approaches retirement age, the number of RV-owning households is projected to rise 15

percent to 8 million households by 2010.² With more leisure time in their future, these 40- and 50-year-olds are demanding a healthy, active lifestyle that is available in our properties. These powerful long-term demographic and economic trends are the key drivers of our stable revenue streams.

⁽¹⁾ According to the Recreation Vehicle Industry Association.

⁽²⁾ According to a University of Michigan study commissioned by the Recreation Vehicle Industry Association.



TOP:
The Woodlands at Coquina Crossing
Newest Neighborhood
Opened June 2004

LEFT:
Outdoor Living
Our communities are designed for customers who want to pursue long standing interests or even develop new ones.

OPPOSITE PAGE, LEFT:
Pine Lakes Country Club
North Fort Myers, Florida

OPPOSITE PAGE, RIGHT:
Yosemite Lakes
Groveland, California
Acquired November 2004
(Thousand Trails Portfolio)



LOOKING AHEAD



Equity LifeStyle Properties is positioned to help generations of customers – who are retired or approaching retirement – match their lifestyle interests with the place that they want to call home. Our strategy is based on touching customers early in the life cycle – when they first begin to think about traveling – and then taking them through all the different lifestyle iterations that might follow. With housing prices at different levels and product offerings across the spectrum, we can now serve our customers in a variety of ways. Our Company has truly evolved into a provider of lifestyle choices, designed to help our customers as their own lives evolve and change.

The significant acquisition activity of 2004 has set the stage for our new, exciting marketing plan. The goal is to build long-term relationships with more customers by reaching them when they are younger, affording them multiple leisure and lifestyle options, and then continuing to meet their changing needs and desires over time. We

are particularly excited about the enormous cross marketing opportunities with our RV customers as they contemplate buying a second home in a sought-after location where they can enjoy high-end activities in one of ELS' vacation destination properties.

In 2005, we also hope our acquisition activity will continue, as we seek investments in lifestyle properties that meet our investment criteria. These will be properties near major metropolitan areas as well as highly desirable resort destination spots. Our diverse portfolio can suit customers at all different points in their lives, with a variety of attractive locations and amenity offerings from skiing to surfing, tennis and golf and the company of good friends. We strive to offer products at a variety of price points and home sizes, always with an emphasis on quality of our structures, well maintained communities and desirable locations.

We are mindful of challenges we continue to face such as, competitive housing options; new home sales initiatives that can impact

occupancy at certain communities; the lingering effects, if any, on occupancy levels and sales due to the 2004 Florida storms; and potential investments and dispositions. As always, we are committed to managing our Company for the long term, never deviating from our focus on reliable, steady cash flows.

Looking ahead to 2005, we know that our ability to manage our communities thoughtfully and intelligently, to actively market our products to existing customers and new customers, and to selectively invest in new communities that match our investment criteria will give us the opportunity to continue providing our shareholders with stable cash flows and above average returns.

OPPOSITE PAGE, LEFT:
Date Palm Country Club
Palm Springs, California

OPPOSITE PAGE, RIGHT:
Leavenworth
Leavenworth, Washington
Acquired In November 2004
(Thousand Trails Portfolio)

RIGHT:
Finding Home
Equity LifeStyle Properties is positioned to help generations of customers – who are retired or approaching retirement – match their lifestyle interest with the place that they want to call home.

BOTTOM:
Royal Coachman RV Resort
Sarasota, Florida
Acquired February 2004
(Encore Portfolio)





