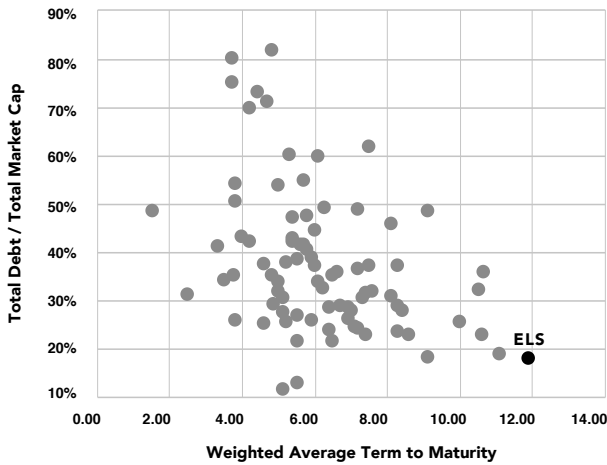




Equity LifeStyle Properties, Inc.

2020 Annual Report

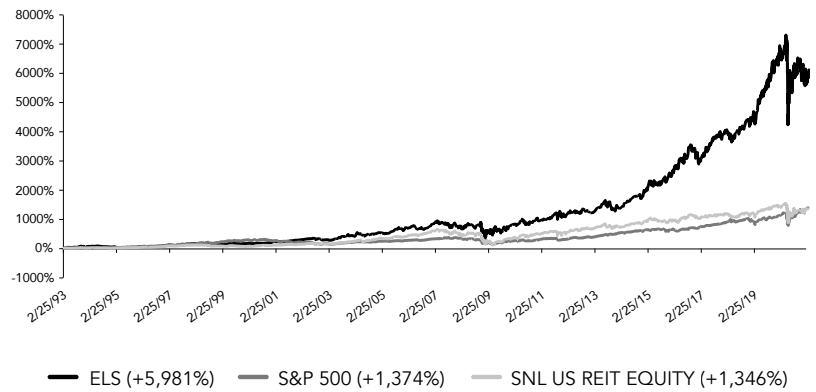
Term To Maturity Vs. Total Debt / Total Market Capitalization



Source: S&P Global

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

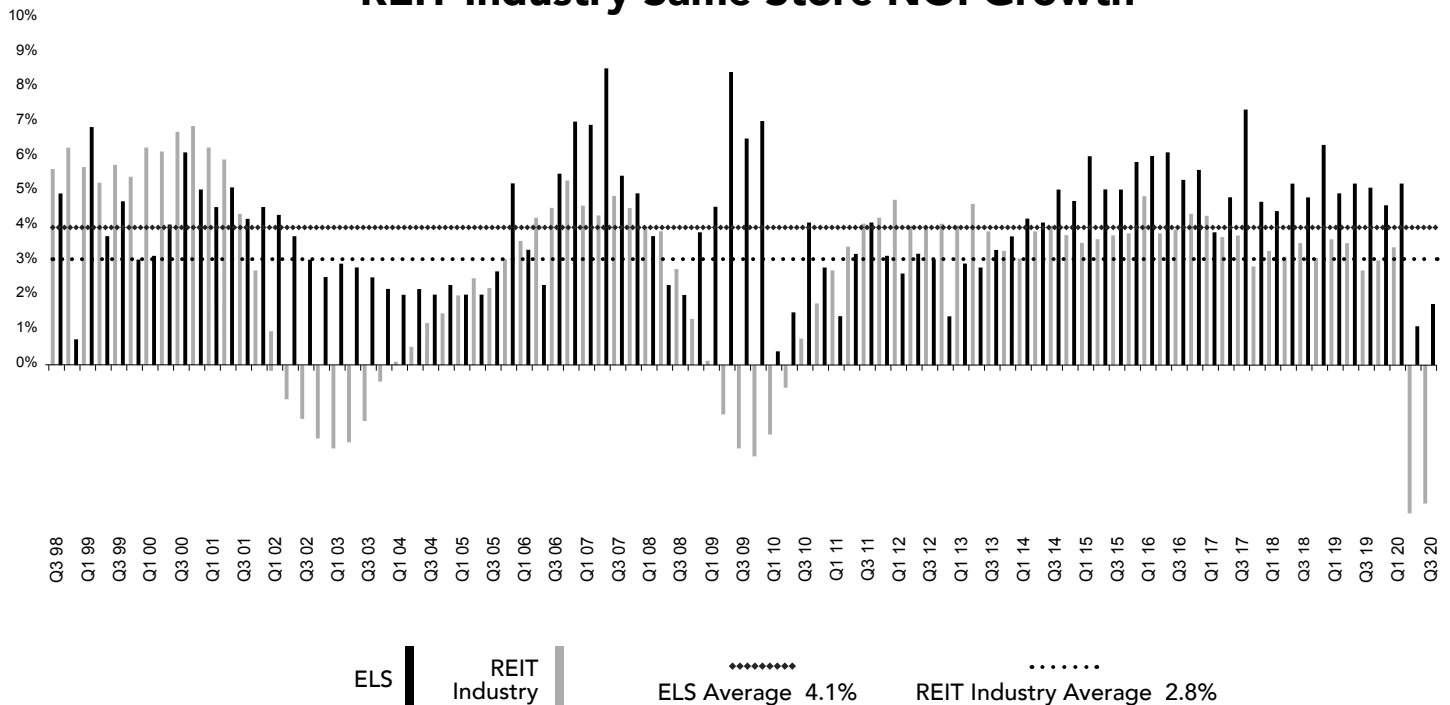
Total Return Performance Since IPO (%)



Source: S&P Global

- 1) Total return calculation assumes dividend reinvestment.
- 2) SNL US REIT Equity; Includes all publicly traded (NYSE, NYSE Amex, NASDAQ, OTC BB, Pink Sheets) Equity REITs in SNL's Coverage universe.
- 3) Stock price date from IPO through December 31, 2020.

REIT Industry Same Store NOI Growth



1) Source for Same Store NOI data: Citi Investment Research, December 2020. Earliest quarter collected by Citi is third quarter of 1998. "REIT Industry" includes an index of REITs across a variety of asset classes, including regional malls, shopping centers, multifamily, student housing, manufactured homes, self storage, office, industrial, mixed office and specialty.

Dear Fellow Shareholders,

This year started out very similar to others with strong demand in both our manufactured home communities and RV resorts. Our residents and customers were heading to their usual winter getaway destinations with excitement at the prospect of escaping the harsh northern winter. As the calendar turned to March, we saw the country engulfed in a health crisis. As local governments began to implement ordinances restricting travel, some of our snowbirds returned early to their primary residences, and many full-time RVers looked to our campgrounds as havens where they were able to shelter in place. We focused on adhering to the new regulations and prioritized the health and safety of our residents, customers, and team members.

We communicated with our teams regarding the importance of safety during these uncertain times, implementing procedures that reduced person to person contact. Externally and internally our communication increased significantly. We focused on providing relevant information to our residents, customers, team members and shareholders.

Our team members stepped up to the challenge of the new operating environment and delivered impressive performance. Our income from property operations increased 3%. The occupancy in our manufactured housing portfolio increased for the 11th consecutive year, and our RV income increased 1%. From a balance sheet perspective, our weighted average maturity of 12 years is almost double the REIT average and four times as long as our average at IPO. Our dividend increased 12% in 2020 and has increased an average of 13% over the last five years.

We maintained our focus on immediate and future growth throughout 2020. We added nine new properties to our portfolio and purchased development land adjacent to certain of our existing properties. Our new properties are well diversified both geographically and by asset type with upside potential from filling vacant sites and building new sites.

The current environment has strengthened the demand for our properties. Our customers were forced to reorient how and where they spend their time, both for work and for leisure, and ELS expects to be the long-term beneficiary of this environment. Family and close friends became a key focus, access to the outdoors and places that offered recreational opportunities were in demand. We believe that the desire of our customers to control their environment and travel in their own vehicles, including to our manufactured home communities, RV parks and marinas, is a lasting trend.

Our customer engagement rates have remained elevated throughout the year. We will strive to continue improving the experience at our properties through feedback from our customers.

We are well positioned for the future with the demographic trends and the increased desire to create natural, socially-distanced vacation opportunities on our well-located real estate. Our healthy balance sheet continues to enable maximum flexibility for future investment decisions.

We relied heavily on our 4,000+ team members this year. Our team members stepped up in an impressive manner and for that we are grateful. We remain committed to fully supporting our team as they continue to navigate the environment with a focus on safety and security for each employee, resident and customer.

While some things looked different throughout 2020, our customers and residents continued to enjoy the Life in the Day at our properties.



Sam Zell
Chairman of the Board



Marguerite Nader
President and CEO

[THIS PAGE INTENTIONALLY LEFT BLANK]

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

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended December 31, 2020

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ **to** _____ **Commission File Number: 1-11718**

EQUITY LIFESTYLE PROPERTIES, INC.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of incorporation)

Two North Riverside Plaza, Suite 800 Chicago, Illinois

(Address of Principal Executive Offices)

36-3857664

(IRS Employer Identification Number)

60606

(Zip Code)

(312) 279-1400

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 Par Value	ELS	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Smaller reporting company Emerging Growth Company

Non-accelerated filer

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of voting stock held by non-affiliates was approximately \$10,599.0 million as of June 30, 2020 based upon the closing price of \$62.48 on such date using beneficial ownership of stock rules adopted pursuant to Section 13 of the Securities Exchange Act of 1934 to exclude voting stock owned by Directors and Officers, some of whom may not be held to be affiliates upon judicial determination.

As of February 18, 2021, 182,299,709 shares of the Registrant's common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

Part III incorporates by reference portions of the Registrant's Proxy Statement relating to the Annual Meeting of Stockholders to be held on April 27, 2021.

Equity LifeStyle Properties, Inc.

TABLE OF CONTENTS

	<u>Page</u>
PART I.	
Item 1. Business	1
Item 1A. Risk Factors	11
Item 1B. Unresolved Staff Comments	24
Item 2. Properties	25
Item 3. Legal Proceedings	37
Item 4. Mine Safety Disclosures	37
PART II.	
Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	38
Item 6. Selected Financial Data	38
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	39
Item 7A. Quantitative and Qualitative Disclosures About Market Risk	55
Forward-Looking Statements	56
Item 8. Financial Statements and Supplementary Data	57
Item 9. Changes In and Disagreements with Accountants on Accounting and Financial Disclosure	57
Item 9A. Controls and Procedures	57
Item 9B. Other Information	57
PART III.	
Item 10. Directors, Executive Officers and Corporate Governance	58
Item 11. Executive Compensation	58
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	58
Item 13. Certain Relationships and Related Transactions, and Director Independence	58
Item 14. Principal Accounting Fees and Services	58
PART IV.	
Item 15. Exhibits, Financial Statement Schedules	59
Item 16. Form 10-K Summary	61

PART I

Item 1. Business

Equity LifeStyle Properties, Inc.

General

Equity LifeStyle Properties, Inc. ("ELS"), a Maryland corporation, together with MHC Operating Limited Partnership (the "Operating Partnership") and its other consolidated subsidiaries (the "Subsidiaries"), are referred to herein as "we," "us," and "our." We are a fully integrated owner and operator of lifestyle-oriented properties ("Properties") consisting primarily of manufactured home ("MH") and recreational vehicle ("RV") communities. We were formed in December 1992 to continue the property operations, business objectives and acquisition strategies of an entity that had owned and operated Properties since 1969. Commencing with our taxable year ended December 31, 1993, we have elected to be taxed as a real estate investment trust ("REIT") for U.S. federal income tax purposes.

We have a unique business model where we own the land upon which we provide our customers the opportunity to place factory-built homes including manufactured homes, cottages or RVs either on a long-term or short-term basis. Additionally, we own marinas that provide boat slip and dry storage rentals. Our customers may lease individual developed areas ("Sites") or enter into right-to-use contracts, also known as membership subscriptions, which provide them access to specific Properties for limited stays. Compared to other types of real estate companies, our business model is characterized by low maintenance costs and low customer turnover costs. Our portfolio is geographically diversified across highly desirable locations near retirement and vacation destinations and urban areas across the United States. We have more than 100 Properties with lake, river or ocean frontage and more than 120 Properties within 10 miles of the coastal United States. Our Properties generally attract retirees, vacationing families, second homeowners and first-time homebuyers by providing a community experience and a lower-cost home ownership alternative.

We are one of the nation's largest real estate networks with a portfolio of 422 Properties (including joint venture Properties) consisting of 160,489 Sites located throughout 33 states in the U.S. and British Columbia in Canada as of December 31, 2020.



Our Properties are designed and improved for housing options of various sizes and layouts that are produced off-site by third-party manufacturers, installed and set on designated Sites within the Properties. Manufactured homes and cottages can range from approximately 400 to over 2,000 square feet. Properties may also have Sites that can accommodate a variety of RVs. We also have marinas that offer boat slip and dry storage rentals. In addition to centralized entrances, internal road systems and designated Sites, our Properties generally provide a clubhouse for social activities and recreation and other amenities, which can include swimming pools, shuffleboard courts, tennis courts, pickleball courts, golf courses, lawn bowling, restaurants, laundry facilities, cable television and internet service. Some Properties provide utilities, including water and sewer service, through municipal or regulated utilities, while others provide these services to customers from on-site facilities.

Human Capital Management

We recognize that our success is driven by our employees. We invest in our employees and are committed to developing our employees' skills and leadership abilities throughout our business. As a result, we believe our employees are dedicated to building strong, innovative and long-term relationships with each other and with our residents and guests.

We have an annual average of approximately 4,000 full-time, part-time and seasonal employees dedicated to carrying out our operating philosophy while focusing on delivering an exceptional customer experience for our residents and guests. Our property operations are managed internally by affiliates of the Operating Partnership and are coordinated by an on-site team of employees that typically includes a manager, clerical staff and maintenance workers.

The on-site team at each Property is primarily responsible for providing maintenance and care to the property itself as well as customer service and, at times, coordinating lifestyle-oriented activities for our residents and guests. Direct supervision of on-site management is the responsibility of our regional vice presidents and regional and district managers, who have substantial experience addressing customer needs and creating innovative approaches to maximize value for residents and guests, which we believe also creates value for our stockholders, through focused and effective property management. Complementing the field management staff are approximately 500 full-time corporate and regional employees who assist in all functions related to the management of our Properties.

We are committed to attracting and retaining a workforce that reflects the diversity of our residents and guests and to providing a safe and inclusive environment where our team members are encouraged to demonstrate their unique skill sets and bring a personal touch to their work. We are committed to maintaining workplaces free from discrimination or harassment on the basis of color, race, sex, national origin, ethnicity, religion, age, disability, sexual orientation, gender identification or expression or any other status protected by applicable law. We value the many contributions of a diverse workforce and understand that diverse backgrounds bring diverse perspectives, resulting in unique insights.

We provide equal employment opportunities to all persons, in accordance with the principles and requirements of the Equal Employment Opportunities Commission and the principles and requirements of the Americans with Disabilities Act. As of December 31, 2020, more than 50% of our workforce self-identified as female and more than 50% of our management positions are held by individuals self-identifying as female. To attract diverse applicants, we have partnered with third parties and post openings to a wide variety of job boards. We also have an annual internship program designed to, among other things, create a pipeline of qualified candidates for positions within the Company and to attract diverse candidates. We recognize the importance of experienced leadership, and, as of December 31, 2020, the average tenure for the executive team was 15 years. The average age of our team members is 51, with ages spanning multiple generations, similar to our residents and guests.

ELS is a place where talent is recognized, and internal growth is promoted. Our employees are fairly compensated, without regard to gender, race and ethnicity, and routinely recognized for outstanding performance. Our compensation program is designed to attract and retain talent. We continually assess and strive to enhance employee satisfaction and engagement. All employees are supported with a strong training and development program and a well-rounded benefits plan to help them maintain their health and financial well-being. Employees are offered flexibility to meet personal and family needs.

Whether we are working with customers or vendors, our actions are guided by a clear set of established principles. We hold ourselves accountable for ethical business practices. All employees, management and our Board of Directors are expected to act with honesty, integrity, fairness and respect. To support this culture, all team members receive annual compliance training focused on compliant and ethical interactions with peers, residents, guests, vendors and others in our communities and offices.

Providing a safe and healthy work environment for our team members is a top priority, and we empower them to take ownership in this effort. Each employee is assigned a safety-related training curriculum tailored to their job responsibilities. All employees are encouraged to report any conditions in their workplace that raise health or safety concerns without fear of retaliation.

In addition to foundational safety and compliance training, team members participate in virtual and in-person learning experiences including formal new employee and manager development programs, a “Day in the Life” program providing office-based employees an opportunity to be fully immersed in the day-to-day operations at our communities, customer experience training focused on varying elements that support our values for property team members and diversity equity and inclusion programs to support the sense of belonging, awareness and connection at ELS. We encourage our employees to take time away from work to focus on their physical and mental well-being and offer a comprehensive benefit package including paid parental and paid family leave programs that exceed minimum regulatory requirements, paid volunteer time off and an expanded paid sick leave during the COVID-19 pandemic. In addition, we offer a competitive 401(k) plan that provides for an employer match of up to 4% with 100% vesting of all contributions immediately upon eligibility and an Employee Stock Purchase Plan providing a 15% discount for all eligible employees.

Employees in our corporate and regional offices are both returning to their work locations and working remotely. We are continuing to keep our focus on employee safety and our ability to adapt to changing demands and local, federal and Centers for Disease Control and Prevention ("CDC") guidelines. During the COVID-19 pandemic, we have increased leadership updates and communication, including virtual townhall meetings, to ensure that employees remain engaged and informed. In addition, property team members were provided with two appreciation awards in the form of a monetary bonus and additional time off to recognize them for their efforts during the pandemic. For discussion of the impact of the COVID-19 pandemic on our business to date see the COVID-19 Pandemic Update in Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations. The extent of the impact that the COVID-19 pandemic will have on our business going forward, including our financial condition, results of operations and cash flows, is dependent on multiple factors, many of which are unknown. For additional information, see Item 1A. Risk Factors.

Our Formation

Our Properties are primarily owned by our Operating Partnership and managed internally by affiliates of our Operating Partnership. We are the general partner of the Operating Partnership. We contributed the proceeds from our various equity offerings, including our initial public offering, to the Operating Partnership. In exchange for these contributions, we received units of common interests in the partnership ("OP Units") equal to the number of shares of common stock that have been issued in such equity offerings.

We have elected to be taxed as a REIT for U.S. federal income tax purposes. Since certain activities, if performed by us, may not be qualifying REIT activities under the Internal Revenue Code of 1986, as amended (the "Code"), we have formed taxable REIT subsidiaries (each, a "TRS") to engage in such activities. Realty Systems, Inc. ("RSI") is our wholly-owned TRS, which owns several Properties. Additionally, RSI is engaged in the business of purchasing, selling and leasing factory-built homes located in Properties owned and managed by us. RSI also offers home sale brokerage services to our residents who may choose to sell their homes rather than relocate them when moving from a Property. Subsidiaries of RSI also operate ancillary activities at certain Properties, such as golf courses, pro shops, stores and restaurants.

The financial results of the Operating Partnership and Subsidiaries are included in our consolidated financial statements, which can be found beginning on page F-1 of this Form 10-K.

Operating Strategies

Our operating strategy is to own and operate the highest quality Properties in sought-after locations near retirement and vacation destinations and urban areas across the United States. Through management of desirable Properties that provide an exceptional customer experience, we create communities valued by residents and guests while delivering value for stockholders.

We focus on Properties that have strong cash flows and plan to hold such Properties for long-term investment and capital appreciation. In determining cash flow potential, we evaluate our ability to attract high quality customers to our Properties and retain customers who take pride in the Property and in their homes. Our operating, investment and financing initiatives include:

- Consistently providing high levels of services and amenities in attractive surroundings to foster a strong sense of community and pride of home ownership;
- Efficiently managing the Properties to add value, grow occupancy, maintain competitive market rents and control expenses;
- Incorporating environmental, social and governance ("ESG") considerations into our business and ensuring sustainability is embedded in our business operations;
- Achieving growth and increasing property values through strategic expansion and, where appropriate, renovation of the Properties;

- Utilizing technology to evaluate potential acquisitions, identify and track competing properties and monitor existing and prospective customer satisfaction;
- Selectively acquiring properties that offer opportunities for us to add value and enhance or create property concentrations in and around retirement or vacation destinations and urban areas to capitalize on operating synergies and incremental efficiencies;
- Selectively acquiring parcels of land adjacent to our Properties that offer opportunities for us to expand our existing communities with additional Sites;
- Selecting joint venture partners that share business objectives, growth initiatives, and risk profiles similar to ours;
- Managing our debt balance in order to maintain financial flexibility, minimize exposure to interest rate fluctuations and maintain an appropriate degree of leverage to maximize return on capital; and
- Developing and maintaining relationships with various capital providers.

These initiatives and their implementation were determined by our management team and ratified by our Board of Directors and may be subject to change or amendment at any time.

Acquisitions and Dispositions

We invest in properties in sought-after locations near retirement and vacation destinations and urban areas across the United States with a focus on delivering value for residents and guests as well as stockholders. Over the last decade, we have continued to increase the number of Properties in our portfolio (including joint venture Properties), from approximately 307 Properties with over 111,000 Sites to 422 Properties with over 160,400 Sites as of December 31, 2020. During the year ended December 31, 2020, we acquired nine Properties (one MH community, seven RV communities and one marina) with approximately 2,772 Sites. We continually review the Properties in our portfolio to ensure we are delivering on our business and customer service objectives. Over the last five years, we redeployed capital to Properties in markets we believe have greater long-term potential and sold five all-age MH communities located in Indiana and Michigan that were not aligned with our long-term goals.

We believe there continues to be opportunities for property acquisitions. Based on industry reports, we estimate there are approximately 50,000 MH properties and approximately 8,000 RV properties (excluding government owned properties) in North America and approximately 4,500 marinas in the U.S. Many of these properties are not operated by large owners/operators, and approximately 3,700 of the MH properties, 1,100 of the RV properties and 500 of the marinas contain 200 sites or more. We believe this relatively high degree of fragmentation provides us the opportunity to purchase additional properties. We also believe we have a competitive advantage in the acquisition of additional properties due to our experienced management, significant presence in major real estate markets and access to capital resources. We are actively seeking to acquire and are engaged at any time in various stages of negotiations relating to the possible acquisition of additional properties, which may include outstanding contracts to acquire properties that are subject to the satisfactory completion of our due diligence review.

We anticipate that new acquisitions will generally be located in the United States, although we may consider other geographic locations provided they meet our acquisition criteria. We utilize market information systems to identify and evaluate acquisition opportunities, including the use of a market database to review the primary economic indicators of the various locations in which we expect to expand our operations.

Acquisitions will be financed from the most efficient available sources of capital, which may include undistributed Funds from Operations ("FFO"), issuance of additional equity securities, including under our at-the market ("ATM") equity offering program, sales of investments, collateralized and uncollateralized borrowings, including our existing line of credit, and issuance of debt securities. In addition, we have acquired and expect to acquire properties in transactions that include the issuance of OP Units as consideration for the acquired properties. We believe that an ownership structure that includes our Operating Partnership has permitted and will permit us to acquire additional properties in transactions that may defer all or a portion of the sellers' tax consequences.

When evaluating potential acquisitions, we consider, among others, the following factors:

- Current and projected cash flows of the property;
- Geographic area and the type of property;
- Replacement cost of the property, including land values, entitlements and zoning;
- Location, construction quality, condition and design of the property, including vacant land and its location relative to one or more of our existing properties;
- Potential for capital appreciation of the property;
- Terms of tenant leases or usage rights;

- Opportunity to enhance the customer experience and add value through management expertise;
- Potential for economies of scale through property concentrations;
- Potential for economic growth and the tax and regulatory environment of the community in which the property is located;
- Potential for expansion, including increasing the number of Sites;
- Occupancy and demand by customers for properties of a similar type in the vicinity;
- Prospects for liquidity through sale, financing or refinancing of the property;
- Competition from existing properties and the potential for the construction of new properties in the area; and
- Working capital demands.

When evaluating potential dispositions, we consider, among others, the following factors:

- Whether the Property meets our current investment criteria;
- Our desire to exit certain non-core markets and reallocate the capital into core markets; and
- Our ability to sell the Property at a price that we believe will provide an appropriate return for our stockholders.

When investing capital, we consider all potential uses of the capital, including returning capital to our stockholders. Our Board of Directors periodically reviews the conditions under which we may repurchase our stock. These conditions include, but are not limited to, market price, balance sheet flexibility, other opportunities and capital requirements.

Property Expansions

Development - Current Portfolio. An integral part of our growth and investment strategy is to evaluate each Property for expansion opportunities. Investment evaluation consists of reviewing the following: local market conditions, demographic trends, zoning and entitlements, infrastructure requirements, financial feasibility, projected performance and property operations. When justified, development of land available for expansion ("Expansion Sites") allows us to leverage existing facilities and amenities. We believe our ability to increase density translates to greater value creation and cash flows through operational efficiencies. Overall, approximately 126 of our Properties have potential Expansion Sites, offering approximately 5,600 available acres. Refer to Item 2. Properties, which includes detail regarding the developable acres available at each property.

Acquisition - Expanding Portfolio. In selecting acquisition targets, we focus on properties with existing operations in place and contiguous Expansion Sites. Underwriting a project with these features allows us to access the previously untapped potential of such properties. For example, over the past three years, we have acquired 32 Properties, three development assets and 12 land parcels that contain approximately 894 acres for future expansion.

Sustainability Strategy

ELS' commitment to sustainability embraces a holistic approach which aims to support our business model, minimize our environmental impact, maintain a safe and healthy workplace and uphold a high standard of business ethics and conduct. We understand the value of continuing to focus on sustainable practices and the highest standard of business ethics and practices, as they are critical to our overall success and building long-term stakeholder value.

In 2019, we formed an Environmental, Social, and Governance Taskforce ("ESG Taskforce") to support our on-going commitment to environmental, social, governance and other public policy matters relevant to us (collectively "ESG Matters"). Led by the sustainability team and overseen by our Chief Operating Officer, the ESG Taskforce is comprised of a cross-functional team of employees from asset management, investor relations, compliance, communications, operations, marketing, risk management, financial reporting, legal and human resources.

The ESG Taskforce reports on ESG Matters to the Compensation, Nominating and Corporate Governance Committee of the Board of Directors and senior management. The Compensation, Nominating and Corporate Governance Committee is responsible for the review of our ESG strategy, initiatives and policies. Additionally, the Audit Committee is responsible for the discussion and review of policies with respect to risk assessment and risk management, including, but not limited to, human rights and ESG risks.

At ELS, sustainability is at the core of Our Nature through Uniting People, Places & Purpose.

Our People. With a culture of recognition and reputation for excellence, our employees are empowered to take ownership in their jobs and make a difference. ELS is a place where talent is recognized and internal growth is promoted, making it an ideal organization in which to develop a long and successful career. All benefits eligible employees can take time

off to volunteer at a charitable organization of their choice. Employees are encouraged to use this time to make a difference in their communities.

Making a positive impact in the greater communities in which we operate not only helps us make a difference in the lives of others, but also enhances our knowledge of and connection to the people and places we serve. Throughout our Properties across North America, we work to create a comfortable and welcoming environment for everyone – residents, guests, and employees. Funded through the generosity of our employees and friends of ELS, ConsiderOthers is a 501(c)(3) non-profit charity that provides financial and other assistance to our residents and employees. Additionally, we launched an initiative, Making a Difference in Our Communities, to support the good works in response to COVID-19. From creating care packages to delivering hot meals to making face masks and more, we have seen so many examples of neighbors reaching out to help neighbors, working together to help first responders, doing good works for their greater communities. These acts of kindness enhance the bonds our customers have with each other and to our communities. We are proud to help foster these efforts in our communities.

Our Places. Our Properties are located where our customers aspire to be – where they want to live, work and grow, where they want to retire or raise their family, and where they want to vacation and spend their valued leisure time. We consider it a great responsibility to own and operate lifestyle-oriented properties among diverse landscapes and natural habitats and to ensure our properties remain desirable destinations for future generations. As a result, the consideration of environmental factors has always been part of our culture in the daily operation of our business.

Through sustainable practices, we are taking action to use resources efficiently and reduce our impact on the environment. We are committed to seeking opportunities to expand the use of renewable energy throughout our portfolio. Not only do these systems, such as our solar array at Morgan Hill RV Resort in Morgan Hill, CA, reduce our greenhouse gas emissions and electricity expense, they double as a valued amenity we can offer our guests. We are investing in efficient, innovative and smart technology and infrastructure to enhance resident relations, simplify operations and ensure regulatory compliance. We continue to invest in our water and electric meter program to replace submeters with a real time automatic meter reading system to monitor usage and proactively identify water leaks and wasted energy. We are consistently improving the quality of our housing stock through the purchase of ENERGY STAR® certified homes, where available.

Our Purpose. It is of the utmost importance to us that we maintain the highest level of ethical standards in our processes, customs and policies. Whether we are working with customers or vendors, our actions are guided by a clear set of established principles. We hold ourselves accountable for ethical business practices. All facets of ELS, employees, management and our Board of Directors, are expected to act with honesty, integrity, fairness and respect. We have an ESG policy to incorporate ESG considerations into our business and a Human Rights and Labor Rights Statement that confirms our policies on the topics of Fair Labor Practices, Child Labor, Forced Labor and Human Trafficking, Health and Safety, Diversity and Inclusion and Ethical Conduct. To help employees report potential misconduct, we have a confidential multi-lingual Alertline for reporting Ethics and Compliance concerns and a confidential hotline for all employees to report workplace health and safety concerns.

We have a stakeholder engagement approach that enables us to understand our stakeholders' perceptions and concerns, encourages regular dialogue and leverages industry frameworks to communicate our ESG impacts. Further information on our sustainability strategy and ESG efforts can be found on our website at <https://www.equitylifestyleproperties.com/sustainability>. The information on our internet site is not part of, nor incorporated into, this annual report on Form 10-K.

Leases or Usage Rights

At our Properties, a typical lease for the rental of a Site between us and the owner or renter of a home is month-to-month or for a one-year term, renewable upon the consent of both parties or, in some instances, as provided by statute. These leases are cancelable, depending on applicable law, for non-payment of rent, violation of Property rules and regulations or other specified defaults. Long-term leases are in effect at approximately 14,991 Sites in 13 of our Properties. Some of these leases are subject to rental rate increases based on the Consumer Price Index ("CPI"), in some instances allowing for pass-throughs of certain items such as real estate taxes, utility expenses and capital expenditures. Generally, adjustments to our rental rates, if appropriate, are made on an annual basis.

In Florida, in connection with offering a Site in a MH community for rent, the MH community owner must deliver to the prospective resident a Prospectus required by Florida Statutes Chapter 723.001, et. seq., which must be approved by the applicable regulatory agency. The Prospectus contains certain required disclosures regarding the community, the rights and obligations of the MH community owner and residents, and a copy of the lease agreement. A Prospectus may contain limitations on the rights of the MH community owner to increase rental rates. However, in the absence of such limitations, the MH community owner may increase rental rates to market, subject to certain advance notice requirements and a statutory requirement that the rental rates be reasonable. See further discussion below related to rent control legislation.

At Properties zoned for RV use, we have long-term relationships with many of our seasonal and transient residents and guests, who typically enter into short-term rental agreements. Generally, these residents and guests cannot live full time on these Properties for reasons including their seasonal nature. Many of them also leave deposits to reserve a Site for the following year.

Properties operated under the Thousand Trails brand are primarily utilized to serve subscription members. Available Sites within these Properties may also be utilized by non-members. A membership subscription grants the member access to these Properties on a continuous basis of up to 14 days in exchange for an annual payment. In addition, members are eligible to upgrade their subscriptions, which increase usage rights during the membership term. Each membership upgrade requires a non-refundable upfront payment, for which we offer financing options to eligible members. Most of the subscription contracts provide for an annual dues increase, usually based on increases in the CPI.

Regulations and Insurance

General. Our Properties are subject to a variety of laws, ordinances and regulations, including regulations relating to recreational facilities such as swimming pools, clubhouses and other common areas, regulations relating to providing utility services, such as electricity, and regulations relating to operating water and wastewater treatment facilities at certain Properties. We believe that each Property has all material permits and approvals necessary to operate. We renew these permits and approvals in the ordinary course of business.

Insurance. Our Properties are insured against risks that may cause property damage and business interruption, including events such as fire, flood, earthquake, or windstorm. The relevant insurance policies contain deductible requirements, coverage limits and particular exclusions. Our current property and casualty insurance policies with respect to our MH and RV Properties, which we plan to renew, expire on April 1, 2021. We have a \$100.0 million loss limit per occurrence with respect to our MH and RV all-risk property insurance program including named windstorms. This loss limit is subject to additional sub-limits as set forth in the policy form, including, among others, a \$25.0 million aggregate loss limit for earthquakes in California. The deductibles for this policy primarily range from a \$500,000 minimum to 5.0% per unit of insurance for most catastrophic events. For most catastrophic events, there is an additional one-time \$500,000 aggregate deductible. We have separate insurance policies with respect to our marina Properties. Those casualty policies, which we plan to renew, expire on November 1, 2021, and the property insurance program, which expires on April 1, 2022, has a minimum deductible of \$100,000. A deductible indicates our maximum exposure, subject to policy limits and sub-limits, in the event of a loss.

Rent Control Legislation. At certain Properties, state and local rent control laws dictate the structure of rent increases and, in some cases, outline the ability to recover the costs of capital improvements. Enactment of such laws has been considered at various times in other jurisdictions. We presently expect to continue to maintain Properties and may purchase additional properties in markets that are either subject to rent control or in which rent related legislation exists or may be enacted. For example, Florida law requires that rental increases be reasonable, and Delaware law requires rental increases greater than the changes in the CPI to be justified. Also, certain jurisdictions in California in which we own Properties limit rent increases to changes in the CPI or some percentage of the CPI. As part of our effort to realize the value of Properties subject to restrictive regulations, we have initiated lawsuits at times against various municipalities imposing such regulations in an attempt to balance the interests of our stockholders with the interests of our residents and guests.

Membership Properties. Many states also have consumer protection laws regulating right-to-use or campground membership sales and the financing of such sales. Some states have laws requiring us to register with a state agency and obtain a permit to market (see Item 1A. Risk Factors). At certain Properties primarily used as membership campgrounds, state statutes limit our ability to close a Property unless a reasonable substitute Property is made available for members to use.

Industry

We believe that demand for manufactured housing and RV communities will continue to outpace supply in the near future. We expect much of this demand will continue to come from baby boomers, who may seek an active RV lifestyle or a permanent retirement or vacation establishment. In addition, we expect the exposure to Millennials and Generation X will contribute to the demand, as these groups focus on affordability, prefer housing quality over size and pursue unique experiences. We believe that our Properties and our business model provide an attractive destination for customers as they seek value in their housing and recreational options. Positive trends in categories such as customer demographics, the quality of manufactured housing construction and limited property supply, among others, fuel our belief that our Properties are well positioned for the future:

- *Barriers to Entry:* We believe that the supply of new properties in locations we target will be constrained by barriers to entry. While we have seen a moderate increase in ground-up development, primarily of RV properties, the most

significant barrier continues to be the difficulty of securing zoning permits from local authorities. This has been the result of (i) the public perception of manufactured housing, and (ii) the fact that MH and RV communities generate less tax revenue than conventional housing properties because the homes are treated as personal property (a benefit to the homeowner) rather than real property. Further, the length of time between investment in a property's development and the attainment of stabilized occupancy and the generation of profit is significant. The initial development of the infrastructure may take up to three years and once a property is ready for occupancy, it may be difficult to attract customers to an empty property.

- *Customer Base:* We believe that properties tend to achieve and maintain a stable rate of occupancy due to the following factors: (i) customers typically own their own homes, (ii) properties tend to foster a sense of community as a result of amenities, such as clubhouses and recreational and social activities, (iii) customers often sell their homes in-place (similar to site-built residential housing), resulting in no interruption of rental payments to us, and (iv) moving a factory-built home from one property to another involves substantial cost and effort.
- *Lifestyle Choice:* There are currently over 1 million RV camp sites in privately owned RV parks and campgrounds in the United States per the National Association of RV Parks and Campgrounds ("ARVC"). According to the Recreational Vehicle Industry Association ("RVIA") in 2019, RV ownership has reached record levels. More than nine million households now own an RV, a 16% increase since 2011 and a 64% increase since 1980. The 73 million people born in the United States from 1946 to 1964, or "baby boomers," make up one of the largest and fastest growing segments in this market. According to the U.S. Census Bureau in 2019, every day 10,000 Americans turn 65 years old, and all baby boomers will be at least age 65 by 2030. We believe that this population segment, seeking an active lifestyle, will provide opportunities for our future growth. As RV owners age and move beyond the more active RV lifestyle, they will often seek permanent retirement or vacation establishments. Manufactured homes and cottages have become an increasingly popular housing alternative. According to 2018 U.S. Census Bureau National Population Projections figures, the population of people ages 55 and older is expected to grow 17% within the next 15 years.

We believe that the housing choices in our Properties are especially attractive to such individuals throughout this lifestyle cycle. Our Properties offer an appealing amenity package, close proximity to local services, social activities, low maintenance and a secure environment. In fact, many of our Properties allow for this cycle to occur within a single Property.

Additionally, RV sales are expected to benefit from an increase in demand from those born in the United States from 1980 to 1995, or Millennials, over the coming years, according to the RVIA. The number of consumers between age 30 and 45 is expected to total 72 million by 2025, 13% higher than in 2015. Data collected on RV retail registrations found the share of RV ownership has increased in the younger age brackets between 2015 and 2018. RV ownership for those aged 35 to 44 increased from 18.4% in 2015 to 20.8% in 2018. For those aged 25 to 34, RV ownership increased from 5.0% in 2015 to 8.1% in 2018. The consumers most likely to purchase RVs, according to a study conducted with Nielsen in 2016 by Go RVing, a coalition of RV industry trade groups, are families searching for adventures, individuals looking for locations with natural beauty and opportunities for outdoor sports and recreation, and kid-free adult adventurers enjoying the freedom, convenience and low-cost options of RVs. According to The 2020 North American Camping Report sponsored by Kampgrounds of America, Inc. and conducted by Cairn Consulting Group, the use of RVs as a primary camping accommodation by new campers increased 9% from 2015 to 2019. RVs provide personal space for traveling and 51% of campers say they are more likely to purchase an RV, with campers born in the United States from 1965 to 1979, or Generation X, most inclined to purchase an RV at 62% while Millennial campers had the most interest in full-time RVing at 36%.

- *Construction Quality:* The Department of Housing and Urban Development's ("HUD") standards for manufactured housing construction quality are the only federal standards governing housing quality of any type in the United States. Manufactured homes produced since 1976 have received a "red and silver" government seal certifying that they were built in compliance with the federal code. The code regulates manufactured home design and construction, strength and durability, fire resistance and energy efficiency, and the installation and performance of heating, plumbing, air conditioning, thermal and electrical systems. In newer homes, top grade lumber and dry wall materials are common. Also, manufacturers are required to follow the same fire codes as builders of site-built structures. In 1994, following the devastation left by Hurricane Andrew, HUD introduced regulations that established different wind zones across the country. As a result, any homes set in place since 1994 must be able to withstand wind speeds of 70 miles per hour in Zone 1, 100 miles per hour in Zone 2 and 110 miles per hour in Zone 3. While most of the United States is designated wind Zone 1, areas most likely to be impacted by hurricanes are either Zone 2 or Zone 3.

Although construction of cottages, which are generally smaller homes, do not come under the same HUD regulations, they are built and certified in accordance with National Fire Protection Association ("NFPA") 1192-15 and American National Standards Institute ("ANSI") A119.5 consensus standards for park model recreational vehicles and have

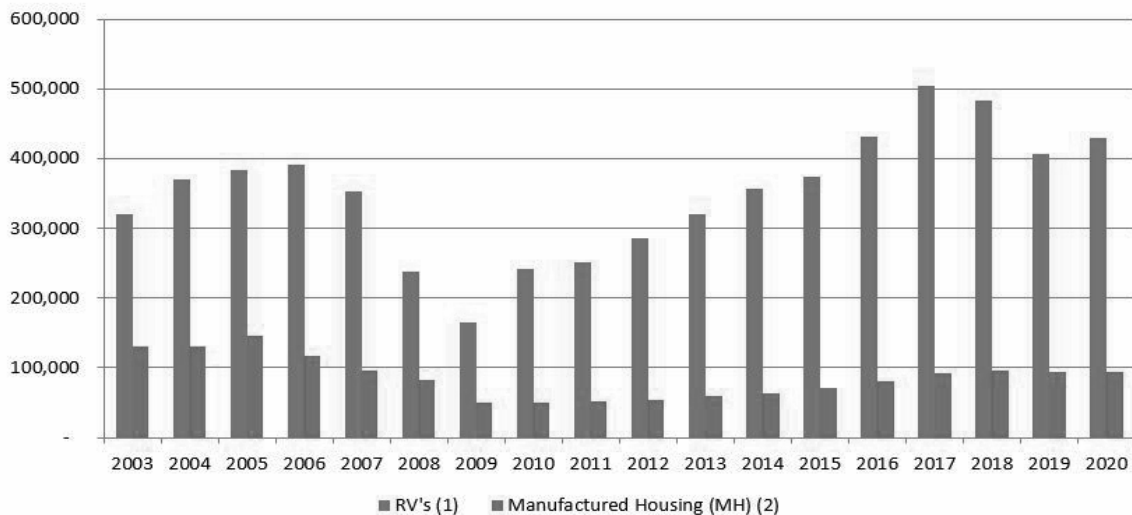
many of the same quality features. RVIA operates a safety standards and inspection program that requires member manufacturers of all recreation vehicles, including park model RVs, to certify that each unit built complies with the requirements of the applicable standards.

- *Comparability to Site-Built Homes:* Since inception, the manufactured housing industry has experienced a trend toward multi-section homes. The average current manufactured homes are approximately 1,438 square feet. Many such homes have nine-foot or vaulted ceilings, fireplaces and as many as four bedrooms, and closely resemble single-family ranch-style site-built homes at a fraction of the price. At our Properties, there is an active resale or rental market for these larger homes. According to the 2019 U.S. Census American Community Survey, manufactured homes represent 8.4% of single-family housing units.
- *Second Home and Vacation Home Demographics:* According to 2020 National Association of Home Builders reports, there were approximately 7.5 million second and vacation homes in 2018, accounting for 5.5% of the total housing stock in 2018. In 2020, the number of recent home buyers who own more than one home was 17%, up from 16% in 2019, according to the National Association of Realtors ("NAR"). NAR reports that owning more than one property was most common for buyers aged 65 years and older at 22%. Additionally, NAR reports that of second homebuyers from October 2015 through September 2020, 39% purchased in resort areas, 16% purchased in small towns and 15% purchased in rural areas. Looking ahead, we expect continued strong demand from baby boomers and Generation X. We believe these individuals will continue to drive the market for second-home sales as vacation properties, investment opportunities, or retirement retreats. We believe it is likely that over the next decade we will continue to see high levels of second-home sales and that homes and cottages in our Properties will continue to provide a viable second-home alternative to site-built homes.

Notwithstanding our belief that the industry information highlighted above provides us with significant long-term growth opportunities, our short-term growth opportunities could be disrupted by the following:

- *Shipments:* According to statistics compiled by the U.S. Census Bureau, manufactured home shipments to dealers increased each year from 2010 to 2018, before declining slightly in 2019. Shipments in 2020 were in line with 2019 at 94,400 units. According to the RVIA, wholesale shipments of RVs increased 6.0% in 2020 to approximately 430,400 units as compared to 2019, on par with the third highest annual shipment total on record. The shipment numbers for 2020 reflect increasing consumer interest in RVing and the growth in consumer demand to purchase RVs that began in the early summer and continued for the remainder of the year.

Manufactured Housing and Recreational Vehicle Annual Shipments 2003-2020



1. Source: RVIA

2. U.S. Census: Manufactured Homes Survey

- *Sales:* Retail sales of RVs totaled approximately 472,233 in 2020, a 13.7% increase from 2019 RV sales of 415,325 and a 7.1% increase from 2018 RV sales of 440,994. We believe consumers viewed RVs as a safe way to enjoy an active outdoor lifestyle, travel and see the country. The enduring appeal of the RV lifestyle has translated into

continued strength in RV sales, as 2020 is the highest sales year for the industry. RV sales could continue to benefit from the increased demand from the baby boomers and Millennials. Financing options are also available as RV dealers typically have relationships with third-party lenders, who provide financing for the purchase of a RV.

- *Availability of financing:* Although RV financing is readily available, the economic and legislative environment has generally made it difficult for buyers of both manufactured homes and RVs to obtain financing. Legislation enacted in 2008 and effective in 2010, known as the SAFE Act (Secure and Fair Enforcement for Mortgage Licensing Act) requires community owners interested in providing financing to buyers of manufactured homes to register as mortgage loan originators in states where they engage in such financing. In comparison to financing available to buyers of site-built homes, the few third-party financing sources available to buyers of manufactured homes offer financing with higher down payments, higher rates and shorter maturities, and loan approval is subject to more stringent underwriting criteria. In 2013, we entered into a joint venture, ECHO Financing, LLC, to buy and sell homes and purchase loans made by an unaffiliated lender to residents at our Properties. See Item 1A. Risk Factors and consolidated financial statements and related notes beginning on page F-1 of this Form 10-K for more detailed information.

In 2017, the Federal Housing Finance Agency ("FHFA") published Fannie Mae's and Freddie Mac's Underserved Markets Plans for 2018-2020 (the "Plans") under the duty-to-serve provisions mandated by the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended by the Housing and Economic Recovery Act of 2008. The FHFA mandate requires Fannie Mae and Freddie Mac to serve three specific underserved markets, one of which is the manufactured housing sector. The Plans outline four duty-to-serve focus areas related to manufactured housing, including home purchase financing for customers placing manufactured homes in land lease communities. While this may have a positive impact on the ability of our customers to obtain chattel financing, the actual impact on us as well as the industry cannot be determined at this time. Additionally, the new administration may redefine the objectives of the Plans.

Available Information

We file reports electronically with the Securities and Exchange Commission ("SEC"). The SEC maintains a website that contains reports, proxy information and statements and other information regarding issuers that file electronically with the SEC at <http://www.sec.gov>. We also maintain a website with information about us as well as our press releases, investor presentations, and filings with the SEC at <http://www.equitylifestyleproperties.com>, which can be accessed free of charge. We intend to post material on our website from time to time that contains material non-public information. The posting of such information is intended to comply with our disclosure requirements under Regulation Fair Disclosure. Accordingly, in addition to following our SEC filings and public conference calls, we encourage investors, the media and others interested in us to review the business and financial information we post on our website. The information contained on our website, or available by hyperlink from our website, is not incorporated into this Form 10-K or other documents we file with, or furnish to, the SEC. Requests for copies of our filings with the SEC and other investor inquiries should be directed to:

Investor Relations Department
Equity LifeStyle Properties, Inc.
Two North Riverside Plaza
Chicago, Illinois 60606
Phone: 1-800-247-5279
e-mail: investor_relations@equitylifestyle.com

Item 1A. Risk Factors

The following risk factors could cause our actual results to differ materially from those expressed or implied in forward-looking statements made in this Form 10-K and presented elsewhere by our management from time to time. These risk factors may have a material adverse effect on our business, financial condition, operating results and cash flows. Additional risks and uncertainties not presently known to us or that are currently not believed to be material may also affect our actual results.

Risks Relating to Our Operations and Real Estate Investments

The current pandemic of the novel coronavirus, or COVID-19, has adversely impacted us, and COVID-19, or the future outbreak of other highly infectious or contagious diseases, could materially and adversely impact or disrupt our business, including our financial condition, results of operations and cash flows.

COVID-19 has had, and another pandemic could have, significant repercussions across regional, national and global economies and financial markets, and has and could continue to trigger periods of regional, national and global economic slowdown or recessions. Many U.S. cities and states, including cities and states where our offices and properties are located, have implemented measures to combat COVID-19, including quarantines, shelter-in-place and stay-at-home orders, social distancing requirements, and restrictions on travel and the types of business that may continue to operate. We have taken actions in response to or in furtherance of these measures, including, but not limited to, temporarily halting RV reservations by incoming transient customers, delaying opening certain of our northern RV communities, closing all indoor amenity areas, pools and playgrounds, introducing a rent deferral program and waiving certain late fees and cancellation fees. These actions have since been discontinued except for some amenities which remain closed, however circumstances may require us to reimplement some or all of these actions. Although vaccines for COVID-19 have been developed, we can provide no assurance as to the timing of the distribution and administration of the vaccines, that the vaccines will be effective and administered in quantities sufficient to address the COVID-19 pandemic, or that there will not be lasting changes in consumer behavior as a result of the COVID-19 pandemic that may impact our business. See "Management Discussion and Analysis of Financial Condition and Results of Operations - COVID-19 Pandemic Update."

The effects of COVID-19 have had and could continue to have, or another pandemic could have, an adverse effect on our financial condition, results of operations and cash flows, which impact could be material, due to, among other factors:

- Weaknesses in national, regional or local economies may prevent our residents and customers from paying rent in full or on a timely basis. Federal, state, local, and industry-initiated efforts, including eviction moratoriums, have affected and may continue to affect our ability to collect rent or enforce remedies for the failure to pay rent. These efforts could lead to an increase in our recognition of credit losses related to our rent receivables. In addition, a reduction in the ability or willingness of prospective customers to visit our properties could impact our ability to lease Sites and sell manufactured homes and may result in lower rental income and ancillary operating revenues produced by our Properties.
- The seasonal and transient customers that vacation and camp at our Properties, including our RV communities, may be less likely to visit if they have less disposable income for leisure-time activities, or are unable to visit due to health concerns, shelter-in-place and stay-at-home orders, or travel restrictions, including cross-border restrictions from Canada, which have caused and could continue to cause cancellation of existing reservations and reduced transient rental income.
- A general decline in business activity and discretionary spending could result in fewer customers purchasing membership subscriptions, or existing customers purchasing fewer membership upgrades or failing to pay annual subscription fees or installments on financed upgrade sales.
- A reduction in the demand for our Properties due to a general decline in business activity and discretionary spending could adversely affect the value of our Properties. This could lead to an impairment of our real estate investments. In addition, we may be unable to complete planned development of land for expansion or other capital improvement projects on a timely basis or at all due to government-mandated shutdowns or an inability by our third-party contractors to continue to work on construction projects.
- A general decline in business activity or demand for real estate transactions could adversely affect our ability or desire to acquire additional properties, including through our joint ventures.
- The financial impact of COVID-19 could negatively impact our ability to comply with financial covenants in our credit arrangements and result in a default and potentially an acceleration of indebtedness, which non-compliance could negatively impact our ability to make additional borrowings under our credit facilities.
- A severe disruption and instability in the global financial markets or a deterioration in credit and financing conditions may affect our ability to access capital necessary to fund business operations, including the acquisition or expansion of properties, or replace or renew maturing liabilities on a timely basis, on attractive terms, or at all and may adversely affect the valuation of financial assets and liabilities.