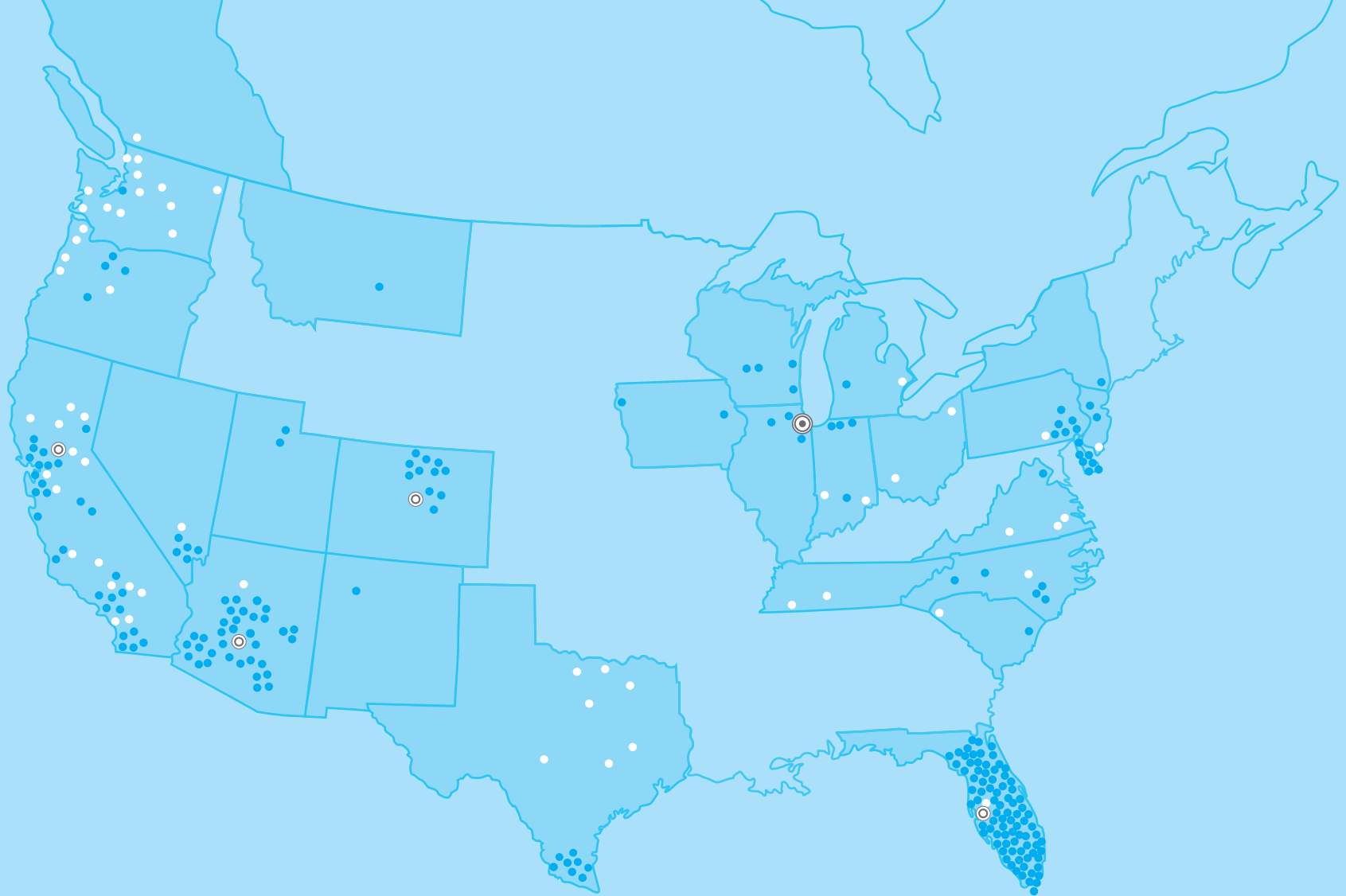
Pine Lakes Country Club
North Fort Myers, Florida



Marina
Sunshine Key RV Resort & Marina
Florida Keys



Monte Vista Village Resort
Mesa, Arizona



A NATIONAL COMMUNITY

275 COMMUNITIES

- Chicago Headquarters
- Regional Office
- Equity LifeStyle Property
- Thousand Trails Property





ELS CORPORATE DATA

COMMON STOCK MARKET PRICES AND DIVIDENDS

ELS' common stock is listed on the New York Stock Exchange (NYSE), ticker symbol ELS. The high and low sales prices for 2004 and 2003 on the NYSE and quarterly dividends were as follows:

2004	Close	High	Low	Dividend
First Quarter	\$35.30	\$37.90	\$28.94	\$.0125
Second Quarter	\$33.19	\$35.35	\$28.49	\$.0125
Third Quarter	\$33.24	\$34.34	\$31.10	\$.0125
Fourth Quarter	\$35.75	\$36.52	\$32.88	\$.0125
2003	Close	High	Low	Dividend
First Quarter	\$29.60	\$30.86	\$27.40	\$.4950
Second Quarter	\$35.11	\$35.80	\$29.56	\$.4950
Third Quarter	\$39.18	\$39.80	\$35.11	\$.4950
Fourth Quarter	\$37.65	\$41.92	\$36.70	\$ 8.000 (a)

(a) On December 12, 2003, we declared a one-time special distribution of \$8 per share payable to stockholders of record on January 8, 2004. We used proceeds from the \$501 million borrowing in October 2003 to pay the special distribution on January 16, 2004. The special cash dividend was reflected on stockholders' 2004 1099-DIV issued in January 2005.

The number of beneficial holders of the Company's common stock at December 31, 2004 was approximately 5,455.