- COVID-19 could negatively affect the health, availability and productivity of our current personnel. It could also affect our ability to recruit and attract new employees and retain current employees whose hours have been reduced. An outbreak of COVID-19 that directly affects, or threatens to directly affect, any of our properties could also deter or prevent our on-site personnel from reporting to work. The effects of shelter-in-place and stay-at-home orders, including remote work arrangements for an extended period of time, could strain our business continuity plans, introduce operational risk, including but not limited to cybersecurity risks, and impair our ability to manage our business. Further, we have and may continue to implement mitigation and other measures to support and protect our employees, which could result in increased labor costs.

The rapid development and fluidity of the circumstances resulting from COVID-19 precludes any prediction as to the ultimate adverse impact of COVID-19. Nevertheless, COVID-19 and the current financial, economic and capital markets environment, and future developments in these and other areas present material uncertainty and risk with respect to our performance, financial condition, volume of business, results of operations and cash flows, which could adversely affect our ability to make distributions.

The Economic Performance and Value of Our Properties Are Subject to Risks Associated with The Real Estate Industry.

The economic performance and value of our Properties could be adversely affected by various factors, many of which are outside of our control. These factors include but are not limited to the following:

- changes in the national, regional and/or local economies;
- the attractiveness of our Properties to customers, competition from other MH and RV communities and lifestyle-oriented properties and alternative forms of housing (such as apartment buildings and site-built single-family homes);
- the ability of MH and RV manufacturers to adapt to changes in the economy and the availability of units from these manufacturers;
- the ability of our potential customers to sell or lease their existing residences in order to purchase homes or cottages at our Properties, and heightened price sensitivity for seasonal and second homebuyers;
- the ability of our potential customers to obtain financing on the purchase of homes, cottages or RVs;
- our ability to attract new customers and retain them for our membership subscriptions and upgrade sales business;
- our ability to collect payments from customers and pay or control operating costs, including real estate taxes and insurance;
- the ability of our assets to generate income sufficient to pay our expenses, service our debt and maintain our Properties;
- our ability to diversify and sell our Properties timely due to the illiquid nature of real estate investments;
- unfavorable weather conditions, especially on holiday weekends in the spring and summer months, which are peak business periods for our transient customers;
- changes in climate and the occurrence of natural disasters or catastrophic events, including acts of war and terrorist attacks;
- fluctuations in the exchange rate of the U.S. dollar to other currencies, primarily the Canadian dollar due to Canadian customers, who frequently visit our southern Properties;
- changes in U.S. social, economic and political conditions, laws and governmental regulations, including policies governing rent control, property zoning, taxation, minimum wages, chattel financing, health care, foreign trade, regulatory compliance, manufacturing, development and investment;
- fiscal policies, instability or inaction at the U.S. federal government level, which may lead to federal government shutdowns or negative impacts on the U.S. economy; and
- COVID-19, or other highly infectious or contagious diseases, which has had and could continue to have an adverse effect on our business.

Changes in or the occurrence of any of these factors could adversely affect our financial condition, results of operations, market price of our common stock and our ability to make expected distributions to our stockholders or result in claims, including, but not limited to, foreclosure by a lender in the event of our inability to service our debt.

Economic Downturn in Markets with a Large Concentration of Our Properties May Adversely Affect Our Financial Condition, Results of Operations, Cash Flows and Ability to Make Distributions.

Our success is dependent upon economic conditions in the U.S. generally and in the geographic areas where a substantial number of our Properties are located. As we have a large concentration of properties in certain markets, most notably Florida, California and Arizona, which comprise 44.3%, 12.9% and 9.5%, respectively, of our total property operating revenue for the year ended December 31, 2020, adverse market and economic conditions in these areas could significantly affect factors, such as occupancy and rental rates, and could have a significant impact on our financial condition, results of operations, cash flows

and ability to make distributions. Furthermore, stay-at-home orders and travel restrictions could adversely impact the ability of our customers to visit our Properties. In a recession or under other adverse economic conditions, non-earning assets and write-downs are likely to increase as debtors fail to meet their payment obligations. Although we maintain reserves for credit losses in amounts that we believe are sufficient to provide adequate protection against potential write-downs in our portfolio, these amounts could prove to be insufficient.

Certain of Our Properties, Primarily Our RV Communities, are Subject to Seasonality and Cyclicalities.

Some of our RV communities are used primarily by vacationers and campers. These Properties experience seasonal demand, which generally increases in the spring and summer months and decreases in the fall and winter months. As such, results for a certain quarter may not be indicative of the results of future quarters. In addition, since our RV communities are primarily used by vacationers and campers, economic cyclicalities resulting in a downturn that affects discretionary spending and disposable income for leisure-time activities could adversely affect our cash flows.

Our Properties May Not Be Readily Adaptable to Other Uses.

Properties in our portfolio, including marinas and certain RV communities, are specific-use properties and may contain features or assets that have limited alternative uses. These Properties may also have distinct operational functions that involve specific procedures and training. If the operations of any of our Properties become unprofitable due to industry competition, operational execution or otherwise, then it may not be feasible to operate the Property for another use, and the value of certain features or assets used at the Property, or the Property itself, may be impaired. Should any of these events occur, our financial condition, results of operations and cash flows could be adversely impacted.

Competition for Acquisitions May Result in Increased Prices for Properties and Associated Costs and Increased Costs of Financing.

Other real estate investors with significant capital may compete with us for attractive investment opportunities. Such competition could increase prices for Properties and result in increased fixed costs, including real estate taxes. To the extent we are unable to effectively compete or acquire properties on favorable terms, our ability to expand our business could be adversely affected.

New Acquisitions May Fail to Perform as Expected and the Intended Benefits May Not Be Realized, Which Could Have a Negative Impact on Our Operations and the Market Price of Our Common Stock.

We intend to continue to acquire Properties. However, newly acquired Properties may fail to perform as expected and could pose risks for our ongoing operations including the following:

- integration may prove costly or time-consuming and may divert our attention from the management of daily operations;
- we may be unable to access capital or we may encounter difficulties, such as increases in financing costs;
- we may incur costs and expenses associated with any undisclosed or potential liabilities;
- unforeseen difficulties may arise in integrating an acquisition into our portfolio;
- expected synergies may not materialize; and
- we may acquire properties in new markets where we face risks associated with lack of market knowledge such as understanding of the local economy, the local governmental and/or local permit procedures.

As a result of the foregoing, we may not accurately estimate or identify all costs necessary to bring an acquired Property up to standards established for our intended market position. As such, we cannot provide assurance that any acquisition we make will be accretive to us in the near term or at all. Furthermore, if we fail to realize the intended benefits of an acquisition, the market price of our common stock could decline to the extent that the market price reflects those benefits.

Development and Expansion Properties May Fail to Perform as Expected and the Intended Benefits May Not Be Realized, Which Could Have a Negative Impact on Our Operations and the Market Price of Our Common Stock.

We may periodically consider development and expansion activities, which are subject to risks such as construction costs exceeding original estimates and construction and lease-up delays resulting in increased construction costs and lower than expected revenues. To the extent we engage third-party contractors to complete development or expansion activities, there is no guarantee that they can complete these activities on time and in accordance with our plans and specifications. We may also be unable to obtain necessary entitlements and required governmental permits that could result in increased costs or the delay or abandonment of these activities. Additionally, there can be no assurance that these properties will operate better as a result of

development or expansion activities due to various factors, including lower than anticipated occupancy and rental rates causing a property to be unprofitable or less profitable than originally estimated.

We Regularly Expend Capital to Maintain, Repair and Renovate Our Properties, Which Could Negatively Impact Our Financial Condition, Results of Operations and Cash Flows.

We may, or we may be required to, from time to time make significant capital expenditures to maintain or enhance the competitiveness of our Properties, including the factory-built homes that are located in these Properties. As most of our residents own their homes, the replacement, repairs and refurbishment of these homes may not be within our control. In addition, there is no assurance that any capital expenditure would result in higher occupancy or higher rental rates. The age and quality of the homes in our Properties can impact the desirability of a community and our ability to attract high quality residents and guests. To the extent that the expenditures exceed our available cash, we may need to secure new financing.

Our Ability to Renew Ground Leases Could Adversely Affect Our Financial Condition and Results of Operations.

We own the buildings and leasehold improvements at certain Properties that are subject to long-term ground leases. For various reasons, landowners may not want to renew the ground lease agreements with similar terms and conditions, if at all, which could adversely impact our ability to operate these Properties and generate revenues. We have 13 Properties in our portfolio subject to ground lease agreements for land, which we do not own. Four of the 13 Properties, which generated approximately \$5.5 million of income from operations for the year ended December 31, 2020, are subject to ground lease agreements with a final expiration date before 2023. See Item 8. Financial Statements and Supplementary Data—Note 16. Commitment and Contingencies.

Our Ability to Sell or Rent Manufactured Homes Could Be Impaired, Resulting in Reduced Cash Flows.

Selling and renting homes is a primary part of our business. Our ability to sell or rent manufactured homes could be adversely affected by any of the following factors:

- disruptions in the single-family housing market;
- local conditions, such as an oversupply of lifestyle-oriented properties or a reduction in demand for lifestyle-oriented properties;
- increased costs to acquire homes;
- our ability to obtain an adequate supply of homes at reasonable costs from MH suppliers;
- our ability to acquire or develop existing land suitable for home building;
- the ability of customers to obtain affordable financing; and
- demographics, such as the retirement of "baby boomers", and their demand for access to our lifestyle-oriented Properties.

Regulation of Chattel Financing May Affect Our Ability to Sell Homes.

Since 2010, the regulatory environment has made it difficult for purchasers of manufactured homes and RVs to obtain financing. The Secure and Fair Enforcement for Mortgage Licensing Act requires community owners interested in providing financing for customer purchases of manufactured homes to register as mortgage loan originators in states where they engage in such financing. In addition, the Dodd-Frank Wall Street Reform and Consumer Protection Act amended the Truth in Lending Act and other consumer protection laws by adding requirements for residential mortgage loans, including limitations on mortgage origination activities, restrictions on high-cost mortgages and new standards for appraisals. The law also requires lenders to make a reasonable investigation into a borrower's ability to repay a loan. These requirements make it more difficult for homeowners to obtain affordable financing and especially for individuals with moderate income to obtain loans to purchase manufactured housing or RVs. Homeowners' ability to obtain affordable financing could affect our ability to sell homes.

Our Investments in Joint Ventures Could Be Adversely Affected by Our Lack of Sole Decision-Making Authority Regarding Major Decisions, Our Reliance on Our Joint Venture Partners' Financial Condition, Any Disputes That May Arise Between Us and Our Joint Venture Partners and Our Exposure to Potential Losses From the Actions of Our Joint Venture Partners.

We have joint ventures with other investors. We currently and may continue in the future to acquire properties or make investments in joint ventures with other persons or entities when we believe circumstances warrant the use of such structures. Joint venture investments involve risks not present with respect to our wholly owned Properties, including the following:

- Our joint venture partners may experience financial distress, become bankrupt or fail to fund their share of required capital contributions due to adverse economic conditions, which could delay construction or development of a property, increase our financial commitment to the joint venture or adversely impact the ongoing operations of the joint venture;

- our joint venture partners may have business interests or goals with respect to a property that conflict with our business interests and goals, which could increase the likelihood of disputes regarding the ownership, management or disposition of the property; and
- we may be unable to take actions that are opposed by our joint venture partners under arrangements that require us to share decision-making authority over major decisions affecting the ownership or operation of the joint venture and any property owned by the joint venture, such as the sale or financing of the property or the making of additional capital contributions for the benefit of the venture.

At times we have entered into agreements providing for joint and several liability with our partners. Frequently, we and our partners may each have the right to trigger a buy-sell arrangement, which could cause us to sell our interest, or acquire our partners' interest, at a time when we otherwise would not have initiated such a transaction. Any of these risks could materially and adversely affect our ability to generate and recognize attractive returns on our joint venture investments, which could have a material adverse effect on our results of operations, financial condition and distributions to our stockholders.

There is a Risk of Accidents, Injuries or Outbreaks Occurring at Our Properties Which May Negatively Impact Our Operations.

While we maintain and promote safety at our Properties, there are inherent risks associated with certain features, assets and activities at our communities. An accident, injury or outbreak at any of our communities, particularly an accident, injury or outbreak involving the safety of residents, guests and employees, may be associated with claims against us involving higher assertions of damages and/or higher public visibility. The occurrence of an accident, injury or outbreak at any of our communities could also cause damage to our brand or reputation, lead to loss of consumer confidence in us, reduce occupancy at our communities and negatively impact our results of operations.

Our Success Depends, in Part, on Our Ability to Attract and Retain Talented Employees.

Our ability to attract, retain and motivate talented employees could significantly impact our future performance. Competition for these individuals is intense, and there is no assurance that we will retain our key officers and employees or that we will be able to attract and retain other highly qualified individuals in the future.

Our Business Operations are Dependent on the Effective Operation of Technology.

We rely on software and computer systems to process and store information required for our business operations. Additionally, with the outbreak of COVID-19, certain of our corporate and regional staff have been regularly working remotely, further increasing our dependence on technology to complete our business processes. Any disruption to these systems or to third-party vendors that maintain these systems could adversely affect our business operations. While we maintain and require our vendors to maintain appropriate back-up copies of our information, transitioning to a new system or vendor can be time-consuming and disruptive. Additionally, it is important for us to explore and evolve with new developments in technology to stay competitive. For example, our consumers rely on our technology platforms to make reservations, and therefore, these user interfaces must be understandable and easy to use. It may require investment of both time and expense to implement a new system or upgrade our existing technology. Interruptions to any of the above could lead to lost revenues, interruptions in our business operations and damage to our business reputation.

Risks Relating to Governmental Regulation and Potential Litigation

Changes to Federal and State Laws and Regulations Could Adversely Affect Our Operations and the Market Price of Our Common Stock.

Our business operations are subject to certain federal and state laws and regulations including but not limited to the following:

- *Rent Control Legislation*

Certain of our Properties are subject to state and local rent control regulations that dictate rent increases and our ability to recover increases in operating expenses and the costs of capital improvements. In addition, in certain jurisdictions, such regulations allow residents to sell their homes for a price that includes a premium above the intrinsic value of the homes. The premium represents the value of the future discounted rent-controlled rents, which is fully capitalized into the prices of the homes sold. In our view, such regulations result in a transfer to the residents of the value of our land, which would otherwise be reflected in market rents. As part of our effort to realize the value of Properties subject to restrictive regulation, we have initiated lawsuits at various times against various municipalities imposing such regulations in an attempt to balance the interests of our stockholders with the interests of our customers. In addition, we operate certain of our Properties, and may acquire

additional properties, in high cost markets where the demand for affordable housing may result in the adoption of new rent control legislation that may impact rent increases.

We also own Properties in certain areas of the country where rental rates at our Properties have not increased as fast as real estate values either because of locally imposed rent control or long term leases. In such areas, certain local government entities have at times investigated the possibility of seeking to take our Properties by eminent domain at values below the value of the underlying land. While no such eminent domain proceeding has been commenced, and we anticipate exercising all of our rights in connection with any such proceeding, successful condemnation proceedings by municipalities could adversely affect our financial condition.

Resident groups have previously filed lawsuits against us seeking to limit rent increases and/or seeking large damage awards for our alleged failure to properly maintain certain Properties or other resident related matters. An adverse finding against us in any such proceeding could materially and adversely affect our results of operations, financial condition and distributions to our stockholders.

- *Occupational, Safety and Health Act*

Our Properties are subject to regulation under the federal Occupational, Safety and Health Act ("OSHA"), which requires employers to provide employees with an environment free from hazards, such as exposure to toxic chemicals, excessive noise levels, mechanical dangers, heat or cold stress and unsanitary conditions. Although we believe that our Properties are in compliance in all material respects with applicable requirements, complying with OSHA and similar laws can be costly and any failure to comply with these regulations could result in penalties or potential litigation.

- *Americans with Disabilities Act*

Under the Americans with Disabilities Act ("ADA"), all public accommodations and commercial facilities must meet certain federal requirements related to access and use by disabled persons. Although we believe that our Properties are in compliance in all material respects with applicable requirements, noncompliance with the ADA or related laws or regulations could result in the U.S. government imposing fines or private litigants being awarded damages against us. Such costs may adversely affect our ability to make distributions or payments to our investors. Compliance with the ADA requirements could involve removal of structural barriers to access or use by disabled persons. Other federal, state and local laws may require modifications to or restrict further renovations of our Properties with respect to such access or use.

Additionally, Title III of the ADA has been interpreted by the U.S. courts to include websites as "places of public accommodations." For our websites to be ADA compliant, they must be accessible. While no laws have been passed related to website accessibility, the recognized de facto standard in the U.S. is the Web Content Accessibility Guideline. We may incur costs to make our websites ADA compliant or face litigation if they are not compliant.

Laws and Regulations Relating to Campground Membership Sales and Properties Could Adversely Affect the Value of Certain Properties and Our Cash Flows.

Many of the states in which we operate have laws regulating campground membership sales and properties. These laws generally require comprehensive disclosure to prospective purchasers, and usually give purchasers the right to rescind their purchase between three to five days after the date of sale. Some states have laws requiring us to register with a state agency and obtain a permit to market. We are subject to changes, from time to time, in the application or interpretation of such laws that can affect our business or the rights of our members.

In some states, including California, Oregon and Washington, laws place limitations on the ability of the owner of a campground property to close the property unless the customers at the property receive access to a comparable property. The impact of the rights of customers under these laws is uncertain and could adversely affect the availability or timing of sale opportunities or our ability to realize recoveries from Property sales.

Certain consumer rights and defenses that vary from jurisdiction to jurisdiction may affect our portfolio of contracts receivable. Examples of such laws include state and federal consumer credit and truth-in-lending laws requiring the disclosure of finance charges, and usury and retail installment sales laws regulating permissible finance charges.

Environmental Risks

Natural Disasters Could Adversely Affect the Value of Our Properties, Our Financial Condition, Results of Operations and Cash Flows.

We are subject to risks associated with natural disasters, including but not limited to hurricanes, storms, fires and earthquakes. As of December 31, 2020, we owned or had an ownership interest in 422 Properties, including 133 Properties and 12 marinas located in Florida and 50 Properties located in California. The occurrence of a natural disaster or other catastrophic event in any of these areas may cause a sudden decrease in the value of our Properties and result in an adverse effect to our financial condition, results of operations and cash flows.

Climate Change May Adversely Affect Our Business.

Climate change could increase the frequency and severity of natural disasters and change weather patterns. To the extent climate change causes changes in weather patterns, our markets could experience increases in storm intensity, frequency and magnitude of wildfires, rising sea levels, drought and changes to precipitation and temperatures. Our properties are dependent on state and local utility infrastructure for delivery of energy, water supply and/or other utilities. We do not control investment in that infrastructure and the condition of the infrastructure and supply of the utilities may not be sufficient to handle impact resulting from climate change. Over time, these conditions could result in increased incidents of physical damage to our Properties, declining demand for our Properties and increased difficulties operating them. Climate change may also have indirect effects on our business by increasing the cost of (or making unavailable) property insurance on terms we find acceptable, increasing the cost of (or making unavailable) energy, water supply and other utilities at our Properties and requiring us to expend funds as we seek to repair and protect our Properties against such risks.

In addition, climate change could lead to changes in federal, state, and local legislation and regulation, which may require increased capital expenditures at our Properties. Additionally, these capital expenditures may or may not result in lower on-going expenses or make an impact on the desirability of our Properties and our ability to attract high quality residents and guests. Any such losses, increases in costs or business interruptions could adversely affect our financial condition and operating results.

Environmental and Utility-Related Problems are Possible and Can Be Costly.

Federal, state and local laws and regulations relating to the protection of the environment may require a current or previous owner or operator of real property to investigate and clean up hazardous or toxic substances or lead or petroleum product releases at such property. The owner or operator may have to pay a governmental entity or third parties for property damage and for investigation and clean-up costs incurred by such parties in connection with the contamination. Properties containing lead may require removal of the material. This can be costly and, if the lead infiltrates the groundwater or other water supply, further remediation may be necessary. Such laws typically impose clean-up responsibility and liability without regard to whether the owner or operator knew of or caused the presence of the contaminants. Even if more than one person may have been responsible for the contamination, each person covered by the environmental laws may be held responsible for all of the clean-up costs incurred. In addition, third parties could sue the owner or operator of a site for damages and costs resulting from environmental contamination emanating from that site.

Environmental laws also govern the presence, maintenance and removal of environmental contamination, including asbestos and wastewater discharge. Such laws require that owners or operators of properties containing hazardous or toxic substances to properly manage them. Owners or operators of properties containing asbestos must notify and train those who may come into contact with asbestos and undertake special precautions, including removal or other abatement, if asbestos would be disturbed during renovation or demolition of a building. Such laws may impose fines and penalties on real property owners or operators who fail to comply with these requirements and may allow third parties to seek recovery from owners or operators for personal injury associated with exposure to asbestos fibers.

Utility-related laws and regulations also govern the provision of utility services. Such laws regulate, for example, how and to what extent owners or operators of property can charge renters for provision of utilities. Such laws also regulate the operations and performance of utility systems and may impose fines and penalties on real property owners or operators who fail to comply with these requirements. The regulations may also require capital investment to maintain compliance.

Risks Relating to Debt and the Financial Markets

Our Substantial Indebtedness Could Adversely Affect Our Financial Condition and Results of Operations.

Our business is subject to risks normally associated with debt financing. The total principal amount of our outstanding indebtedness was approximately \$2,694.9 million as of December 31, 2020, of which \$222.0 million, or 8.24%, is related to our line of credit and \$148.4 million of secured debt, or 5.51%, matures in 2022. Our substantial indebtedness and the cash flows associated with serving our indebtedness could have important consequences, including the risks that:

- our cash flows could be insufficient to pay distributions at expected levels and meet required payments of principal and interest;
- we might be required to use a substantial portion of our cash flows from operations to pay our indebtedness, thereby reducing the availability of our cash flows to fund the implementation of our business strategy, acquisitions, capital expenditures and other general corporate purposes;
- our debt service obligations could limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- terms of refinancing may not be as favorable as the terms of existing indebtedness, resulting in higher interest rates that could adversely affect net income, cash flows and our ability to service debt and make distributions to stockholders;
- if principal payments due at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, our cash flows may not be sufficient in all years to repay all maturing debt; and
- to the extent that any Property is cross-collateralized with any other Properties, any default under the mortgage note relating to one Property could result in a default under the financing arrangements relating to other Properties that also provide security for that mortgage note or are cross-collateralized with such mortgage note.

Our Ability to Obtain Mortgage Financing or Refinance Maturing Mortgages May Adversely Affect Our Financial Condition.

Lenders' demands on borrowers as to the quality of the collateral and related cash flows may make it challenging to secure financing on attractive terms or at all. Future market factors including increases in the U.S. federal reserve funds rate may result in an increase in market interest rates, which could increase the costs of refinancing existing indebtedness or obtaining new debt.

Additionally, future disruptions in capital and credit markets, including potential reforms to Fannie Mae and Freddie Mac, could impact both the capacity and liquidity of lenders, resulting in financing terms that are less attractive to us and/or the unavailability of certain types of debt financing. This could have an adverse effect on our ability to refinance maturing debt and/or react to changing economic and business conditions.

Financial Covenants Could Adversely Affect Our Financial Condition.

If a Property is mortgaged to secure payment of indebtedness, and we are unable to meet mortgage payments, the mortgagee could foreclose on the Property, resulting in loss of income and asset value. The mortgages on our Properties contain customary negative covenants, which among other things limit our ability, without the prior consent of the lender, to further mortgage the Property and to discontinue insurance coverage. In addition, our unsecured credit facilities contain certain customary restrictions, requirements and other limitations on our ability to incur indebtedness, including total debt-to-assets ratios, debt service coverage ratios and minimum ratios of unencumbered assets to unsecured debt. Foreclosure on mortgaged Properties or an inability to refinance existing indebtedness would likely have a negative impact on our financial condition and results of operations.

Our Degree of Leverage Could Limit Our Ability to Obtain Additional Financing.

Our debt-to-market-capitalization ratio (total debt as a percentage of total debt plus the market value of the outstanding common stock and OP Units held by parties other than us) was approximately 18.1% as of December 31, 2020. The degree of leverage could have important consequences to stockholders, including an adverse effect on our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, development or other general corporate purposes, and could make us more vulnerable to a downturn in business or the economy generally.

We May Be Able to Incur Substantially More Debt, Which Would Increase the Risks Associated With Our Substantial Leverage.

Despite our current indebtedness levels, we may still be able to incur substantially more debt in the future. If new debt is added to our current debt levels, an even greater portion of our cash flow will be needed to satisfy our debt service obligations. As a result, the related risks that we now face could intensify and increase the risk of a default on our indebtedness.

We May Be Adversely Affected By Changes in LIBOR Reporting Practices or the Method in Which LIBOR Is Determined.

In July 2017, the Financial Conduct Authority announced it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. Further, in November 2020, ICE Benchmark Administration, the administrator of LIBOR, announced plans to consult on ceasing publication of certain USD-LIBOR rates on June 30, 2023. The Alternative Reference Rates Committee ("ARRC") has proposed that the Secured Overnight Financing Rate ("SOFR") is the rate that represents best practice as the alternative to USD-LIBOR for use in financial contracts that are currently indexed to USD-LIBOR. ARRC has proposed a market transition plan to SOFR from USD-LIBOR and organizations are currently working on industry wide and company specific transition plans as it relates to derivatives and cash markets exposed to USD-LIBOR. Our floating rate borrowings are indexed to USD-LIBOR and we are monitoring this activity and evaluating the related risks. Although the full impact of such reforms and actions, together with any transition away from LIBOR, including the potential or actual discontinuance of LIBOR publication, remains unclear, these changes could have a material adverse impact on the availability of financing, including LIBOR-based loans, and as a result on our financing costs.

Risks Related to Our Company Ownership

Provisions of Our Charter and Bylaws Could Inhibit Changes of Control.

Certain provisions of our charter and bylaws may delay or prevent a change of control or other transactions that could provide our stockholders with a premium over the then-prevailing market price of their common stock or future series of preferred stock, if any, which might otherwise be in the best interest of our stockholders. These include the Ownership Limit described below. Also, any future series of preferred stock may have certain voting provisions that could delay or prevent a change of control or other transaction that might involve a premium price or otherwise be beneficial to our stockholders.

Maryland Law Imposes Certain Limitations on Changes of Control.

Certain provisions of the Maryland General Corporation Law ("MGCL") prohibit "business combinations" (including certain issuances of equity securities) with any person who beneficially owns 10% or more of the voting power of our outstanding common stock, or with an affiliate of ours, who, at any time within the two-year period prior to the date in question, was the owner of 10% or more of the voting power of our outstanding voting stock (an "Interested Stockholder"), or with an affiliate of an Interested Stockholder. These prohibitions last for five years after the most recent date on which the Interested Stockholder became an Interested Stockholder. After the five-year period, a business combination with an Interested Stockholder must be approved by two super-majority stockholder votes unless, among other conditions, our common stockholders receive a minimum price for their shares and the consideration is received in cash or in the same form as previously paid by the Interested Stockholder for shares of our common stock. The Board of Directors has exempted from these provisions under Maryland law any business combination with Samuel Zell, who is Chairman of our Board of Directors, certain holders of OP Units who received them at the time of our initial public offering, and our officers who acquired common stock at the time we were formed and each and every affiliate of theirs.

Additionally, Subtitle 8 of Title 3 of the MGCL permits our Board of Directors, without stockholder approval and regardless of what is currently provided in our charter or bylaws, to elect to be subject to certain provisions relating to corporate governance that may have the effect of delaying, deferring or preventing a transaction or a change of control of our company that might involve a premium to the market price of our common stock or otherwise be in our stockholders' best interests. These provisions include a classified board; two-thirds vote to remove a director; that the number of directors may only be fixed by the Board of Directors; that vacancies on the board as a result of an increase in the size of the board or due to death, resignation or removal can only be filled by the board, and the director appointed to fill the vacancy serves for the remainder of the full term of the class of director in which the vacancy occurred; and a majority requirement for the calling by stockholders of special meetings. Through provisions in our charter and bylaws unrelated to Subtitle 8, we already (a) require a two-thirds vote for the removal of any director from the board and (b) vest in the board the exclusive power to fix the number of directorships provided that, if there is stock outstanding and so long as there are three or more stockholders, the number is not less than three. In the future, our Board of Directors may elect, without stockholder approval, to make us subject to the provisions of Subtitle 8 to which we are not currently subject.

Our Board of Directors has power to adopt, alter or repeal any provision of our bylaws or make new bylaws, provided, however, that our stockholders may, with certain exceptions, alter or repeal any provision of our bylaws and adopt new bylaws if any such alteration, repeal or adoption is approved by the affirmative vote of a majority of all votes entitled to be cast on the matter.

Changes in Our Investment and Financing Policies May Be Made Without Stockholder Approval.

Our investment and financing policies, and our policies with respect to certain other activities, including our growth, debt, capitalization, distributions, REIT status, and operating policies, are determined by our Board of Directors. Although our Board of Directors has no present intention to do so, these policies may be amended or revised from time to time at the discretion of our Board of Directors without notice to or a vote of our stockholders. Accordingly, stockholders may not have control over changes in our policies and changes in our policies may not fully serve the interests of all stockholders.

Conflicts of Interest Could Influence Our Decisions.

Certain stockholders could exercise influence in a manner inconsistent with stockholders' best interests. Mr. Zell and certain related entities, directly or indirectly, beneficially own shares of our common stock and OP Units as disclosed in our Proxy Statement on Schedule 14A for the 2021 Annual Meeting incorporated by reference herein. Mr. Zell is the chairman of our Board of Directors. Accordingly, Mr. Zell has significant influence on our management and operation. Such influence could be exercised in a manner that is inconsistent with the interests of other stockholders. In addition, Mr. Zell and related entities continue to be involved in other investment activities. Mr. Zell and related entities have a broad and varied range of investment interests, including interests in other real estate investment companies that own other forms of housing, including multifamily housing. Mr. Zell and related entities may acquire interests in other companies. Mr. Zell may not be able to control whether any such company competes with us.

Risks Relating to Our Common Stock

We Depend on Our Subsidiaries' Dividends and Distributions.

Substantially all of our assets are owned indirectly by the Operating Partnership. As a result, we have no source of cash flows other than distributions from our Operating Partnership. For us to pay dividends to holders of our common stock, the Operating Partnership must first distribute cash to us. Before it can distribute the cash, our Operating Partnership must first satisfy its obligations to its creditors.

Market Interest Rates May Have an Effect on the Value of Our Common Stock.

One of the factors that investors consider important in deciding whether to buy or sell shares of a REIT is the distribution rates with respect to such shares (as a percentage of the price of such shares) relative to market interest rates. If market interest rates go up, prospective purchasers of REIT shares may expect a higher distribution rate. Higher interest rates would not, however, result in more of our funds to distribute and, in fact, would likely increase our borrowing costs and potentially decrease funds available for distribution. Thus, higher market interest rates could cause the market price of our publicly traded securities to go down.

Issuances or Sales of Our Common Stock May Be Dilutive.

The issuance or sale of substantial amounts of our common stock could have a dilutive effect on our actual and expected earnings per share, FFO per share and Normalized Funds from Operations ("Normalized FFO") per share. We may sell shares of our common stock under our ATM equity offering program from time-to-time. During the year ended December 31, 2020, we did not sell any shares through our ATM equity offering program. As of December 31, 2020, there was \$200.0 million available for issuance under our ATM equity program. The actual amount of dilution cannot be determined at this time and would be dependent upon numerous factors which are not currently known to us.

Our Share Price Could Be Volatile and Could Decline, Resulting in A Substantial or Complete Loss on Our Stockholders' Investment.

We list our common stock on the New York Stock Exchange (the "NYSE"), and our common stock could experience significant price and volume fluctuations. Investors in our common stock may experience a decrease in the value of their shares, including decreases unrelated to our operating performance or prospects. The price of our common stock could be subject to wide fluctuations in response to a number of factors, including:

- issuances of other equity securities in the future, including new series or classes of preferred stock;

- our operating performance and the performance of other similar companies;
- our ability to maintain compliance with covenants contained in our debt facilities;
- actual or anticipated variations in our operating results, funds from operations, cash flows or liquidity;
- changes in expectations of future financial performance or changes in our earnings estimates or those of analysts;
- changes in our distribution policy;
- publication of research reports about us or the real estate industry generally;
- increases in market interest rates that lead purchasers of our common stock to demand a higher dividend yield;
- changes in market valuations of similar companies;
- adverse market reaction to the amount of our debt outstanding at any time, the amount of our debt maturing in the near-term and medium-term and our ability to refinance our debt, or our plans to incur additional debt in the future;
- additions or departures of key management personnel;
- speculation in the press or investment community;
- equity issuances by us, or share resales by our stockholders or the perception that such issuances or resales may occur;
- addition to, or removal from, market indexes used by investors to make investment decisions;
- actions by institutional stockholders; and
- general market and economic conditions.

Many of the factors listed above are beyond our control. Those factors may cause the market price of our common stock to decline significantly, regardless of our financial condition, results of operations and prospects. It is impossible to provide any assurance that the market price of our common stock will not fall in the future, and it may be difficult for holders to resell shares of our common stock at prices they find attractive, or at all. In the past, securities class action litigation has often been instituted against companies following periods of volatility in their stock price. This type of litigation could result in substantial costs and divert our management's attention and resources.

Risks Relating to REITs and Income Taxes

We are Dependent on External Sources of Capital.

To qualify as a REIT, we must distribute to our stockholders each year at least 90% of our REIT taxable income (determined without regard to the deduction for dividends paid and excluding any net capital gain). In addition, we intend to distribute all or substantially all of our net income so that we will generally not be subject to U.S. federal income tax on our earnings. Because of these distribution requirements, it is not likely that we will be able to fund all future capital needs, including acquisitions, from income from operations. We therefore will have to rely on third-party sources of debt and equity capital financing, which may or may not be available on favorable terms or at all. Our access to third-party sources of capital depends on a number of things, including conditions in the capital markets generally and the market's perception of our growth potential and our current and potential future earnings. It may be difficult for us to meet one or more of the requirements for qualification as a REIT, including but not limited to our distribution requirement. Moreover, additional equity offerings may result in substantial dilution of stockholders' interests, and additional debt financing may substantially increase our leverage.

We Have a Stock Ownership Limit for REIT Tax Purposes.

To remain qualified as a REIT for U.S. federal income tax purposes, not more than 50% in value of our outstanding shares of capital stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the federal income tax laws applicable to REITs) at any time during the last half of any taxable year. To facilitate maintenance of our REIT qualification, our charter, subject to certain exceptions, prohibits Beneficial Ownership (as defined in our charter) by any single stockholder of more than 5% (in value or number of shares, whichever is more restrictive) of our outstanding capital stock. We refer to this as the "Ownership Limit." Within certain limits, our charter permits the Board of Directors to increase the Ownership Limit with respect to any class or series of stock. The Board of Directors, upon receipt of a ruling from the IRS, opinion of counsel, or other evidence satisfactory to the Board of Directors and upon 15 days prior written notice of a proposed transfer which, if consummated, would result in the transferee owning shares in excess of the Ownership Limit, and upon such other conditions as the Board of Directors may direct, may exempt a stockholder from the Ownership Limit. Absent any such exemption, capital stock acquired or held in violation of the Ownership Limit will be transferred by operation of law to us as trustee for the benefit of the person to whom such capital stock is ultimately transferred, and the stockholder's rights to distributions and to vote would terminate. Such stockholder would be entitled to receive, from the proceeds of any subsequent sale of the capital stock we transferred as trustee, the lesser of (i) the price paid for the capital stock or, if the owner did not pay for the capital stock (for example, in the case of a gift, devise or other such transaction), the market price of the capital stock on the date of the event causing the capital stock to be transferred to us as trustee or (ii) the amount realized from such sale. A transfer of capital stock may be void if it causes a person to violate the Ownership Limit. The Ownership Limit could delay or

prevent a change in control of us and, therefore, could adversely affect our stockholders' ability to realize a premium over the then-prevailing market price for their common stock or adversely affect the best interest of our stockholders.

Our Qualification as a REIT Is Dependent on Compliance with U.S. Federal Income Tax Requirements.

We believe we have been organized and operated in a manner so as to qualify for taxation as a REIT, and we intend to continue to operate so as to qualify as a REIT for U.S. federal income tax purposes. Our current and continuing qualification as a REIT depends on our ability to meet the various requirements imposed by the Code, which relate to organizational structure, distribution levels, diversity of stock ownership and certain restrictions with regard to owned assets and categories of income. If we qualify for taxation as a REIT, we are generally not subject to U.S. federal income tax on our taxable income that is distributed to our stockholders. However, qualification as a REIT for U.S. federal income tax purposes is governed by highly technical and complex provisions of the Code for which there are only limited judicial or administrative interpretations. In connection with certain transactions, we have received, and relied upon, advice of counsel as to the impact of such transactions on our qualification as a REIT. Our qualification as a REIT requires analysis of various facts and circumstances that may not be entirely within our control, and we cannot provide any assurance that the Internal Revenue Service (the "IRS") will agree with our analysis or the analysis of our tax counsel. In particular, the proper U.S. federal income tax treatment of right-to-use membership contracts and rental income from certain short-term stays at RV communities is uncertain and there is no assurance that the IRS will agree with our treatment of such contracts or rental income. If the IRS were to disagree with our analysis or our tax counsel's analysis of various facts and circumstances, our ability to qualify as a REIT could be adversely affected.

In addition, legislation, new regulations, administrative interpretations or court decisions might significantly change the tax laws with respect to the requirements for qualification as a REIT or the U.S. federal income tax consequences of qualification as a REIT.

If, with respect to any taxable year, we failed to maintain our qualification as a REIT (and if specified relief provisions under the Code were not applicable to such disqualification), we would be disqualified from treatment as a REIT for the four taxable years following the year during which qualification was lost. If we lost our REIT status, we could not deduct distributions to stockholders in computing our net taxable income at regular corporate rates and we would be subject to U.S. federal income tax on our net taxable incomes. If we had to pay U.S. federal income tax, the amount of money available to distribute to stockholders and pay indebtedness would be reduced for the year or years involved, and we would no longer be required to distribute money to stockholders. Although we currently intend to operate in a manner designed to allow us to qualify as a REIT, future economic, market, legal, tax or other considerations may cause us to revoke the REIT election.

Furthermore, we own a direct interest in a subsidiary REIT, and in the past we have owned interests in other subsidiary REITs, each of which elected to be taxed as REITs under Sections 856 through 860 of the Code. Provided that each subsidiary REIT that we own qualifies as a REIT, our interest in such subsidiary REIT will be treated as a qualifying real estate asset for purposes of the REIT asset tests, and any dividend income or gains derived by us from such subsidiary REIT will generally be treated as income that qualifies for purposes of the REIT gross income tests. To qualify as a REIT, the subsidiary REIT must independently satisfy all of the REIT qualification requirements. If such subsidiary REIT were to fail to qualify as a REIT, and certain relief provisions did not apply, it would be treated as a regular taxable corporation and its income would be subject to U.S. federal income tax. In addition, a failure of the subsidiary REIT to qualify as a REIT could have an adverse effect on our ability to comply with the REIT income and asset tests, and thus our ability to qualify as a REIT.

We May Pay Some Taxes, Reducing Cash Available for Stockholders.

Even if we qualify as a REIT for U.S. federal income tax purposes, we may be subject to some U.S. federal, foreign, state and local taxes on our income and property. Since January 1, 2001, certain of our corporate subsidiaries have elected to be treated as "taxable REIT subsidiaries" for U.S. federal income tax purposes, and are taxable as regular corporations and subject to certain limitations on intercompany transactions. If tax authorities determine that amounts paid by our taxable REIT subsidiaries to us are greater than what would be paid under similar arrangements among unrelated parties, we could be subject to a 100% penalty tax on the excess payments, and ongoing intercompany arrangements could have to change, resulting in higher ongoing tax payments. To the extent we are required to pay U.S. federal, foreign, state or local taxes or U.S. federal penalty taxes due to existing laws or changes to them, we will have less cash available for distribution to our stockholders.

Dividends Payable by REITs Generally Do Not Qualify For the Reduced Tax Rates Available For Some Dividends, Which May Negatively Affect the Value of Our Shares.

Income from "qualified dividends" payable to U.S. stockholders that are individuals, trusts and estates are generally subject to tax at preferential rates, currently at a maximum federal rate of 20%. Dividends payable by REITs, however, generally are not eligible for the preferential tax rates applicable to qualified dividend income. Under the Tax Cuts and Jobs

Act, or the TCJA, however, U.S. stockholders that are individuals, trusts and estates generally may deduct up to 20% of the ordinary dividends (e.g., dividends not designated as capital gain dividends or qualified dividend income) received from a REIT for taxable years beginning after December 31, 2017 and before January 1, 2026. Although this deduction reduces the effective tax rate applicable to certain dividends paid by REITs (generally to 29.6% assuming the shareholder is subject to the 37% maximum rate), such tax rate is still higher than the tax rate applicable to corporate dividends that constitute qualified dividend income. Accordingly, investors who are individuals, trusts and estates may perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could materially and adversely affect the value of the shares of REITs, including the per share trading price of our common stock.

Partnership Tax Audit Rules Could Have a Material Adverse Effect on Us.

The Bipartisan Budget Act of 2015 changed the rules applicable to U.S. federal income tax audits of partnerships. Under the rules, effective for taxable years beginning in 2018, among other changes and subject to certain exceptions, any audit adjustment to items of income, gain, loss, deduction, or credit of a partnership (and a partner's allocable share thereof) is determined, and taxes, interest, and penalties attributable thereto are assessed and collected, at the partnership level. Unless the partnership makes an election permitted under the new law or takes certain steps to require the partners to pay their tax on their allocable shares of the adjustment, it is possible that partnerships in which we directly or indirectly invest, including the Operating Partnership, would be required to pay additional taxes, interest and penalties as a result of an audit adjustment. We, as a direct or indirect partner of the Operating Partnership and other partnerships, could be required to bear the economic burden of those taxes, interest and penalties even though the Company, as a REIT, may not otherwise have been required to pay additional corporate-level tax. The changes created by these rules are significant for collecting tax in partnership audits and, accordingly, there can be no assurance that these rules will not have a material adverse effect on us.

We May be Subject to Adverse Legislative or Regulatory Tax Changes That Could Reduce the Market Price of Our Outstanding Common or Preferred Shares.

The IRS, the United States Treasury Department and Congress frequently review U.S. federal income tax legislation, regulations and other guidance. We cannot predict whether, when or to what extent new U.S. federal tax laws, regulations, interpretations or rulings will be adopted. Any legislative action may prospectively or retroactively modify our tax treatment and, therefore, may adversely affect our taxation or our Company's shareholders. We urge you to consult with your tax advisor with respect to the status of legislative, regulatory or administrative developments and proposals and their potential effect on an investment in our stock. Although REITs generally receive certain tax advantages compared to entities taxed as "C" corporations, it is possible that future legislation would result in a REIT having fewer tax advantages, and it could become more advantageous for a company that invests in real estate to elect to be treated for U.S. federal income tax purposes as a "C" corporation.

Other Risk Factors Affecting Our Business

Some Potential Losses Are Not Covered by Insurance.

We carry comprehensive insurance coverage for losses resulting from property damage and environmental liability and business interruption claims on all of our Properties. In addition, we carry liability coverage for other activities not specifically related to property operations. These coverages include, but are not limited to, Directors & Officers liability, Employer Practices liability, Fiduciary liability and Cyber liability. We believe that the policy specifications and coverage limits of these policies should be adequate and appropriate. There are, however, certain types of losses, such as punitive damages, lease and other contract claims that generally are not insured. Should an uninsured loss or a loss in excess of coverage limits occur, we could lose all or a portion of the capital we have invested in a Property or the anticipated future revenue from a Property. In such an event, we might nevertheless remain obligated for any mortgage debt or other financial obligations related to the Property.

Our current property and casualty insurance policies with respect to our MH and RV Properties, which we plan to renew, expire on April 1, 2021. We have a \$100 million loss limit per occurrence with respect to our MH and RV all-risk property insurance program including named windstorms, which include, for example, hurricanes. This loss limit is subject to additional sub-limits as set forth in the policy form, including, among others, a \$25 million aggregate loss limit for earthquake(s) in California. The deductibles for this policy primarily range from a \$500,000 minimum to 5% per unit of insurance for most catastrophic events. For most catastrophic events, there is an additional one-time \$500,000 aggregate deductible. We have separate insurance policies with respect to our marina Properties. Those casualty policies, which we plan to renew, expire on November 1, 2021, and the property insurance program, which expires on April 1, 2022, has a minimum deductible of \$100,000. A deductible indicates our maximum exposure, subject to policy limits and sub-limits, in the event of a loss.

We Face Risks Relating to Cybersecurity Incidents.

We rely extensively on internally and externally hosted computer systems to process transactions and manage our business. Critical components of our systems are dependent upon third-party providers and a significant portion of our business operations are conducted over the internet. These systems and websites are subject to system security risks, cybersecurity breaches, outages and other risks. These could include attempts to gain unauthorized access to our data and computer systems, or steal confidential information, including credit card information from our customers, breaches due to employee error, malfeasance or other disruptions, including disruptions that result in our and our customers' loss of access to our information systems. Attacks can be both individual or highly organized attempts by very sophisticated hacking organizations. We employ a number of measures to prevent, detect and mitigate these threats. While we continue to improve our cybersecurity and take measures to protect our business, there is no guarantee such efforts will be successful in preventing a cybersecurity incident and that our financial results will not be negatively impacted by such an incident. Additionally, with the outbreak of COVID-19, certain of our corporate and regional staff have been regularly working remotely, further increasing our dependence on computer systems to process transactions and manage our business, as well as the risk of a loss event due to a cybersecurity incident. A cybersecurity incident could compromise the confidential information of our employees, customers and vendors to the extent such information exists on our systems or on the systems of third-party providers. Such an incident could result in potential liability, damage our reputation and disrupt and affect our business operations and result in lawsuits against us.

Social Media Platforms Could Cause Us to Suffer Brand Damage or Information Leakage.

Negative information about us, or our officers, employees, directors or Properties, even if untrue, could damage our reputation. In particular, information shared on social media platforms could cause us to suffer brand damage because social media platforms have increased the rapidity of the dissemination and greatly expanded the potential scope and scale of the impact of negative publicity. While employees are held to internal policies related to posting on public platforms including social media sites, employees or others might publicly share material that reflects negatively on our reputation or disclose non-public sensitive information relating to our business. The continuing evolution of social media will present us with new challenges and risks.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

General

Our Properties provide common area facilities and attractive amenities that create an inviting community for our residents and guests. These common area facilities generally include a clubhouse, a swimming pool, laundry facilities, cable television and internet service. Many Properties also offer additional amenities such as golf courses, tennis, pickleball, shuffleboard and basketball courts, sauna/whirlpool spas, exercise rooms and various social activities. It is our responsibility to provide maintenance of the common area facilities and amenities and to ensure that our residents and guests comply with our community policies, including maintaining their homes and the surrounding area. Most of our residents own their homes, and therefore, also have a vested interest to care for their homes. We hold regular meetings with management personnel at our Properties to understand and address the needs of our residents and guests and to provide necessary trainings. Our Properties historically have had, and we believe they will continue to have, low turnover and high occupancy rates.

Property Portfolio

As of December 31, 2020, we owned or had an ownership interest in a portfolio of 422 Properties located throughout the United States and British Columbia containing 160,489 Sites. A total of 116 of the Properties were encumbered by debt (see Item 8. Financial Statements and Supplementary Data—Note 9. Borrowing Arrangements). The distribution of our Properties throughout the United States reflects our belief that geographic diversification helps to insulate the total portfolio from regional economic influences. We intend to target new acquisitions in or near markets where our Properties are located and will also consider acquisitions of properties outside such markets.

Our two largest Properties as determined by property operating revenues, excluding deferrals, were Colony Cove, located in Ellenton, Florida, and ViewPoint RV & Golf Resort, located in Mesa, Arizona. Each accounted for approximately 2.0% of our total property operating revenues, excluding deferrals, for the year ended December 31, 2020.

The following table sets forth certain information relating to our 416 wholly-owned Properties containing 156,890 Sites as of December 31, 2020, not including Properties owned through joint ventures. These Properties are categorized by major market. For RV and marina Properties, the total number of annual Sites represents Sites occupied by annual residents and are presented as 100% occupied. Annual Site occupancy percentage subtotals by market and grand total are presented on a weighted average basis.

Property	City	State	Property Type	Acres ^(a)	Developable ^(b) Acres	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Florida								
East Coast:								
Cheron Village	Davie	FL	MH	30		202	202	100.0%
Carriage Cove	Daytona Beach	FL	MH	59		418	418	90.2%
Coquina Crossing	Elkton	FL	MH	316	26	596	596	95.5%
Bulow Plantation	Flagler Beach	FL	MH	323	90	276	276	100.0%
Bulow RV	Flagler Beach	FL	RV	(f)	91	352	114	100.0%
Carefree Cove	Fort Lauderdale	FL	MH	20		164	164	93.3%
Everglades Lakes	Fort Lauderdale	FL	MH	103		611	611	96.9%
Park City West	Fort Lauderdale	FL	MH	60		363	363	98.1%
Sunshine Holiday MH	Fort Lauderdale	FL	MH	32		245	245	98.0%
Sunshine Holiday RV	Fort Lauderdale	FL	RV	(f)		130	45	100.0%
Lake Worth Village	Lake Worth	FL	MH	117		823	823	94.4%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Marlago Cay	Lantana	FL	MH	102		602	602	98.3%
Coral Cay Plantation	Margate	FL	MH	121		818	818	99.1%
Lakewood Village	Melbourne	FL	MH	68		349	349	87.7%
Miami Everglades	Miami	FL	RV	34	2	303	67	100.0%
Loggerhead Marinas (11 properties)	Multiple	FL	Marina	87		2,343	1,698	100.0%
Holiday Village, Ormond Beach	Ormond Beach	FL	MH	43		301	301	90.0%
Sunshine Holiday-Daytona North	Ormond Beach	FL	RV	69	3	349	136	100.0%
The Meadows, FL	Palm Beach Gardens	FL	MH	55		378	378	98.1%
Breezy Hill	Pompano Beach	FL	RV	52		762	348	100.0%
Highland Woods Travel Park	Pompano Beach	FL	RV	15		148	19	100.0%
Lighthouse Pointe at Daytona Beach	Port Orange	FL	MH	64		433	433	86.1%
Pickwick Village	Port Orange	FL	MH	84	2	432	432	98.4%
Rose Bay	Port Orange	FL	RV	21	2	303	210	100.0%
Palm Lake	Riviera Beach	FL	MH	154		915	915	69.0%
Indian Oaks	Rockledge	FL	MH	38		208	208	99.5%
Space Coast	Rockledge	FL	RV	24		270	155	100.0%
Countryside at Vero Beach	Vero Beach	FL	MH	125		644	644	96.3%
Heritage Plantation	Vero Beach	FL	MH	64		437	437	89.5%
Heron Cay	Vero Beach	FL	MH	130		588	588	91.7%
Holiday Village, Florida (g)	Vero Beach	FL	MH	18		128	128	—%
Sunshine Travel-Vero Beach	Vero Beach	FL	RV	30	6	300	133	100.0%
Vero Palm Estates	Vero Beach	FL	MH	64		285	285	90.2%
Village Green	Vero Beach	FL	MH	178	12	782	782	90.2%
Palm Beach Colony	West Palm Beach	FL	MH	48		284	284	100.0%
Central:								
Clover Leaf Farms	Brooksville	FL	MH	227	17	845	845	91.7%
Clover Leaf Forest	Brooksville	FL	RV	30		277	150	100.0%
Clerbrook Golf & RV Resort	Clermont	FL	RV	288		1,255	468	100.0%
Lake Magic	Clermont	FL	RV	69		471	144	100.0%
Orange Lake	Clermont	FL	MH	38		242	242	99.6%
Orlando	Clermont	FL	RV	270	14	1,017	188	100.0%
Haselton Village	Eustis	FL	MH	52		291	291	100.0%
Southern Palms RV	Eustis	FL	RV	120		950	347	100.0%
Lakeside Terrace	Fruitland Park	FL	MH	39		241	241	99.2%
Grand Island Resort	Grand Island	FL	MH	35		362	362	77.6%
Sherwood Forest - MHP	Kissimmee	FL	MH	124	8	769	769	98.3%
Sherwood Forest RV	Kissimmee	FL	RV	107	6	513	136	100.0%
Tropical Palms	Kissimmee	FL	RV	59	4	566	198	100.0%
Beacon Hill Colony	Lakeland	FL	MH	31		201	201	99.0%
Beacon Terrace	Lakeland	FL	MH	61		297	297	100.0%
Kings & Queens	Lakeland	FL	MH	18		107	107	98.1%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Lakeland Harbor	Lakeland	FL	MH	65		504	504	100.0%
Lakeland Junction	Lakeland	FL	MH	23		193	193	100.0%
Coachwood Colony	Leesburg	FL	MH	29		201	201	94.0%
Mid-Florida Lakes	Leesburg	FL	MH	290		1,225	1,225	89.5%
Southernaire	Mt. Dora	FL	MH	14		114	114	90.4%
Foxwood Farms	Ocala	FL	MH	56		365	365	89.3%
Oak Bend	Ocala	FL	MH	62	17	262	262	97.3%
Villas at Spanish Oaks	Ocala	FL	MH	69		454	454	88.5%
Audubon Village - Florida	Orlando	FL	MH	40	2	280	280	99.6%
Hidden Valley	Orlando	FL	MH	50		303	303	100.0%
Starlight Ranch	Orlando	FL	MH	130		783	783	95.4%
Covington Estates	Saint Cloud	FL	MH	59		241	241	98.8%
Parkwood Communities	Wildwood	FL	MH	121		694	694	98.4%
Three Flags	Wildwood	FL	RV	23		221	52	100.0%
Winter Garden	Winter Garden	FL	RV	27		350	151	100.0%
Gulf Coast (Tampa/Naples):								
Riverside RV Resort	Arcadia	FL	RV	196	8	499	209	100.0%
Toby's RV Resort	Arcadia	FL	RV	44		379	263	100.0%
Sunshine Key	Big Pine Key	FL	RV	54		409	51	100.0%
Windmill Manor	Bradenton	FL	MH	49		292	292	98.3%
Winter Quarters Manatee	Bradenton	FL	RV	42		415	224	100.0%
Resort at Tranquility Lake (c) (d)	Cape Coral	FL	RV	188	95	—	—	—%
Glen Ellen	Clearwater	FL	MH	12		106	106	92.5%
Hillcrest FL	Clearwater	FL	MH	25		276	276	96.0%
Holiday Ranch	Clearwater	FL	MH	12		150	150	94.7%
Serendipity	Clearwater	FL	MH	55		426	426	99.5%
Shady Lane Oaks	Clearwater	FL	MH	31		249	249	97.6%
Shady Lane Village	Clearwater	FL	MH	19		156	156	95.5%
Silk Oak Lodge	Clearwater	FL	MH	19		181	181	96.1%
Crystal Isles	Crystal River	FL	RV	38	1	260	86	100.0%
Lake Haven	Dunedin	FL	MH	48		379	379	98.4%
Marker 1 Marina (c)	Dunedin	FL	Marina	11		477	366	100.0%
Colony Cove	Ellenton	FL	MH	543	5	2,405	2,405	90.0%
The Oaks at Colony Cove	Ellenton	FL	MH	(f)		93	93	31.2%
Ridgewood Estates	Ellenton	FL	MH	77		380	380	99.7%
Fort Myers Beach	Fort Myers	FL	RV	37	6	292	121	100.0%
Gulf Air	Fort Myers Beach	FL	RV	25		246	166	100.0%
Holiday Travel Park	Holiday	FL	RV	45		613	530	100.0%
Barrington Hills	Hudson	FL	RV	28		392	248	100.0%
Down Yonder	Largo	FL	MH	50		361	361	100.0%
East Bay Oaks	Largo	FL	MH	40		328	328	98.5%
Eldorado Village	Largo	FL	MH	25		227	227	99.6%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Paradise Park - Largo	Largo	FL	MH	15		108	108	100.0%
Shangri-La Mobile Home Park	Largo	FL	MH	14		160	160	93.1%
Vacation Village	Largo	FL	RV	29		293	163	100.0%
Whispering Pines - Largo	Largo	FL	MH	55		393	393	97.5%
Fiesta Key	Long Key	FL	RV	28	4	324	4	100.0%
Winter Quarters Pasco	Lutz	FL	RV	27		255	211	100.0%
Country Place	New Port Richey	FL	MH	82		515	515	99.6%
Hacienda Village	New Port Richey	FL	MH	66		505	505	99.2%
Harbor View Mobile Manor	New Port Richey	FL	MH	69		471	471	99.4%
Bay Lake Estates	Nokomis	FL	MH	34		228	228	97.8%
Lake Village	Nokomis	FL	MH	65		391	391	99.0%
Royal Coachman	Nokomis	FL	RV	111	2	546	463	100.0%
Buccaneer Estates	North Fort Myers	FL	MH	223	39	971	971	98.9%
Island Vista Estates	North Fort Myers	FL	MH	121		616	616	84.7%
Lake Fairways	North Fort Myers	FL	MH	259		896	896	99.8%
Pine Lakes	North Fort Myers	FL	MH	314		602	602	99.7%
Pioneer Village	North Fort Myers	FL	RV	90		733	390	100.0%
Sunseekers RV Resort	North Fort Myers	FL	RV	16		241	156	100.0%
The Heritage	North Fort Myers	FL	MH	214	6	453	453	98.9%
Windmill Village - N. Ft. Myers	North Fort Myers	FL	MH	69		491	491	94.1%
Silver Dollar Golf & Trap Club Resort	Odessa	FL	RV	836		459	382	100.0%
Terra Ceia	Palmetto	FL	RV	50	32	203	152	100.0%
Arbors at Countrywood	Plant City	FL	MH	(f)		62	62	96.8%
Lakes at Countrywood	Plant City	FL	MH	122	10	424	424	97.6%
Meadows at Countrywood	Plant City	FL	MH	140		737	737	96.3%
Oaks at Countrywood	Plant City	FL	MH	44		168	168	93.5%
Harbor Lakes	Port Charlotte	FL	RV	80		528	352	100.0%
Emerald Lake	Punta Gorda	FL	MH	28		201	201	100.0%
Gulf View	Punta Gorda	FL	RV	78		206	97	100.0%
Tropical Palms MH	Punta Gorda	FL	MH	50	2	294	294	97.3%
Kingswood	Riverview	FL	MH	52		229	229	99.6%
Winds of St. Armands North	Sarasota	FL	MH	74		471	471	99.8%
Winds of St. Armands South	Sarasota	FL	MH	81	13	306	306	100.0%
Topics RV Resort	Spring Hill	FL	RV	35		230	177	100.0%
Pine Island	St. James City	FL	RV	31		363	85	100.0%
Carefree Village	Tampa	FL	MH	58		398	398	98.0%
Tarpon Glen	Tarpon Springs	FL	MH	24		168	168	98.2%
Featherock	Valrico	FL	MH	84		521	521	99.8%
Bay Indies	Venice	FL	MH	210		1,309	1,309	99.2%
Ramblers Rest RV Resort	Venice	FL	RV	117		647	379	100.0%
Peace River	Wauchula	FL	RV	72		454	50	100.0%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Crystal Lake Zephyrhills	Zephyrhills	FL	MH	147		518	518	65.6%
Forest Lake Estates MH	Zephyrhills	FL	MH	191	89	892	892	99.9%
Forest Lake Village RV	Zephyrhills	FL	RV	42		274	178	100.0%
Sixth Avenue	Zephyrhills	FL	MH	14		140	140	77.1%
Other	Multiple	FL	MH	7		149	149	20.1%
Total Florida Market				11,655	614	60,670	50,314	95.2%
California								
Northern California:								
Monte del Lago	Castroville	CA	MH	54		310	310	100.0%
Colony Park	Ceres	CA	MH	20		186	186	100.0%
Russian River	Cloverdale	CA	RV	41		135	4	100.0%
Snowflower (g)	Emigrant Gap	CA	RV	612		268	—	—%
Four Seasons	Fresno	CA	MH	40		242	242	97.5%
Yosemite Lakes (g)	Groveland	CA	RV	403	30	299	—	—%
Tahoe Valley (e) (g)	Lake Tahoe	CA	RV	86		413	—	—%
Sea Oaks	Los Osos	CA	MH	18	1	125	125	99.2%
Ponderosa Resort	Lotus	CA	RV	22		170	13	100.0%
Turtle Beach	Manteca	CA	RV	39		79	21	100.0%
Marina Dunes RV Resort (c) (g)	Marina	CA	RV	6		96	—	—%
Coralwood (e)	Modesto	CA	MH	22		194	194	100.0%
Lake Minden	Nicolaus	CA	RV	165	82	323	18	100.0%
Lake of the Springs	Oregon House	CA	RV	954	507	541	59	100.0%
Concord Cascade	Pacheco	CA	MH	31		283	283	100.0%
San Francisco RV (g)	Pacifica	CA	RV	12		122	—	—%
Quail Meadows	Riverbank	CA	MH	20		146	146	100.0%
California Hawaiian	San Jose	CA	MH	50		418	418	100.0%
Sunshadow	San Jose	CA	MH	30		121	121	100.0%
Village of the Four Seasons	San Jose	CA	MH	30		271	271	100.0%
Westwinds (4 Properties) (e)	San Jose	CA	MH	88		723	723	100.0%
Laguna Lake	San Luis Obispo	CA	MH	100		300	300	100.0%
Contempo Marin	San Rafael	CA	MH	63	1	396	396	100.0%
De Anza Santa Cruz	Santa Cruz	CA	MH	30		198	198	99.5%
Santa Cruz Ranch (g)	Scotts Valley	CA	RV	7		106	—	—%
Royal Oaks	Visalia	CA	MH	20		149	149	94.0%
Southern California:								
Soledad Canyon	Action	CA	RV	273		1,251	19	100.0%
Los Ranchos	Apple Valley	CA	MH	30		389	389	98.5%
Date Palm Country Club (e)	Cathedral City	CA	MH	232	3	538	538	98.7%
Palm Springs Oasis RV Resort	Cathedral City	CA	RV	(f)		140	17	100.0%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Oakzantia Springs	Descanso	CA	RV	145	5	146	25	100.0%
Rancho Mesa	El Cajon	CA	MH	20		158	158	100.0%
Rancho Valley	El Cajon	CA	MH	19		140	140	100.0%
Royal Holiday	Hemet	CA	MH	22		198	198	70.7%
Idyllwild	Idyllwild-Pine Cove	CA	RV	191		287	52	100.0%
Pio Pico	Jamul	CA	RV	176	10	512	86	100.0%
Wilderness Lakes	Memifee	CA	RV	73		529	44	100.0%
Morgan Hill (g)	Morgan Hill	CA	RV	69	6	339	—	—%
Pacific Dunes Ranch (g)	Oceana	CA	RV	48		215	—	—%
San Benito	Paicines	CA	RV	199	23	523	40	100.0%
Palm Springs	Palm Desert	CA	RV	35		401	12	100.0%
Las Palmas Estates	Rialto	CA	MH	18		136	136	100.0%
Parque La Quinta	Rialto	CA	MH	19		166	166	99.4%
Rancho Oso	Santa Barbara	CA	RV	310	40	187	16	100.0%
Meadowbrook	Santee	CA	MH	43		338	338	100.0%
Lampighter Village	Spring Valley	CA	MH	32		270	270	100.0%
Santiago Estates	Sylmar	CA	MH	113	9	300	300	96.0%
Total California Market				5,030	717	13,777	7,121	98.6%
Arizona:								
Apache East	Apache Junction	AZ	MH	17		123	123	100.0%
Countryside RV	Apache Junction	AZ	RV	53		560	304	100.0%
Denali Park	Apache Junction	AZ	MH	33	5	162	162	98.8%
Dolce Vita (c)	Apache Junction	AZ	MH	132	40	484	484	82.4%
Golden Sun RV	Apache Junction	AZ	RV	33		329	200	100.0%
Meridian RV Resort (c)	Apache Junction	AZ	RV	15		264	104	100.0%
Valley Vista	Benson	AZ	RV	6		145	6	100.0%
Casita Verde	Casa Grande	AZ	RV	14		192	84	100.0%
Fiesta Grande	Casa Grande	AZ	RV	77		767	528	100.0%
Foothills West	Casa Grande	AZ	RV	16		188	119	100.0%
Sunshine Valley	Chandler	AZ	MH	55		381	381	99.0%
Verde Valley	Cottonwood	AZ	RV	273	178	414	151	100.0%
Casa del Sol East II	Glendale	AZ	MH	29		239	239	96.7%
Casa del Sol East III	Glendale	AZ	MH	28		236	236	97.9%
Palm Shadows	Glendale	AZ	MH	33		293	293	90.8%
Hacienda De Valencia	Mesa	AZ	MH	51		364	364	98.9%
Mesa Spirit	Mesa	AZ	RV	90		1,600	766	100.0%
Monte Vista Resort	Mesa	AZ	RV	142		1,345	811	100.0%
Seyenna Vistas	Mesa	AZ	MH	60	4	407	407	97.8%
The Highlands at Brentwood	Mesa	AZ	MH	45		268	268	99.6%
ViewPoint RV & Golf Resort	Mesa	AZ	RV	332		2,414	1,870	100.0%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Apollo Village	Peoria	AZ	MH	29	3	238	238	95.4%
Casa del Sol West	Peoria	AZ	MH	31		245	245	95.5%
Carefree Manor	Phoenix	AZ	MH	16		130	130	92.3%
Central Park	Phoenix	AZ	MH	37		293	293	95.2%
Desert Skies	Phoenix	AZ	MH	24		166	166	97.6%
Sunrise Heights	Phoenix	AZ	MH	28		199	199	96.5%
Whispering Palms	Phoenix	AZ	MH	15		116	116	94.0%
Desert Vista (g)	Salome	AZ	RV	10		125	—	—%
Sedona Shadows	Sedona	AZ	MH	48	2	198	198	99.0%
Venture In	Show Low	AZ	RV	26		389	274	100.0%
Paradise	Sun City	AZ	RV	80		950	759	100.0%
The Meadows AZ	Tempe	AZ	MH	60		390	390	99.2%
Fairview Manor	Tucson	AZ	MH	28		235	235	97.4%
Voyager Expansion (c) (d)	Tucson	AZ	MH	64	41	—	—	—%
Westpark	Wickenburg	AZ	MH	48		273	273	82.1%
Araby Acres	Yuma	AZ	RV	25	3	337	264	100.0%
Cactus Gardens	Yuma	AZ	RV	43		430	231	100.0%
Capri	Yuma	AZ	RV	20		303	162	100.0%
Desert Paradise	Yuma	AZ	RV	26		260	93	100.0%
Foothill Village	Yuma	AZ	RV	18		180	31	100.0%
Mesa Verde RV	Yuma	AZ	RV	28		345	265	100.0%
Suni Sands	Yuma	AZ	RV	34		336	153	100.0%
Total Arizona Market				2,272	276	17,313	12,615	97.9%
Colorado:								
Hillcrest Village CO	Aurora	CO	MH	72		602	602	99.5%
Cimarron Village	Broomfield	CO	MH	50		327	327	100.0%
Holiday Village CO	Colorado Springs	CO	MH	38		240	240	99.6%
Bear Creek Village	Denver	CO	MH	12		121	121	97.5%
Holiday Hills Village	Denver	CO	MH	99		736	736	98.4%
Golden Terrace	Golden	CO	MH	32		263	263	100.0%
Golden Terrace South	Golden	CO	MH	15		80	80	100.0%
Golden Terrace South RV (g)	Golden	CO	RV	(f)		80	—	—%
Golden Terrace West	Golden	CO	MH	39		311	311	100.0%
Pueblo Grande	Pueblo	CO	MH	33		251	251	80.9%
Woodland Hills	Thornton	CO	MH	55		434	434	99.8%
Total Colorado Market				445	—	3,445	3,565	98.0%
Northeast:								
Stonegate Manor	North Windham	CT	MH	114		372	372	93.3%
Waterford Estates	Bear	DE	MH	159	2	731	731	99.7%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
McNicol Place	Lewes	DE	MH	25		93	93	100.0%
Whispering Pines	Lewes	DE	MH	67	2	393	393	99.7%
Mariner's Cove	Millsboro	DE	MH	101		374	374	97.1%
Sweetbriar	Millsboro	DE	MH	38		146	146	93.2%
Aspen Meadows	Rehoboth Beach	DE	MH	46		200	200	100.0%
Camelot Meadows	Rehoboth Beach	DE	MH	61		301	301	100.0%
Gateway to Cape Cod	Rochester	MA	RV	80	25	194	66	100.0%
Hillcrest MA	Rockland	MA	MH	19		79	79	93.7%
The Glen	Rockland	MA	MH	24		36	36	100.0%
Old Chatham	South Dennis	MA	RV	47		312	249	100.0%
Sturbridge	Sturbridge	MA	RV	223	125	155	70	100.0%
Fernwood	Capitol Heights	MD	MH	40	6	329	329	98.5%
Williams Estates/Peppermint Woods	Middle River	MD	MH	121		803	803	100.0%
Mt. Desert Narrows	Bar Harbor	ME	RV	90	12	206	7	100.0%
Patten Pond	Ellsworth	ME	RV	81	60	137	13	100.0%
Pinehirst	Old Orchard Beach	ME	RV	58		550	464	100.0%
Narrows Too	Trenton	ME	RV	42	8	207	8	100.0%
Moody Beach	Wells	ME	RV	48		274	86	100.0%
Sandy Beach	Contoocook	NH	RV	40		190	95	100.0%
Pine Acres	Raymond	NH	RV	100		421	222	100.0%
Tuxbury Resort	South Hampton	NH	RV	193		305	222	100.0%
King Nummy	Cape May Court House	NJ	RV	83		313	262	100.0%
Acorn Campground (c)	Green Creek	NJ	RV	160	43	323	226	100.0%
Mays Landing Resort	Mays Landing	NJ	RV	18		168	62	100.0%
Echo Farms	Ocean View	NJ	RV	31		245	197	100.0%
Lake and Shore	Ocean View	NJ	RV	162		401	270	100.0%
Chestnut Lake	Port Republic	NJ	RV	32		185	41	100.0%
Sea Pines	Swainston	NJ	RV	75	32	549	319	100.0%
Pine Ridge at Crestwood	Whiting	NJ	MH	188		1,035	1,035	89.3%
Rondout Valley	Accord	NY	RV	184	94	398	78	100.0%
Alpine Lake RV Resort	Corinth	NY	RV	200	54	500	342	100.0%
Lake George Escape	Lake George	NY	RV	178		576	79	100.0%
The Woodlands	Lockport	NY	MH	225	76	1,237	1,237	93.8%
Greenwood Village	Manorville	NY	MH	79		512	512	99.6%
Brennan Beach	Pulaski	NY	RV	201		1,377	1,199	100.0%
Lake George Schroon Valley	Warrensburg	NY	RV	151		151	85	100.0%
Greenbriar Village	Bath	PA	MH	63		319	319	95.3%
Sun Valley	Bowmansville	PA	RV	86	3	265	190	100.0%
Green Acres	Breinigsville	PA	MH	149		595	595	93.6%
Gettysburg Farm	Dover	PA	RV	124	62	265	84	100.0%
Timothy Lake North	East Stroudsburg	PA	RV	93		323	82	100.0%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Timothy Lake South	East Stroudsburg	PA	RV	65		327	130	100.0%
Drummer Boy	Gettysburg	PA	RV	89		465	220	100.0%
Round Top	Gettysburg	PA	RV	52		391	195	100.0%
Circle M	Lancaster	PA	RV	103	13	380	85	100.0%
Hershey	Lebanon	PA	RV	196	20	297	58	100.0%
Robin Hill	Lenhartsville	PA	RV	44	4	270	121	100.0%
PA Dutch County	Manheim	PA	RV	102	60	269	99	100.0%
Spring Gulch	New Holland	PA	RV	114	27	420	150	100.0%
LJI Wolf	Orefield	PA	MH	56		269	269	96.7%
Scotrun	Scotrun	PA	RV	63	6	178	115	100.0%
Appalachian RV	Shartlesville	PA	RV	86	30	358	197	100.0%
Mountain View - PA	Walnutport	PA	MH	45	1	187	187	92.0%
Timber Creek	Westerly	RI	RV	108		364	361	100.0%
Total Northeast Market				5,422	865	20,720	14,760	97.8%
Southeast:								
Hidden Cove	Arley	AL	RV	99	34	163	73	100.0%
Diamond Caverns	Park City	KY	RV	714	218	220	31	100.0%
Forest Lake	Advance	NC	RV	306	34	305	163	100.0%
Scenic	Asheville	NC	MH	28	2	194	194	99.0%
Waterway RV	Cedar Point	NC	RV	27		336	335	100.0%
Twin Lakes	Chocowinity	NC	RV	132	11	419	368	100.0%
Topsail Sound RV (c)	Holly Ridge	NC	RV	34	12	230	205	100.0%
Green Mountain	Lenoir	NC	RV	1,077	3	447	155	100.0%
Lake Gaston	Littleton	NC	RV	69		235	204	100.0%
Lake Myers RV	Mocksville	NC	RV	74		425	279	100.0%
Bogue Pines	Newport	NC	MH	50		150	150	88.0%
Goose Creek	Newport	NC	RV	92		735	692	100.0%
Whispering Pines - NC	Newport	NC	RV	34		278	187	100.0%
Harbor Point (c)	Sneads Ferry	NC	RV	46		203	184	100.0%
White Oak Shores	Stella	NC	RV	220	50	511	426	100.0%
Carolina Landing	Fair Play	SC	RV	73	30	192	58	100.0%
Inlet Oaks Village	Murrells Inlet	SC	MH	35		172	172	98.8%
The Oaks	Yemassee	SC	RV	10		93	21	100.0%
Natchez Trace	Hohenwald	TN	RV	672	340	531	225	100.0%
Cherokee Landing	Saulsbery	TN	RV	254	124	339	4	100.0%
Meadows of Chantilly	Chantilly	VA	MH	82		499	499	100.0%
Harbor View	Colonial Beach	VA	RV	69		146	69	100.0%
Lynchburg	Gladys	VA	RV	170	59	222	68	100.0%
Chesapeake Bay	Gloucester	VA	RV	282	80	392	144	100.0%
Bayport Development (c) (d)	Jamaica	VA	RV	541	523	—	—	—%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Virginia Landing	Quincy	VA	RV	863		233	5	100.0%
Grey's Point Camp	Topping	VA	RV	125	16	791	536	100.0%
Bedpage Camp Resort	Urbanna	VA	RV	271	104	1,034	601	100.0%
Williamsburg	Williamsburg	VA	RV	65	10	211	79	100.0%
Regency Lakes	Winchester	VA	MH	165		523	523	99.6%
Total Southeast Market				6,679	1,650	10,229	6,650	99.6%
Midwest Market:								
O'Connell's Yogi Bear RV Resort	Amboy	IL	RV	286	89	725	426	100.0%
Pheasant Lake Estates	Beecher	IL	MH	160	112	613	613	96.4%
Pine Country	Belvidere	IL	RV	131	10	185	150	100.0%
Willow Lake Estates	Elgin	IL	MH	111		616	616	89.1%
Golf Vista Estates	Monroe	IL	MH	144		497	497	80.7%
Indian Lakes	Batesville	IN	RV	545	104	1,058	612	100.0%
Horseshoe Lakes	Clinton	IN	RV	289	66	123	99	100.0%
Twin Mills RV	Howe	IN	RV	137	24	501	221	100.0%
Lakeside RV	New Carlisle	IN	RV	13		89	89	100.0%
Bear Cave	Buchanan	MI	RV	25	10	136	55	100.0%
St Claire	Saint Claire	MI	RV	210	100	229	138	100.0%
Cedar Knolls	Apple Valley	MN	MH	93		457	457	96.1%
Cimarron Park	Lake Elmo	MN	MH	230	46	505	505	90.5%
Rockford Riverview Estates	Rockford	MN	MH	88		428	428	95.8%
Rosemount Woods	Rosemount	MN	MH	50	12	182	182	98.4%
Buena Vista	Fargo	ND	MH	76		399	399	74.9%
Meadow Park	Fargo	ND	MH	17		116	116	71.6%
Kenisee Lake	Jefferson	OH	RV	143	50	119	76	100.0%
Wilmingon	Wilmingon	OH	RV	109	41	169	118	100.0%
Rainbow Lake Manor	Bristol	WI	MH	99	14	270	270	96.3%
Fremont Jellystone Park Campground	Fremont	WI	RV	98	5	325	125	100.0%
Yukon Trails	Lyndon Station	WI	RV	150	30	214	136	100.0%
Blackhawk Camping Resort	Milton	WI	RV	214	24	490	341	100.0%
Lakeland	Milton	WI	RV	107	5	682	426	100.0%
Westwood Estates	Pleasant Prairie	WI	MH	95		344	344	93.9%
Plymouth Rock	Plymouth	WI	RV	133	40	610	419	100.0%
Tranquil Timbers	Sturgeon Bay	WI	RV	125		270	193	100.0%
Lake of the Woods RV	Wautoma	WI	RV	117		303	167	100.0%
Neshonoc Lakeside	West Salem	WI	RV	48		284	189	100.0%
Arrowhead Resort	Wisconsin Dells	WI	RV	166	40	377	200	100.0%
Total Midwest Market				4,209	822	11,316	8,607	94.9%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Nevada, Utah and Idaho:								
Coach Royale	Boise	ID	MH	12		91	91	100.0%
Maple Grove	Boise	ID	MH	38		271	271	90.4%
Shenandoah Estates	Boise	ID	MH	24		153	153	100.0%
West Meadow Estates	Boise	ID	MH	29		178	178	100.0%
Mountain View - NV	Henderson	NV	MH	72		354	354	100.0%
Bonanza Village	Las Vegas	NV	MH	43		353	353	55.5%
Boulder Cascade	Las Vegas	NV	MH	39		299	299	85.6%
Cabana	Las Vegas	NV	MH	37		263	263	99.2%
Flamingo West	Las Vegas	NV	MH	37		258	258	100.0%
Las Vegas	Las Vegas	NV	RV	11		217	21	100.0%
Villa Borega	Las Vegas	NV	MH	40		293	293	78.5%
Westwood Village	Farr West	UT	MH	46		314	314	100.0%
St George (g)	Hurricane	UT	RV	26	4	123	—	—%
All Seasons	Salt Lake City	UT	MH	19		121	121	100.0%
Total Nevada, Utah and Idaho				473	4	3,288	2,969	90.2%
Northwest:								
Cultus Lake (Canada) (e)	Lindell Beach	BC	RV	15		178	47	100.0%
Bend	Bend	OR	RV	289	116	351	47	100.0%
Shadowbrook	Clackamas	OR	MH	21		156	156	100.0%
Pacific City	Cloverdale	OR	RV	105	50	307	29	100.0%
Falcon Wood Village	Eugene	OR	MH	23		183	183	98.9%
Portland Fairview	Fairview	OR	RV	30		407	245	100.0%
Quail Hollow (e)	Fairview	OR	MH	21		137	137	100.0%
South Jetty	Florence	OR	RV	57	5	204	7	100.0%
Seaside	Seaside	OR	RV	80	7	251	45	100.0%
Whalers Rest	South Beach	OR	RV	39	5	170	22	100.0%
Mt. Hood Village	Welches	OR	RV	115		626	189	100.0%
Birch Bay	Blaine	WA	RV	31	7	246	13	100.0%
Mount Vernon	Bow	WA	RV	311		251	25	100.0%
Chehalis	Chehalis	WA	RV	309		360	22	100.0%
Grandy Creek (g)	Concrete	WA	RV	63		179	—	—%
Tall Chief (g)	Fall City	WA	RV	71		180	—	—%
Klloshe Illahee	Federal Way	WA	MH	50		258	258	100.0%
La Conner (e)	La Conner	WA	RV	106		319	36	100.0%
Leavenworth	Leavenworth	WA	RV	255	30	266	17	100.0%
Thunderbird Resort	Monroe	WA	RV	45	6	136	18	100.0%
Little Diamond	Newport	WA	RV	360	30	520	2	100.0%
Oceana	Ocean City	WA	RV	16	7	84	6	100.0%
Crescent Bar	Quincy	WA	RV	14		115	17	100.0%

Property	City	State	Property Type	Acres ^(a)	Developable Acres ^(b)	Total Number of Sites as of 12/31/20	Total Number of Annual Sites as of 12/31/20	Annual Site Occupancy as of 12/31/20
Long Beach	Seaview	WA	RV	17	10	144	10	100.0%
Paradise RV	Silver Creek	WA	RV	60		214	4	100.0%
Total Northwest				2,503	273	6,242	1,535	99.9%
Texas:								
Alamo Palms	Alamo	TX	RV	58		643	305	100.0%
Bay Landing	Bridgeport	TX	RV	443	235	293	63	100.0%
Colorado River	Columbus	TX	RV	218	51	132	25	100.0%
Victoria Palms	Donna	TX	RV	117		1,122	488	100.0%
Lake Texoma (e)	Gordonville	TX	RV	201	120	301	83	100.0%
Lakewood	Harlingen	TX	RV	30		301	119	100.0%
Paradise Park	Harlingen	TX	RV	60		563	267	100.0%
Sunshine RV Resort	Harlingen	TX	RV	84		1,027	369	100.0%
Tropic Winds	Harlingen	TX	RV	112	65	531	209	100.0%
Medina Lake	Lakehills	TX	RV	208	50	387	72	100.0%
Paradise South	Mercedes	TX	RV	49		493	194	100.0%
Lake Tawakoni (e)	Point	TX	RV	324	11	293	68	100.0%
Fun N Sun RV	San Benito	TX	RV	135	40	1,435	633	100.0%
Country Sunshine	Weslaco	TX	RV	37		390	158	100.0%
Leisure World (c)	Weslaco	TX	RV	38		333	202	100.0%
Southern Comfort	Weslaco	TX	RV	40		403	321	100.0%
Trails End RV (c)	Weslaco	TX	RV	43		362	271	100.0%
Lake Whitney	Whitney	TX	RV	403	158	261	33	100.0%
Lake Conroe	Willis	TX	RV	129	7	620	274	100.0%
Total Texas				2,729	737	9,890	4,154	100.0%
Grand Total All Markets				41,417	5,958	156,890	112,090	96.5%

^(a) Acres are approximate. For certain Properties, the acres were estimated based on 10 Sites per acre.

^(b) Acres are approximate. There can be no assurance that developable acres will be developed. Development is contingent on many factors including, but not limited to, cost, ability to subdivide, accessibility, infrastructure needs, zoning, entitlement and topography.

^(c) Property acquired in 2020.

^(d) Development asset acquired in 2020. It is not included in the property count as there are no sites and the property is not operational.

^(e) Land has been leased to us under a non-cancelable operating lease, including one Loggerhead Marina Property (See Item 8. Financial Statements and Supplementary Data—Note 3. Leases).

^(f) Acres for this community have been included in the acres of the adjacent community listed directly above this Property.

^(g) Property did not have annual Sites for 2020.

Item 3. Legal Proceedings

The description of legal proceedings is incorporated herein by reference from Item 8. Financial Statements and Supplementary Data—Note 16. Commitment and Contingencies in this Form 10-K.

Item 4. Mine Safety Disclosures

None.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our shares of common stock are traded on the NYSE under the symbol ELS. As of December 31, 2020, there were 292 holders of record for 182,230,631 outstanding shares of our common stock. Additionally, there were 10,479,194 OP Units outstanding, which are exchangeable for an equivalent number of shares of our common stock or, at our option, cash.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased (a)	Average Price Paid per Share (a)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs
1/1/2020-3/31/2020	54,195	\$ 73.12	None	None
4/1/2020-6/30/2020	—	\$ —	None	None
7/1/2020-9/30/2020	—	\$ —	None	None
10/1/2020-12/31/2020	—	\$ —	None	None
1/1/2020-12/31/2020	54,195	\$ 73.12	None	None

- (a) All shares were repurchased at the open market price and represent common stock surrendered to us to satisfy income tax withholding obligations due to the vesting of Restricted Share Grants. Certain of our executive officers and directors may from time to time adopt non-discretionary, written trading plans that comply with Securities and Exchange Commission Rule 10b5-1, or otherwise monetize their equity-based compensation. Securities and Exchange Commission Rule 10b5-1 provides executives with a method to monetize their equity-based compensation in an automatic and non-discretionary manner over time.

Dividends and Distributions

We distribute regular quarterly dividends to our stockholders. In order to maintain our qualification as a REIT, we are required, among other things, to distribute annually at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and any net capital gain. In addition, we intend to distribute all or substantially all of our net income so that we will generally not be subject to U.S. federal income tax on our earnings.

In general, our Board of Directors makes decisions regarding the nature, frequency and amount of our dividends on a quarterly basis. The Board considers many factors when making these decisions, including our present and future liquidity needs, our current and projected financial condition and results of operations. As such, there can be no assurance that we will maintain the practice of paying regular quarterly dividends to continue to qualify as a REIT. See Item 1A. Risk Factors in this Form 10-K for a description of factors that may affect our ability to distribute dividends.

Item 6. Selected Financial Data

None.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the consolidated financial statements and accompanying footnotes thereto included in this Annual Report on Form 10-K. All shares of common stock ("Common Shares") and units of common interests in our Operating Partnership ("OP Units") as well as per share results reflect the two-for-one stock split that was completed on October 15, 2019.

On March 11, 2020, the World Health Organization declared the outbreak of the novel coronavirus (COVID-19) a pandemic. See the COVID-19 Pandemic Update section below for a discussion of the impact on our business to date, including operational changes we have implemented, performance indicators such as rent collections and factors that we anticipate will inform our future decisions and actions. The current operating environment is changing rapidly. Our future response and the resulting impact on our business is difficult to predict. The extent of the impact that the COVID-19 pandemic will have on our business going forward, including our financial condition, results of operations and cash flows, is dependent on multiple factors, many of which are unknown. For additional details, see Item 1A. Risk Factors.

2020 Accomplishments

We continued our strong performance in 2020, as marked by these key operational and financial accomplishments:

- Placed health and safety of our employees first, which included introducing an emergency time-off program for our property employees that provides incremental pay for up to two weeks and providing a one-time property employee appreciation bonus of \$0.7 million.
- Supported the safety of our property employees and customers by launching a new online check-in option for our RV guests.
- Launched a new learning component of our Diversity Equity and Inclusion initiative with monthly employee trainings with the goal of supporting the sense of belonging, awareness and connection at ELS.
- Added 1,058 expansion Sites, including 549 MH Sites, to our Core Portfolio (as defined below) during the year ended December 31, 2020.
- MH occupancy within our Core Portfolio increased by 293 Sites to 68,869 Sites as of December 31, 2020, with a weighted average occupancy of 95.2% for the year ended December 31, 2020 compared to 95.1% for the year ended December 31, 2019.
- Manufactured homeowners within our Core Portfolio increased by 345 to 64,945 as of December 31, 2020 compared to 64,600 as of December 31, 2019.
- MH and RV rental income within our Core Portfolio increased by 4.6% and 1.1%, respectively, compared to December 31, 2019.
- Core Portfolio generated full year growth of 2.9% in income from property operations, excluding deferrals and property management compared to 2019.
- Normalized Funds from Operations ("Normalized FFO") per common share on a fully diluted basis was \$2.17, 3.9% higher than in December 31, 2019.
- Acquired one MH community, seven RV communities and one marina for \$209.2 million.
- Invested \$132.0 million to fund development activity, including the acquisition of land parcels and development assets.
- Raised our annual dividend to \$1.370 per share in 2020, an increase of 11.8% compared to \$1.225 per share in December 31, 2019.
- Originated secured debt with gross proceeds of \$662.3 million with an average maturity of 12.0 years and a weighted average interest rate of 2.6%. We used these proceeds to repay debt of \$414.9 million at a weighted average rate of 4.1% with a remaining weighted average maturity of 1.9 years. The remainder of the proceeds were used to repay the Line of Credit ("LOC") throughout the year.

Overview and Outlook

We are a self-administered and self-managed real estate investment trust ("REIT") with headquarters in Chicago, Illinois. We are a fully integrated owner and operator of properties ("Properties") consisting primarily of manufactured home ("MH") and recreational vehicle ("RV") communities. As of December 31, 2020, we owned or had an ownership interest in a portfolio of 422 Properties located throughout the United States and Canada containing 160,489 individual developed areas ("Sites"). These Properties are located in 33 states and British Columbia, with more than 100 Properties with lake, river or ocean frontage and more than 120 Properties within 10 miles of the coastal United States.

We invest in properties in sought-after locations near retirement and vacation destinations and urban areas across the United States with a focus on delivering value to our residents and guests as well as stockholders. Our business model is

Management's Discussion and Analysis (continued)

intended to provide an opportunity for increased cash flows and appreciation in value. We seek growth in earnings, Funds from Operations ("FFO") and cash flows by enhancing the profitability and operation of our Properties and investments. We accomplish this by attracting and retaining high quality customers to our Properties, who take pride in our Properties and in their homes, and efficiently managing our Properties by increasing occupancy, maintaining competitive market rents and controlling expenses. We also actively pursue opportunities that fit our acquisition criteria and are currently engaged in various stages of negotiations relating to the possible acquisition of additional properties.

We believe the demand from baby boomers for MH and RV communities will continue to be strong over the long term. It is estimated that approximately 10,000 baby boomers are turning 65 daily through 2030. In addition, the population age 55 and older is expected to grow 17% from 2021 to 2036. These individuals, seeking an active lifestyle, will continue to drive the market for second-home sales as vacation properties, investment opportunities or retirement retreats. We expect it is likely that over the next decade, we will continue to see high levels of second-home sales and that manufactured homes and cottages in our Properties will continue to provide a viable second-home alternative to site-built homes. We also believe the Millennial and Generation X demographic will contribute to our future long-term customer pipeline. RV Industry Association ("RVIA") tracking of the RV industry showed that those under 45 years of age is the fastest growing segment of RV owners and has been for the past few years. The RVIA also completed a survey showing that RV purchase intent is strongest among Millennials, followed closely by Generation X. Millennials and Generation X combined represent over half of RV buyers. There is an increasing trend among these groups to adopt a minimalist lifestyle due to its affordability, preference over home quality relative to its size and the overall unique experience that our communities can provide. We believe the demand from baby boomers and these younger generations will continue to outpace supply for MH and RV communities. The entitlement process to develop new MH and RV communities is extremely restrictive. As a result, there have been limited new communities developed in our target geographic markets.

We generate the majority of our revenues from customers renting our Sites or entering into right-to-use contracts, also known as membership subscriptions, which provide them access to specific Properties for limited stays. MH Sites are generally leased on an annual basis to residents who own or lease factory built homes, including manufactured homes. Annual RV and marina Sites are leased on an annual basis to customers who generally have an RV, factory built cottage, boat or other unit placed on the site, including those Northern properties that are open for the summer season. Seasonal RV and marina Sites are leased to customers generally for one to six months. Transient RV and marina Sites are leased to customers on a short-term basis. The revenue from seasonal and transient Sites is generally higher during the first and third quarters. We consider the transient revenue stream to be our most volatile as it is subject to weather conditions and other factors affecting the marginal RV customer's vacation and travel preferences. We also generate revenue from customers renting our marina dry storage. Additionally, we have interests in joint venture Properties for which revenue is classified as Equity in income from unconsolidated joint ventures on the Consolidated Statements of Income and Comprehensive Income.

Approximately one quarter of our rental agreements on MH Sites contain rent increase provisions that are directly or indirectly connected to the published CPI statistics issued from June through September of the year prior to the increase effective date. Approximately two-thirds of these rental agreements are subject to a CPI floor of approximately 3.0% to 5.0%.

State and local rent control regulations affect 27 wholly-owned Properties, including 15 of our 49 California Properties, all 7 of our Delaware Properties, 1 of our 5 Massachusetts Properties, 1 of our 7 New York Properties, and 3 of our 10 Oregon Properties. These rent control regulations dictate rent increases and generally permit us to increase rates by a percentage of the increase in the national, regional or local CPI, depending on the rent control ordinance. These rate increases generally range from 60.0% to 100.0% of CPI with certain limits depending on the jurisdiction.

Management's Discussion and Analysis (continued)

The following table shows the breakdown of our Sites by type (amounts are approximate):

	Total Sites as of December 31, 2020
MH Sites	73,200
RV Sites:	
Annual	30,800
Seasonal	10,700
Transient	14,500
Marina Slips	2,800
Membership ⁽¹⁾	24,800
Joint Ventures ⁽²⁾	3,600
Total ⁽³⁾	160,500

⁽¹⁾ Primarily utilized to service the approximately 116,200 members. Includes approximately 6,000 Sites rented on an annual basis.

⁽²⁾ Includes approximately 2,900 annual Sites, 500 seasonal Sites and 200 transient Sites.

⁽³⁾ Total does not foot due to rounding.

Membership Sites are primarily utilized to service approximately 116,200 annual subscription members, including 19,400 free trial members added through our RV dealer program. The remaining 96,800 have purchased a Thousand Trails Camping ("TTC") membership, which is an annual subscription providing the member access to our Properties in one to five geographic regions of the United States. In 2020, a TTC membership for a single geographic region required an annual payment of \$599. In addition, members are eligible to upgrade their subscriptions. A membership upgrade may offer (1) increased length of consecutive stay by 50% (i.e., up to 21 days); (2) ability to make earlier advance reservations; (3) discounts on rental units; (4) access to additional Properties, which may include use of Sites at non-membership RV communities, or (5) membership in discount travel programs. Each membership upgrade requires a non-refundable upfront payment, for which we offer financing options to eligible customers. As a customer acquisition tool, we have relationships with a network of RV dealers to provide each new RV owner with a free one-year trial subscription to a TTC membership.

In our Home Sales and Rentals Operations business, our revenue streams include home sales, home rentals and brokerage services and ancillary activities. We generate revenue through home sales and rental operations by selling or leasing manufactured homes and cottages that are located in Properties owned and managed by us. We believe renting our vacant homes represents an attractive source of occupancy and an opportunity to convert the renter to a homebuyer in the future. We also sell and rent homes through our joint venture, ECHO Financing, LLC (the "ECHO JV"). Additionally, home sale brokerage services are offered to our residents who may choose to sell their homes rather than relocate them when moving from a Property. At certain Properties, we operate ancillary facilities, such as golf courses, pro shops, stores and restaurants.

In the manufactured housing industry, options for home financing, also known as chattel financing, are limited. Chattel financing options available today include community owner-funded programs or third-party lender programs that provide subsidized financing to customers and often require the community owner to guarantee customer defaults. Third-party lender programs have stringent underwriting criteria, sizable down payment requirements, short term loan amortization and high interest rates. We have a limited program under which we purchase loans made by an unaffiliated lender to homebuyers at our Properties.

In 2017, the Federal Housing Finance Agency ("FHFA") published Fannie Mae's and Freddie Mac's Underserved Markets Plans for 2018-2020 (the "Plans") under the duty-to-serve provisions mandated by the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended by the Housing and Economic Recovery Act of 2008. The FHFA mandate requires Fannie Mae and Freddie Mac to serve three specific underserved markets, one of which is the manufactured housing sector. The Plans outline four duty-to-serve focus areas related to manufactured housing, including home purchase financing for customers placing manufactured homes in land lease communities. While this may have a positive impact on the ability of our customers to obtain chattel financing, the actual impact on us as well as the industry cannot be determined at this time. Additionally, the new administration may redefine the objectives of the Plans.

In addition to net income computed in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), we assess and measure our overall financial and operating performance using certain Non-GAAP supplemental measures, which include: (i) FFO, (ii) Normalized FFO, (iii) Income from property operations, (iv) Income from property operations, excluding deferrals and property management, (v) Core Portfolio income from property operations, excluding deferrals and property management (operating results for Properties owned and operated in both periods under comparison), and (vi) Income from rental operations, net of depreciation. We use these measures internally to evaluate the operating performance of our portfolio

Management's Discussion and Analysis (continued)

and provide a basis for comparison with other real estate companies. Definitions and reconciliations of these measures to the most comparable GAAP measures are included below in this discussion.

COVID-19 Pandemic Update

Since the COVID-19 pandemic began, we have taken actions to prioritize the safety and security of our employees, residents and customers, while maintaining our high-quality standards in service to our residents and customers. We have implemented and may continue to implement Centers for Disease Control and Prevention ("CDC") and local public health department guidelines and protocols for social distancing and enhanced community and office cleaning procedures. Our Properties are open to residents and customers, while some of the on-site amenities, including restaurants, pools and playgrounds remain closed subject to state and local guidelines. We are closely monitoring these guidelines and may limit transient reservations as necessary and appropriate.

With consideration for the hardship our residents and customers might have experienced as a result of COVID-19 and in response to certain regulatory guidelines, during the second quarter of 2020, we offered a rent deferral program, waived late fees and RV cancellation fees, allowed extended stays for Thousand Trails members as a result of shelter-in-place orders and suspended eviction proceedings. Most of these measures were discontinued during the third quarter of 2020 as certain COVID-19 restrictions were lifted with the exception of eviction moratorium, which continues to be in place into 2021 pursuant to CDC orders and state and local moratoria restrictions. We also resumed mailing 2020 MH rent increase notices in June 2020 that were temporarily suspended. As of January 22, 2021, we sent 2021 rent increase notices to 60% of our MH residents and we set RV annual rates for the 2021 season for 100% of our annual sites.

In response to COVID-19, we introduced an emergency time-off program for our property employees that provides incremental pay for up to two weeks and rewarded them with additional personal days. In addition, we also provided a one-time property employee appreciation bonus of \$0.9 million during the quarter ended June 30, 2020. To further support the safety of our property employees and customers, we launched a new online check-in option for our RV guests. Employees in our corporate and regional offices are both returning to their work locations and working remotely. We are continuing to keep our focus on employee safety and our ability to adapt to changing demands and local, federal and CDC guidelines.

The primary financial statement impact from the COVID-19 pandemic has been a reduction of transient RV rental income. During the year ended December 31, 2020, we recognized \$53.0 million of transient RV rental income in our Core Portfolio, a decrease of \$4.6 million, or 8.0%, compared to \$57.6 million for the same period in 2019. Transient RV rental income was trending favorably in January and February prior to the outbreak of COVID-19. Between March and July, transient RV rental income declined compared to the same period in 2019, primarily resulting from cancellations, declines in RV reservations and temporary site closures due to COVID-19 restrictions. As restrictions were eased between August and December, the demand for RV sites was strong resulting in an increase in transient income compared to the same period in 2019, particularly in the months of September and October. To a lesser extent, the travel restrictions resulting from COVID-19, particularly the closure of the Canadian border, also led to a reduction of seasonal RV rental income. During the year ended December 31, 2020, we recognized \$39.8 million of seasonal RV rental income in our Core Portfolio, a decrease of \$1.5 million, or 3.7%, compared to \$41.3 million for the same period in 2019.

TTC membership sales continued to see positive demand as COVID-19 restrictions were lifted. For the year ended December 31, 2020, TTC sales volume increased 6.9% compared to the same period in 2019, and our RV Dealer activations increased 5.9% compared to the same period in 2019. Upgrade sales volume increased 15.6% compared to 2019, with approximately 3,400 membership upgrades sold during the year ended December 31, 2020.

We continue to closely monitor cash collections as a leading indicator of the performance of our business. We have not experienced a significant change in the overall collection rates from our customers for the year ended December 31, 2020, as compared to previous years. As of January 22, 2021, the total collection rates from our MH and RV Annuals for the quarter ended December 31, 2020 were 98% and 99%, respectively. We continue to follow various state and local guidelines related to rent collections and eviction proceedings.

We attribute the solid performance of our business, as shown by our cash collection activity and increases in home sales and occupancy, to the fundamentals of our business model. Our residents and customers have made an investment in a housing unit that is placed on land leased from us. In addition, there is continued demand for our properties. The property locations and the lifestyle we offer have broad appeal to customers interested in enjoying an outdoor experience. We believe this is particularly relevant in a COVID-19 impacted environment. We intend to continue to monitor the rapidly evolving situation and we may take further actions that alter our business operations as may be required and that are in the best interests of our employees, residents, customers and shareholders.

Results Overview

For the year ended December 31, 2020, net income available for Common Stockholders decreased \$50.8 million, or \$0.29 per fully diluted Common Share, to \$228.3 million, or \$1.25 per fully diluted Common Share, compared to \$279.1 million, or \$1.54 per fully diluted Common Share, for the same period in 2019. The financial results for 2019 included a gain of \$52.5 million on the sale of five all-age MH communities. For the year ended December 31, 2020, FFO available for Common Stock and OP Unit holders increased \$0.4 million, to \$406.4 million, or \$2.11 per fully diluted Common Share, compared to \$406.0 million, or \$2.11 per fully diluted Common Share, for the same period in 2019. For the year ended December 31, 2020, Normalized FFO available for Common Stock and OP Unit holders increased \$16.9 million, or \$0.08 per fully diluted Common Share, to \$418.7 million, or \$2.17 per fully diluted Common Share, compared to \$401.8 million, or \$2.09 per fully diluted Common Share, for the same period in 2019.

Our Core Portfolio could change from time-to-time depending on acquisitions, dispositions and significant transactions or unique situations. Our Core Portfolio in 2020 and 2019 includes all Properties acquired prior to December 31, 2018 that we have owned and operated continuously since January 1, 2019. For the year ended December 31, 2020, property operating revenues in our Core Portfolio, excluding deferrals, increased 3.9% and property operating expenses in our Core Portfolio, excluding deferrals and property management, increased 5.3%, from the year ended December 31, 2019, resulting in an increase in income from property operations, excluding deferrals and property management, of 2.9%.

While we continue to focus on increasing the number of manufactured homeowners in our Core Portfolio, we also believe renting our vacant homes represents an attractive source of occupancy and an opportunity to potentially convert the renter to a new homebuyer in the future. We continue to expect there to be fluctuations in the sources of occupancy gains depending on local market conditions, availability of vacant sites and success with converting renters to homeowners. Our Core Portfolio average occupancy, including both homeowners and renters, in our MH communities was 95.2% for the year ended December 31, 2020, compared to 95.1% for the same period in 2019. For the year ended December 31, 2020, our Core Portfolio occupancy increased by 293 sites with an increase in homeowner occupancy of 345 sites. In addition to higher occupancy, we have experienced rental rate increases during the year ended December 31, 2020, contributing to a growth of 4.1% in MH rental income compared to the same period in 2019.

RV rental income in our Core Portfolio for the year ended December 31, 2020 was 1.1% higher than the same period in 2019. Annual revenues increased 5.6% and seasonal and transient revenue decreased 3.7% and 8.0%, respectively, for the year ended December 31, 2020. The decrease in seasonal rental income was largely driven by a decrease in the fourth quarter due to the closure of the Canadian border as a result of COVID-19. The decrease in transient rental income for the year ended December 31, 2020 was largely due to cancellations, declines in reservations and temporary site closures during the second quarter of 2020 due to COVID-19.

We continue to experience strong performance in our membership base within our Thousand Trails portfolio. For the year ended December 31, 2020, annual membership subscriptions revenue increased 4.1% over the same period in 2019. We sold 20,587 TTC memberships during the year ended December 31, 2020, representing a 6.9% increase in sales volume compared to the same period in 2019. For the year ended December 31, 2020, membership upgrade sales increased \$2.6 million compared to the same period in 2019, driven by approximately 3,400 membership upgrade sales during the year ended December 31, 2020, representing an increase of 15.6% in sales volume. In addition, we activated 23,542 TTC memberships through our RV dealer program for the year ended December 31, 2020.

The following table provides additional details regarding our TTC memberships for the past five years:

	2020	2019	2018	2017	2016
TTC Origination.....	44,129	41,484	37,528	31,618	29,576
TTC Sales.....	20,587	19,267	17,194	14,128	12,856
RV Dealer TTC Activations.....	23,542	22,217	20,334	17,490	16,720

We continue to build on our successful multi-channel marketing campaigns, incorporating social media and advanced marketing analytics. In 2020, we increased our social media fan base to over 750,000. Our customers are increasingly choosing self-service options to complete their transactions with us. Our Core RV transient revenue booked through our website increased 46.8% and our online sales of TTC memberships increased 32.1% compared to the year ended December 31, 2019.

Demand for our homes and communities remains strong as evidenced by factors including our high occupancy levels. We closed 644 new home sales during the year ended December 31, 2020 compared to 496 new home sales during the year ended December 31, 2019. The increases in new home sales was primarily due to favorable housing trends and timing of the availability of home inventory ready for sale.

Management's Discussion and Analysis (continued)

As of December 31, 2020, we had 3,924 occupied rental homes in our Core MH communities, including 298 homes rented through our ECHO JV. Our Core Portfolio income from rental operations, net of depreciation, was \$31.0 million for the year ended December 31, 2020 and \$29.8 million for the year ended December 31, 2019. Approximately \$31.4 million and \$31.2 million of rental operations revenue related to Site rental was included in MH base rental income in our Core Portfolio for the years ended December 31, 2020 and December 31, 2019, respectively.

Our gross investment in real estate increased \$417.4 million to \$6,160.4 million as of December 31, 2020 from \$5,743.0 million as of December 31, 2019, primarily due to new acquisitions as well as capital improvements during the year ended December 31, 2020.

Property Acquisitions/Dispositions and Joint Ventures

The following chart lists the Properties acquired or sold from January 1, 2019 through December 31, 2020 and Sites added through expansion opportunities at our existing Properties.

	Location	Type of Property	Transaction Date	Sites
Total Sites as of January 1, 2019 ⁽¹⁾⁽²⁾				155,400
Acquisition Properties:				
Drummer Boy Camping Resort	Gettysburg, Pennsylvania	RV	March 25, 2019	465
Lake of the Woods Campground	Wautoma, Wisconsin	RV	March 25, 2019	303
Round Top RV Campground	Gettysburg, Pennsylvania	RV	April 10, 2019	391
White Oak Shores Camping and RV Resort	Stella, North Carolina	RV	May 29, 2019	455
Marina Dunes RV Park	Marina, California	RV	October 15, 2020	96
Acorn Campground	Green Creek, New Jersey	RV	October 16, 2020	323
Dolce Vita at Superstition Mountain	Apache Junction, Arizona	MH	December 8, 2020	484
Leisure World RV Resort	Weslaco, Texas	RV	December 9, 2020	333
Trails End RV Resort	Weslaco, Texas	RV	December 9, 2020	362
Meridian RV Resort	Apache Junction, Arizona	RV	December 14, 2020	264
Harbor Point RV Community	Sneads Ferry, North Carolina	RV	December 16, 2020	203
Topsail Sound RV Park	Holly Ridge, North Carolina	RV	December 17, 2020	230
Marker 1 Marina	Dunedin, Florida	Marina	December 30, 2020	477
Expansion Site Development:				
Sites added (reconfigured) in 2019				891
Sites added (reconfigured) in 2020 ⁽³⁾				1,202
Dispositions:				
Hoosier Estates	Lebanon, Indiana	MH	January 23, 2019	(288)
Lake in the Hills	Auburn Hills, Michigan	MH	January 23, 2019	(238)
North Glen Village	Westfield, Indiana	MH	January 23, 2019	(282)
Oak Tree Village	Portage, Indiana	MH	January 23, 2019	(361)
Swan Creek	Ypsilanti, Michigan	MH	January 23, 2019	(294)
Total Sites as of December 31, 2020 ⁽²⁾				160,500

⁽¹⁾ Includes the marina slips from the acquisition of the remaining interest in our joint venture investment of 11 marinas in Florida.

⁽²⁾ Sites are approximate.

⁽³⁾ Includes 144 Sites added to our Non-Core Portfolio.

Management's Discussion and Analysis (continued)

Markets

The following table identifies our largest markets by number of Sites and provides information regarding our Properties (excluding six Properties owned through our Joint Ventures).

Major Market	Total Sites	Number of Properties	Percent of Total Sites	Percent of Total Property Operating Revenue ⁽¹⁾
Florida	60,670	142	38.7 %	44.3 %
Northeast	20,720	56	13.2 %	11.0 %
Arizona	17,313	42	11.0 %	9.5 %
California	13,777	49	8.8 %	12.9 %
Midwest	11,316	30	7.2 %	5.5 %
Southeast	10,229	29	6.5 %	4.8 %
Texas	9,890	19	6.3 %	2.9 %
Northwest	6,242	25	4.0 %	3.2 %
Colorado	3,445	10	2.2 %	3.4 %
Other	3,288	14	2.1 %	2.5 %
Total	<u>156,890</u>	<u>416</u>	<u>100.0 %</u>	<u>100.0 %</u>

⁽¹⁾ Excludes the impact of GAAP deferrals of membership upgrade sales upfront payments and membership sales commissions as well as approximately \$9.3 million of property operating revenue not allocated to Properties, which consists primarily of membership upgrade sales.

Qualification as a REIT

Commencing with our taxable year ended December 31, 1993, we have elected to be taxed as a REIT for U.S. federal income tax purposes. We believe we have met the requirements and have qualified for taxation as a REIT, and we plan to continue to meet these requirements. The requirements for qualification as a REIT are highly technical and complex, as they pertain to the ownership of our outstanding stock, the nature of our assets, the sources of our income and the amount of our distributions to our stockholders. Examples include that at least 95% of our gross income must come from sources that are itemized in the REIT tax laws and at least 90% of our REIT taxable income, computed without regard to our deduction for dividends paid and our net capital gain, must be distributed to stockholders annually. If we fail to qualify as a REIT and are unable to correct such failure, we would be subject to U.S. federal income tax at regular corporate rates. Additionally, we could remain disqualified as a REIT for four years following the year we first failed to qualify. Even if we qualify for taxation as a REIT, we are subject to certain foreign, state and local taxes on our income and property and U.S. federal income and excise taxes on our undistributed income.

Non-GAAP Financial Measures

Management's discussion and analysis of financial condition and results of operations include certain Non-GAAP financial measures that in management's view of the business are meaningful as they allow investors the ability to understand key operating details of our business both with and without regard to certain accounting conventions or items that may not always be indicative of recurring annual cash flow of the portfolio. These Non-GAAP financial measures as determined and presented by us may not be comparable to similarly titled measures reported by other companies, and include income from property operations and Core Portfolio, FFO, Normalized FFO and income from rental operations, net of depreciation.

We believe investors should review Income from property operations and Core Portfolio, FFO, Normalized FFO and Income from rental operations, net of depreciation, along with GAAP net income and cash flows from operating activities, investing activities and financing activities, when evaluating an equity REIT's operating performance. A discussion of Income from property operations and Core Portfolio, FFO, Normalized FFO and Income from rental operations, net of depreciation, and a reconciliation to net income, are included below.

Income from Property Operations and Core Portfolio

We use income from property operations, income from property operations, excluding deferrals and property management, and Core Portfolio income from property operations, excluding deferrals and property management, as alternative measures to evaluate the operating results of our Properties. Income from property operations represents rental income, membership subscriptions and upgrade sales, utility and other income less property and rental home operating and maintenance expenses, real estate taxes, sales and marketing expenses and property management expenses. Income from property operations, excluding deferrals and property management, represents income from property operations excluding property management

Management's Discussion and Analysis (continued)

expenses and the impact of the GAAP deferrals of membership upgrade sales upfront payments and membership sales commissions, net. For comparative purposes, we present bad debt expense within Property operating, maintenance and real estate taxes in the current and prior periods.

Our Core Portfolio consists of our Properties owned and operated during all of 2019 and 2020. Core Portfolio income from property operations, excluding deferrals and property management, is useful to investors for annual comparison as it removes the fluctuations associated with acquisitions, dispositions and significant transactions or unique situations. Our Non-Core Portfolio includes all Properties that were not owned and operated during all of 2019 and 2020. This includes, but is not limited to, four properties and the marinas acquired and five properties sold during 2019 and nine properties acquired during 2020.

Funds from Operations ("FFO") and Normalized Funds from Operations ("Normalized FFO")

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

We define Normalized FFO as FFO excluding non-operating income and expense items such as gains and losses from early debt extinguishment, including prepayment penalties and defeasance costs, and other miscellaneous non-comparable items. Normalized FFO presented herein is not necessarily comparable to Normalized FFO presented by other real estate companies due to the fact that not all real estate companies use the same methodology for computing this amount.

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

Income from Rental Operations, Net of Depreciation

We use income from rental operations, net of depreciation as an alternative measure to evaluate the operating results of our home rental program. Income from rental operations, net of depreciation represents income from rental operations less depreciation expense on rental homes. We believe this measure is meaningful for investors as it provides a complete picture of the home rental program operating results including the impact of depreciation which affects our home rental program investment decisions.

Our definitions and calculations of these Non-GAAP financial and operating measures and other terms may differ from the definitions and methodologies used by other REITs and, accordingly, may not be comparable. These Non-GAAP financial and operating measures do not represent cash generated from operating activities in accordance with GAAP, nor do they represent cash available to pay distributions and should not be considered as an alternative to net income, determined in accordance with GAAP, as an indication of our financial performance, or to cash flows from operating activities, determined in accordance with GAAP, as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to make cash distributions.

Management's Discussion and Analysis (continued)

The following table reconciles net income available for Common Stockholders to income from property operations for the years ended December 31, 2020, 2019 and 2018:

<i>(amounts in thousands)</i>	Total Portfolio		
	2020	2019	2018
Computation of Income from Property Operations:			
Net income available for Common Stockholders	\$ 228,268	\$ 279,123	\$ 212,596
Redeemable preferred stock dividends	16	16	16
Income allocated to non-controlling interests – Common OP Units	13,132	16,783	13,774
Equity in income of unconsolidated joint ventures	(5,399)	(8,755)	(4,939)
Income before equity in income of unconsolidated joint ventures	<u>236,017</u>	<u>287,167</u>	<u>221,447</u>
Gain on sale of real estate, net	—	(52,507)	—
Total other expenses, net	299,351	279,633	264,073
Loss from home sales operations and other	3,046	1,349	1,922
Income from property operations	<u>\$ 538,414</u>	<u>\$ 515,642</u>	<u>\$ 487,442</u>

The following table presents a calculation of FFO available for Common Stock and OP Unitholders and Normalized FFO available for Common Stock and OP Unitholders for the years ended December 31, 2020, 2019 and 2018:

<i>(amounts in thousands)</i>	2020	2019	2018
Computation of FFO and Normalized FFO:			
Net income available for Common Stockholders	\$ 228,268	\$ 279,123	\$ 212,596
Income allocated to non-controlling interests – Common OP Units	13,132	16,783	13,774
Membership upgrade sales upfront payments, deferred, net	12,062	10,451	7,380
Membership sales commissions, deferred, net	(1,660)	(1,219)	(813)
Depreciation and amortization	155,131	152,110	137,209
Depreciation on unconsolidated joint ventures	727	1,223	1,816
Gain on unconsolidated joint ventures	(1,229)	—	—
Gain on sale of real estate, net	—	(52,507)	—
FFO available for Common Stock and OP Unit holders	<u>406,431</u>	<u>405,964</u>	<u>371,962</u>
Early debt retirement	10,786	2,085	1,071
Insurance proceeds due to catastrophic weather event and other, net ⁽¹⁾	—	(6,205)	(5,125)
COVID-19 expenses ⁽²⁾	1,446	—	—
Normalized FFO available for Common Stock and OP Unit holders	<u>\$ 418,663</u>	<u>\$ 401,844</u>	<u>\$ 367,908</u>
Weighted average Common Shares outstanding—Fully Diluted	<u>192,555</u>	<u>191,995</u>	<u>190,110</u>

⁽¹⁾ Represents insurance recovery revenue from reimbursement of capital expenditures related to Hurricane Irma. Additionally, there was \$1.6 million related to the settlement of a previously disclosed civil investigation by certain California district attorneys for the year ended December 31, 2018.

⁽²⁾ Includes expenses incurred related to the development and implementation of CDC and public health guidelines for social distancing and enhanced cleaning, property employee appreciation bonuses and emergency time-off pay. These COVID-19 expenses are considered incremental to our normal operations and are nonrecurring. As such, they have been excluded from the calculation of Normalized FFO.

Management's Discussion and Analysis (continued)

Results of Operations

This section discusses the comparison of our results of operations for the years ended December 31, 2020 and December 31, 2019. For the comparison of our results of operations for the years ended December 31, 2019 and December 31, 2018 and discussion of our operating activities, investing activities and financing activities for these years, refer to Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of the Annual Report on Form 10-K for the fiscal year ended December 31, 2019, filed with the SEC on February 24, 2020.

Income from Property Operations

The following table summarizes certain financial and statistical data for our Core Portfolio and total portfolio:

(amounts in thousands)	Core Portfolio				Total Portfolio			
	2020	2019	Variance	% Change	2020	2019	Variance	% Change
MH base rental income ⁽¹⁾	\$ 572,222	\$ 547,188	\$ 25,034	4.6 %	\$ 572,673	\$ 547,633	\$ 25,040	4.6 %
Rental home income ⁽¹⁾	16,427	14,840	1,587	10.7 %	16,438	14,934	1,504	10.1 %
RV and marina base rental income ⁽¹⁾⁽²⁾	263,147	260,238	2,909	1.1 %	287,835	269,909	17,926	6.6 %
Annual membership subscriptions	53,033	51,015	2,018	4.0 %	53,085	51,015	2,070	4.1 %
Membership upgrades sales current period, gross	21,739	19,111	2,628	13.8 %	21,739	19,111	2,628	13.8 %
Utility and other income ⁽¹⁾	97,284	92,846	4,438	4.8 %	99,702	93,987	5,715	6.1 %
Property operating revenues, excluding deferrals	1,023,852	985,238	38,614	3.9 %	1,051,472	996,589	54,883	5.5 %
Property operating and maintenance ⁽¹⁾⁽³⁾	344,678	327,099	17,579	5.4 %	355,291	331,682	23,609	7.1 %
Real estate taxes	63,524	61,498	2,026	3.3 %	66,120	62,338	3,782	6.1 %
Rental home operating and maintenance	5,929	5,576	353	6.3 %	5,946	5,603	343	6.1 %
Sales and marketing, gross	17,331	15,580	1,751	11.2 %	17,332	15,583	1,749	11.2 %
Property operating expenses, excluding deferrals and property management	431,462	409,753	21,709	5.3 %	444,689	415,206	29,483	7.1 %
Income from property operations, excluding deferrals and property management ⁽⁴⁾	592,390	575,485	16,905	2.9 %	606,783	581,383	25,400	4.4 %
Property management	57,967	56,509	1,458	2.6 %	57,967	56,509	1,458	2.6 %
Income from property operations, excluding deferrals ⁽⁴⁾	534,423	518,976	15,447	3.0 %	548,816	524,874	23,942	4.6 %
Membership upgrade sales upfront payments and membership sales commission, deferred, net	10,402	9,232	1,170	12.7 %	10,402	9,232	1,170	12.7 %
Income from property operations ⁽⁴⁾	<u>\$ 524,021</u>	<u>\$ 509,744</u>	<u>\$ 14,277</u>	<u>2.8 %</u>	<u>\$ 538,414</u>	<u>\$ 515,642</u>	<u>\$ 22,772</u>	<u>4.4 %</u>

⁽¹⁾ Rental income consists of the following total portfolio income items in this table: 1) MH base rental income, 2) Rental home income, 3) RV and marina base rental income and 4) Utility income, which is calculated by subtracting Other income on the Consolidated Statements of Income and Comprehensive Income from Utility and other income in this table. The difference between the sum of the total portfolio income items and Rental income on the Consolidated Statements of Income and Comprehensive Income is bad debt expense, which is presented in Property operating and maintenance expense in this table.

⁽²⁾ Marina rental income has been included in our Non-Core Portfolio since the acquisition of the remaining interest in a joint venture investment of 11 marinas in Florida occurred on September 10, 2019.

⁽³⁾ Includes bad debt expense for all periods presented.

⁽⁴⁾ See Non-GAAP Financial Measures section of the Management Discussion and Analysis for definitions and reconciliations of these Non-GAAP measures to Net Income available for Common Shareholders.

Total portfolio income from property operations for 2020 increased \$22.8 million, or 4.4%, from 2019, driven by an increase of \$14.3 million, or 2.8%, from our Core Portfolio and an increase of \$8.5 million from our Non-Core Portfolio. The increase in income from property operations from our Core Portfolio was primarily resulting from higher MH base rental income. The increase in income from property operations from our None-Core Portfolio was attributed to income from properties acquired throughout 2019 and 2020.

Property Operating Revenues

MH base rental income in our Core Portfolio for 2020 increased \$25.0 million, or 4.6%, from 2019, which reflects 4.1% growth from rate increases and 0.5% growth from occupancy gains. The average monthly base rental income per Site in our Core portfolio increased to approximately \$695 in 2020 from approximately \$668 in 2019. The average occupancy in our Core Portfolio increased to 95.2% in 2020 from 95.1% in 2019.

RV base rental income in our Core Portfolio for 2020 increased \$2.9 million, or 1.1%, from 2019. The increase was primarily due to higher annual rental income, driven by growth from rate increases, partially offset by decreases in seasonal and

Management's Discussion and Analysis (continued)

transient rental income. Seasonal rental income decreased mostly during the fourth quarter of 2020, driven by the closure of the Canadian border due to COVID-19. The decline in transient RV rental income was primarily due to cancellations, declines in RV reservations and temporary site closures during the second quarter of 2020 as a result of shelter-in-place orders. RV and marina base rental income is comprised of the following:

(amounts in thousands)	Core Portfolio				Total Portfolio			
	2020	2019	Variance	% Change	2020	2019	Variance	% Change
Annual	\$ 170,397	\$ 161,364	\$ 9,033	5.6 %	\$ 192,237	\$ 168,976	\$ 23,261	13.8 %
Seasonal	39,765	41,295	(1,530)	(3.7)%	39,959	41,474	(1,515)	(3.7)%
Transient	52,985	57,579	(4,594)	(8.0)%	55,639	59,459	(3,820)	(6.4)%
RV and marina base rental income ⁽¹⁾	\$ 263,147	\$ 260,238	\$ 2,909	1.1 %	\$ 287,835	\$ 269,909	\$ 17,926	6.6 %

⁽¹⁾ Marina rental income has been included in our Non-Core Portfolio following the acquisition of the remaining interest in our joint venture investment of 11 marinas in Florida on September 10, 2019.

Utility and other income in our Core Portfolio for 2020 increased \$4.4 million, or 4.8%, from 2019. The increase was primarily due to higher pass-through income of \$3.4 million and higher utility income of \$2.3 million, partially offset by a decrease in other property income of \$1.3 million. The increase in pass-through income was driven by increases in real estate taxes in Florida. The decrease in other property income was primarily due to suspension of late fees and RV cancellation fees as a result of COVID-19.

Property Operating Expenses

Property operating expenses, excluding deferrals and property management, in our Core Portfolio for 2020 increased \$21.7 million, or 5.3%, from 2019, primarily due to increases in property operating and maintenance expenses of \$17.6 million and real estate taxes of \$2.0 million. Property operating and maintenance expenses were higher in 2020, primarily due to costs associated with electric, sewer and water distribution system repairs of approximately \$5.8 million, cleanup expenses following Hurricanes Hanna and Isaias of \$3.0 million and costs of \$1.0 million for cleaning and safety protocols related to COVID-19. Additionally, bad debt expense was \$3.1 million higher as a result of delayed resolution of eviction proceedings due to temporary eviction moratoriums due to COVID-19. Property taxes in 2020 were higher due to real estate tax increases in Florida.

Home Sales and Other

The following table summarizes certain financial and statistical data for our Home Sales and Other Operations:

(amounts in thousands, except home sales volumes)	2020	2019	Variance	% Change
Gross revenue from new home sales ⁽¹⁾	\$ 40,402	\$ 27,434	\$ 12,968	47.3 %
Cost of new home sales ⁽¹⁾	39,236	26,381	12,855	48.7 %
Gross profit from new home sales	1,166	1,053	113	10.7 %
Gross revenue from used home sales	5,293	7,221	(1,928)	(26.7)%
Cost of used home sales	6,993	8,715	(1,722)	(19.8)%
Loss from used home sales	(1,700)	(1,494)	(206)	(13.8)%
Brokered resale revenue and ancillary services revenue, net	2,060	3,493	(1,433)	(41.0)%
Home selling expenses	4,572	4,401	171	3.9 %
Loss from home sales and other operations	\$ (3,046)	\$ (1,349)	\$ (1,697)	(125.8)%
Home sales volumes:				
New home sales ⁽²⁾	644	496	148	29.8 %
<i>New Home Sales Volume - ECHO JV</i>	51	65	(14)	(21.5)%
Used home sales	546	827	(281)	(34.0)%
Brokered home resales	580	868	(288)	(33.2)%

⁽¹⁾ New home sales gross revenue and costs of new home sales did not include the revenue and costs associated with our ECHO JV.

⁽²⁾ Total new home sales volume included home sales from our ECHO JV.

Loss from home sales and other operations was \$3.0 million for 2020, an increase of \$1.7 million compared to 2019. The increase in loss from home sales and other operations was driven by lower brokered resale revenue and ancillary services revenues, net, primarily due to reduced capacity at restaurants, stores and activities in 2020 across the portfolio as a result of COVID-19.

Management's Discussion and Analysis (continued)

Rental Operations

The following table summarizes certain financial and statistical data for our MH Rental Operations:

<i>(amounts in thousands, except rental unit volumes)</i>	2020	2019	Variance	% Change
Rental operations revenue ⁽¹⁾	\$ 47,874	\$ 46,037	\$ 1,837	4.0 %
Rental home operating and maintenance	5,929	5,576	353	6.3 %
Income from rental operations	41,945	40,461	1,484	3.7 %
Depreciation on rental homes ⁽²⁾	10,896	10,636	260	2.4 %
Income from rental operations, net of depreciation	<u>\$ 31,049</u>	<u>\$ 29,825</u>	<u>\$ 1,224</u>	<u>4.1 %</u>
Gross investment in new manufactured home rental units ⁽³⁾	\$ 231,070	\$ 231,573	\$ (503)	(0.2)%
Gross investment in used manufactured home rental units	\$ 15,495	\$ 21,158	\$ (5,663)	(26.8)%
Net investment in new manufactured home rental units	\$ 191,097	\$ 200,300	\$ (9,203)	(4.6)%
Net investment in used manufactured home rental units	\$ 6,423	\$ 13,473	\$ (7,050)	(52.3)%
Number of occupied rentals – new, end of period ⁽⁴⁾	3,357	3,184	173	5.4 %
Number of occupied rentals—used, end of period	567	792	(225)	(28.4)%

⁽¹⁾ Consists of Site rental income and home rental income. Approximately \$31.4 million and \$31.2 million for the years ended December 31, 2020 and December 31, 2019, respectively, of Site rental income is included in MH base rental income in the Core Portfolio Income from Property Operations table. The remainder of home rental income is included in rental home income in our Core Portfolio Income from Property Operations table.

⁽²⁾ Presented in Depreciation and amortization in the Consolidated Statements of Income and Comprehensive Income.

⁽³⁾ New home cost basis did not include the costs associated with our ECHO JV. Our investment in the ECHO JV was \$17.4 million and \$16.9 million at December 31, 2020 and December 31, 2019, respectively.

⁽⁴⁾ Includes 298 and 289 homes rented through our ECHO JV in 2020 and 2019, respectively.

Other Income and Expenses

The following table summarizes other income and expenses:

<i>(amounts in thousands, expenses shown as negative)</i>	2020	2019	Variance	% Change
Depreciation and amortization	\$ (155,131)	\$ (152,110)	\$ (3,021)	(2.0)%
Interest income	7,154	7,207	(53)	(0.7)%
Income from other investments, net	4,026	9,528	(5,502)	(57.7)%
General and administrative	(39,276)	(35,679)	(3,597)	(10.1)%
Other expenses	(2,567)	(2,865)	298	10.4 %
Early debt retirement	(10,786)	(1,491)	(9,295)	(623.4)%
Interest and related amortization	(102,771)	(104,223)	1,452	1.4 %
Total other income and expenses, net	<u>\$ (299,351)</u>	<u>\$ (279,633)</u>	<u>\$ (19,718)</u>	<u>(7.1)%</u>

Total other income and expenses, net increased \$19.7 million in 2020 compared to 2019, primarily due to early debt retirement costs, lower income from other investments, net, higher general and administrative costs and higher depreciation and amortization expenses. The early debt retirement costs were a result of the repayment of our secured loans that were scheduled to mature in 2020 and 2021 and the termination of our interest rate swap agreement. The decrease in income from other investments, net was primarily due to reimbursement of capital expenditures related to Hurricane Irma received in 2019.

Gain on Sale of Real Estate, Net

On January 23, 2019, we closed on the sale of five all-age MH communities located in Indiana and Michigan, collectively containing 1,463 sites, for \$89.7 million. We recognized a gain on sale of these Properties of \$52.5 million during the first quarter of 2019.

Equity in Income of Unconsolidated Joint Ventures

Equity in income of unconsolidated joint ventures decreased \$3.4 million in 2020 compared to 2019, primarily due to a decrease in income recognized from distributions from our unconsolidated joint ventures as we acquired the remaining interest in the Loggerhead joint venture in the third quarter of 2019.

Management's Discussion and Analysis (continued)

Subsequent Events

In January and February 2021, we completed the acquisitions of:

- Okeechobee KOA Resort, a 740 site RV community located in Okeechobee, Florida for a purchase price of \$42.2 million, which was funded with the LOC.
- 11 marinas, containing 3,986 slips and 181 RV sites located in Florida, North Carolina, South Carolina, Kentucky and Ohio. The purchase price of these properties was \$266.4 million, which was funded with proceeds from the term loan that we entered into in February 2021. For additional information on the term loan, see Liquidity and Capital Resources section below.

Liquidity and Capital Resources

Liquidity

Our primary demands for liquidity include payment of operating expenses, dividend distributions, debt service, including principal and interest, capital improvements on Properties, home purchases and property acquisitions. We expect similar demand for liquidity will continue for the short-term and long-term. Our primary sources of cash include operating cash flows, proceeds from financings, borrowings under our unsecured LOC and proceeds from issuance of equity and debt securities.

The impact the COVID-19 pandemic will continue to have on our financial condition and cashflows is uncertain and is dependent upon various factors including the manner in which operations will continue at our Properties, customer payment patterns and operational decisions we have made and may make in the future in response to guidance from public authorities and/or for the health and safety of our employees, residents and guests. We believe, based on information currently available and our cash collection experience, that our current cash reserves provide us sufficient cash to meet our needs for the next twelve months, including our expected dividend payments. Each quarter our Board of Directors considers several factors as it deliberates and decides whether to declare a quarterly dividend. The process includes revisiting our annual budget and considering factors including our planned operating performance and related cash flow, our debt service obligations, capital investments to maintain and expand the business, working capital requirements including home purchases and potential investments to generate external growth.

One of our stated objectives is to maintain financial flexibility. Achieving this objective allows us to take advantage of strategic opportunities that may arise. When investing capital, we consider all potential uses, including returning capital to our stockholders or the conditions under which we may repurchase our stock. These conditions include, but are not limited to, market price, balance sheet flexibility, alternative opportunistic capital uses and capital requirements. We believe effective management of our balance sheet, including maintaining various access points to raise capital, managing future debt maturities and borrowing at competitive rates, enables us to meet this objective. Accessing long-term low-cost secured debt continues to be our focus. The result of our 2020 efforts included a reduction of our weighted average rate for our secured debt from 4.24% to 3.72%. Additionally, as of December 31, 2020, 28.1% of our outstanding debt is fully amortizing.

We expect to meet certain long-term liquidity requirements, such as scheduled debt maturities, property acquisitions and capital improvements, using long-term collateralized and uncollateralized borrowings, including our existing LOC, and the issuance of debt securities or the issuance of equity, including under our ATM equity offering program.

During the year ended December 31, 2020, we closed on financing transactions with Fannie Mae generating gross proceeds of \$275.4 million and \$386.9 million. The net proceeds from these transactions were primarily used to repay our unsecured term loan of \$200.0 million, including termination of the associated interest rate swap, LOC activity and secured loans of \$214.9 million, as well as to fund working capital. For information regarding our debt activities and related borrowing arrangements, see Item 8. Financial Statements—Note 9. Borrowing Arrangements. For information regarding our interest rate swap, see Item 8. Financial Statements—Note 10. Derivative Instruments and Hedging.

Total secured debt encumbered a total of 116 of our Properties as of December 31, 2020 and December 31, 2019, and the gross carrying value of such Properties was approximately \$2,580.9 million and \$2,524.7 million, as of December 31, 2020 and December 31, 2019, respectively.

On April 28, 2020, our stockholders approved an amendment to our charter that increased the number of shares of common stock that we are authorized to issue from 400,000,000 to 600,000,000 shares. As of December 31, 2020, we have available liquidity in the form of approximately 417.8 million shares of authorized and unissued common stock, par value \$0.01 per share, and 10.0 million shares of authorized and unissued preferred stock registered for sale under the Securities Act of 1933, as amended.

Management's Discussion and Analysis (continued)

On July 30, 2020, we entered into our current at-the-market (“ATM”) equity offering program, which allows us to sell, from time-to-time, shares of our common stock, having an aggregate offering price of up to \$200.0 million. As of December 31, 2020, we have \$200.0 million of common stock available for issuance under our ATM equity program.

We expect to meet our short-term liquidity requirements, including principal payments, capital improvements and dividend distributions for the next twelve months, generally through available cash, net cash provided by operating activities and our LOC. As of December 31, 2020, our LOC had a borrowing capacity of \$178.0 million with the option to increase the borrowing capacity by \$200.0 million, subject to certain conditions. The LOC bears interest at a rate of LIBOR plus 1.10% to 1.55%, carries an annual facility fee of 0.15% to 0.35% and matures on October 27, 2021. We also utilize interest rate swaps, as needed, to add stability to our interest expense and to manage our exposure to interest rate movements.

Our LOC arrangement will mature prior to the expected discontinuation of LIBOR subsequent to 2021. We continue to monitor the development and adoption of an alternative index to LIBOR to manage the transition and as it pertains to new arrangements to be entered in the future. Given the majority of our current debt is secured and not subject to LIBOR, we do not believe the discontinuation of LIBOR will have a significant impact on our consolidated financial statements.

On February 5, 2021, we entered into a term loan agreement with Wells Fargo Bank, National Association, as the administrative agent, pursuant to which we have entered into a \$300.0 million senior unsecured term loan. The maturity date is October 27, 2021, and this term can be extended an additional three months, subject to certain conditions. The term loan bears interest at a rate of LIBOR plus 1.45%. We incurred commitment and arrangement fees of approximately \$1.1 million.

The following table summarizes our cash flows activity:

<i>(amounts in thousands)</i>	For the years ended December 31,		
	2020	2019	2018
Net cash provided by operating activities.....	\$ 466,537	\$ 443,520	\$ 414,084
Net cash used in investing activities.....	(450,379)	(352,089)	(398,065)
Net cash (used in) provided by financing activities.....	(20,958)	(131,545)	17,324
Net increase (decrease) in cash and restricted cash.....	<u>\$ (4,800)</u>	<u>\$ (40,114)</u>	<u>\$ 33,343</u>

Operating Activities

Net cash provided by operating activities increased \$23.0 million to \$466.5 million for the year ended December 31, 2020 from \$443.5 million for the year ended December 31, 2019. The overall increase in net cash provided by operating activities was primarily due to an increase in income from property operations of \$22.8 million in 2020 compared to 2019.

Investing Activities

Net cash used in investing activities increased \$98.3 million to \$450.4 million for the year ended December 31, 2020 from \$352.1 million for the year ended December 31, 2019. The increase in net cash used in investing activities was primarily due to proceeds of \$77.7 million received in 2019 for the sale of real estate. Additionally, there was an increase spending on acquisitions of \$53.7 million and a decrease in insurance proceeds received of \$8.1 million in 2020 compared to 2019. These increases in net cash used in investing activities were partially offset by a decrease in capital improvement spending of \$40.9 million.

Management's Discussion and Analysis (continued)

Capital improvements

The following table summarizes capital improvements:

(amounts in thousands)	For the years ended December 31,		
	2020	2019	2018
Recurring capital expenditures ⁽¹⁾	\$ 59,989	\$ 52,159	\$ 44,829
Property upgrades and development ⁽²⁾	93,139	59,324	46,161
New home investments ⁽³⁾⁽⁴⁾	57,456	138,740	84,195
Used home investments ⁽⁴⁾	2,159	2,904	3,412
Total property improvements	212,743	253,127	178,597
Corporate	4,339	4,866	3,025
Total capital improvements	\$ 217,082	\$ 257,993	\$ 181,622

⁽¹⁾ Primarily comprised of common area, utility infrastructure and mechanical improvements.

⁽²⁾ Includes \$3.2 million of restoration and improvement capital expenditures related to Hurricane Hanna for the year ended December 31, 2020. Includes \$2.5 million of restoration and improvement capital expenditures related to Hurricane Irma for the year ended December 31, 2019.

⁽³⁾ Excludes new home investments associated with our ECHO JV.

⁽⁴⁾ Net proceeds from new and used home sale activities are reflected within Operating Activities.

Financing Activities

Net cash used in financing activities decreased \$110.5 million to \$21.0 million for the year ended December 31, 2020 from \$131.5 million for the year ended December 31, 2019. The decrease in net cash used in financing activities was primarily due to an increase in net financing proceeds of \$315.1 million, partially offset by a decrease in proceeds on the LOC of \$98.0 million, proceeds received in 2019 from the sale of common stock under our ATM equity program of \$59.3 million, increased dividend distributions of \$27.7 million, and increased debt issuance and defeasance costs of \$15.7 million.

Contractual Obligations

As of December 31, 2020, we were subject to certain contractual payment obligations as described in the following table:

(amounts in thousands)	Total ⁽¹⁾	2021	2022	2023	2024	2025	Thereafter
Long Term Borrowings ⁽²⁾	\$ 2,472,210	\$ 53,611	\$ 194,414	\$ 141,795	\$ 60,856	\$ 138,043	\$ 1,883,491
Interest Expense ⁽³⁾	890,675	94,022	88,861	80,552	75,979	71,168	480,093
LOC Maintenance Fee ⁽⁴⁾	498	498	—	—	—	—	—
Ground Leases ⁽⁵⁾	9,578	1,960	1,490	545	545	545	4,493
Office and Other Leases	9,768	3,209	1,531	1,240	897	766	2,125
Total Contractual Obligations	\$ 3,382,729	\$ 153,300	\$ 286,296	\$ 224,132	\$ 138,277	\$ 210,522	\$ 2,370,202
Weighted average interest rates - Long Term Borrowings	3.74 %	3.85 %	3.81 %	3.75 %	3.71 %	3.69 %	3.71 %

⁽¹⁾ We do not include insurance, property taxes and cancelable contracts in the contractual obligations table.

⁽²⁾ Balances exclude note premiums of \$0.7 million and unamortized deferred financing costs of \$27.9 million. Balances represent debt maturing and scheduled periodic payments on the Consolidated Balance Sheets.

⁽³⁾ Amounts include interest expected to be incurred on our secured and unsecured debt based on obligations outstanding as of December 31, 2020.

⁽⁴⁾ As of December 31, 2020, assumes we will not exercise our one-year extension option on October 27, 2021 and assumes we will maintain our current leverage ratios as defined by the LOC.

⁽⁵⁾ Amounts represent minimum future rental payments for land under non-cancelable operating leases at certain of our Properties expiring at various years through 2054. We operate and manage Westwinds and Nicholson Plaza located in San Jose, California pursuant to ground leases that expire on August 31, 2022 and do not contain extension options. Minimum future rental payments for these Properties in 2021 and 2022 are approximately \$1.4 million and \$0.9 million, respectively.

We believe that we will be able to refinance our maturing debt obligations on a secured or unsecured basis; however, to the extent we are unable to refinance our debt as it matures, we believe that we will be able to repay such maturing debt through available cash as well as operating cash flows, asset sales and/or the proceeds from equity issuances. With respect to any refinancing of maturing debt, our future cash flow requirements could be impacted by significant changes in interest rates or other debt terms, including required amortization payments. As of December 31, 2020, approximately 28.1% of our outstanding debt is fully amortizing.

Westwinds

The Operating Partnership operates and manages Westwinds, a 720 site mobilehome community, and Nicholson Plaza, an adjacent shopping center, both located in San Jose, California pursuant to ground leases that expire on August 31, 2022 and do not contain extension options. Westwinds provides affordable, rent-controlled homes to numerous residents, including families with children and residents over 65 years of age. For the year ended December 31, 2020, Westwinds and Nicholson Plaza generated approximately \$5.8 million of net operating income.

The master lessor of these ground leases, The Nicholson Family Partnership (together with its predecessor in interest, the "Nicholsons"), has expressed a desire to redevelop Westwinds, and in a written communication, they claimed that we were obligated to deliver the property free and clear of any and all subtenancies upon the expiration of the ground leases on August 31, 2022. In connection with any redevelopment, the City of San Jose's conversion ordinance requires, among other things, that the landowner provide relocation, rental and purchase assistance to the impacted residents. We believe the Nicholsons are unlawfully attempting to impose those obligations upon the Operating Partnership.

Westwinds opened in the 1970s and was developed by the original ground lessee with assistance from the Nicholsons. In 1997, the Operating Partnership acquired the leasehold interest in the ground leases. In addition to rent based on the operations of Westwinds, the Nicholsons receive a percentage of gross revenues from the sale of new or used mobile homes in Westwinds.

The Operating Partnership has entered into subtenancy agreements with the mobilehome residents of Westwinds. Because the ground leases with the Nicholsons have an expiration date of August 31, 2022, and no further right of extension, the Operating Partnership has not entered into any subtenancy agreements that extend beyond August 31, 2022. However, the mobilehome residents' occupancy rights continue by operation of California state and San Jose municipal law beyond the expiration date of the ground leases. Notwithstanding this, the Nicholsons' have made what we believe to be an unlawful demand that the Operating Partnership deliver the property free and clear of any subtenancies upon the expiration of the ground leases by August 31, 2022. We believe the Nicholsons' demand (i) violates California state and San Jose municipal law because the Nicholsons are demanding that the Operating Partnership remove all residents without just cause and (ii) conflicts with the terms and conditions of the ground leases, which contain no express or implied requirement that the Operating Partnership deliver the property free and clear of all subtenancies at the mobile home park and require, instead, that the Operating Partnership continuously operate the mobilehome park during the lease term.

On December 30, 2019, the Operating Partnership, together with certain interested parties, filed a complaint in California Superior Court for Santa Clara County, seeking declaratory relief pursuant to which it requested that the Court determine, among other things, that the Operating Partnership has no obligation to deliver the property free and clear of the mobilehome residents upon the expiration of the ground leases. The Operating Partnership and the interested parties filed an amended complaint on January 29, 2020.

The Nicholsons filed a demand for arbitration on January 28, 2020, which they subsequently amended, pursuant to which they request (i) a declaration that the Operating Partnership, as the "owner and manager" of Westwinds, is "required by the Ground Leases, and State and local law to deliver the Property free of any encumbrances or third-party claims at the expiration of the lease terms," (ii) that the Operating Partnership anticipatorily breached the ground leases by publicly repudiating any such obligation and (iii) that the Operating Partnership is required to indemnify the Nicholsons with respect to the claims brought by the interested parties in the Superior Court proceeding.

On February 3, 2020, the Nicholsons filed a motion in California Superior Court to compel arbitration and to stay the Superior Court litigation, which motion was heard on June 25, 2020. On July 29, 2020, the Superior Court issued a final order denying the Nicholson's motion to compel arbitration. The Nicholsons filed a notice of appeal on August 7, 2020. The Nicholson's claim that the Operating Partnership is required to indemnify the Nicholsons for legal fees with respect to the claims brought by third parties in the Superior Court litigation is proceeding in the arbitration.

Following the filing of our lawsuit, the City of San Jose took steps to accelerate the passage of a general plan amendment previously under review by the City to change the designation for Westwinds from its current general plan designation of Urban Residential (which would allow for higher density redevelopment), to a newly created designation of Mobile Home Park. The Nicholsons expressed opposition to this change in designation. However, on March 10, 2020, following significant pressure from residents and advocacy groups, the City Council approved this new designation for all 58 mobilehome communities in with City of San Jose, including Westwinds. In addition to requirements imposed by California state and San Jose municipal law, the change in designation requires, among other things, a further amendment to the general plan to a different land use designation by the City Council prior to any change in use.

Management's Discussion and Analysis (continued)

Critical Accounting Policies and Estimates

Our consolidated financial statements have been prepared in accordance with GAAP, which requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosures. Actual results could differ from these estimates.

For additional information regarding our significant accounting policies, see Item 8. Financial Statements and Supplementary Data—Note 2. Summary of Significant Accounting Policies.

Impairment of Long-Lived Assets

We review our Properties for impairment whenever events or changes in circumstances indicate that the carrying value of the Property may not be recoverable. The economic performance and value of our real estate investments could be adversely impacted by many factors including factors outside of our control. We consider impairment indicators including, but not limited to, the following:

- national, regional and/or local economic conditions;
- competition from MH and RV communities and other housing options;
- changes in laws and governmental regulations and the related costs of compliance;
- changes in market rental rates or occupancy; and
- physical damage or environmental indicators.

Any adverse changes in these factors could cause an impairment in our assets, including our investment in real estate and development projects in progress.

If an impairment indicator exists related to a long-lived asset, the expected future undiscounted cash flows are compared against the carrying amount of that asset. Forecasting cash flows requires us to make estimates and assumptions on various inputs including, but not limited to, rental revenue and expense growth rates, occupancy, levels of capital expenditure and capitalization rates. If the sum of the estimated undiscounted cash flows is less than the carrying amount of the asset, an impairment loss is recorded for the carrying amount in excess of the estimated fair value.

Off Balance Sheet Arrangements

We do not have any off balance sheet arrangements that are reasonably likely to have a material effect on our financial condition, results of operations, liquidity or capital resources.

Inflation

Substantially all of the leases at our MH communities allow for monthly or annual rent increases which provide us with the ability to increase rent, where justified by the market. Such types of leases generally minimize our risks of inflation. In addition, rental rates for our annual RV and marina Sites are established on an annual basis. Our membership subscriptions generally provide for an annual dues increase, but dues may be frozen under the terms of certain contracts if the customer is over 61 years old. Currently, 23.1% of our dues are frozen.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Our primary market risk exposure is interest rate changes primarily as a result of our long-term debt that is used to maintain liquidity and fund our operations. Our interest rate risk management objectives are to limit the impact of interest rate changes on earnings and cash flows. To achieve our objectives, we borrow primarily at fixed rates, and in some cases variable rates. With regard to variable rate financing, we assess interest rate cash flow risk by continually identifying and monitoring changes in interest rate exposure that may adversely impact future cash flows and by evaluating hedging opportunities.

The primary market risk related to our long-term indebtedness is our ability to refinance maturing debt. The fair value of our long-term debt obligations is affected by changes in market interest rates with scheduled maturities from 2022 to 2041, which minimizes the market risk until the debt matures. As of December 31, 2020, we did not have any short-term, secured debt outstanding. In addition, 28.1% of our outstanding debt is fully amortizing, further reducing the risk related to increased interest rates. For each increase in interest rates of 1.0% (or 100 basis points), the fair value of the total outstanding secured debt would decrease by approximately \$295.8 million. For each decrease in interest rates of 1.0% (or 100 basis points), the fair value of the total outstanding debt would increase by approximately \$336.8 million. However, if interest rates were to increase or decrease by 1.0%, there would be no effect on our interest expense or cash flows as all of our outstanding debt has fixed interest rates.

FORWARD-LOOKING STATEMENTS

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 acquisitions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, including, but not limited to:

- our ability to control costs and real estate market conditions, our ability to retain 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 attract and retain customers entering, renewing and upgrading membership subscriptions;
- our assumptions about rental and home sales markets;
- our ability to manage counterparty risk;
- our ability to renew our insurance policies at existing rates and on consistent terms;
- 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;
- our ability to obtain financing or refinance existing debt on favorable terms or at all;
- the effect of interest rates;
- the effect from any breach of our, or any of our vendor's, data management systems;
- the dilutive effects of issuing additional securities;
- the outcome of pending or future lawsuits or actions brought against us, including those disclosed in our filings with the Securities and Exchange Commission; and
- other risks indicated from time to time in our filings with the Securities and Exchange Commission.

In addition, these forward-looking statements are subject to risks related to the COVID-19 pandemic, many of which are unknown, including the duration of the pandemic, the extent of the adverse health impact on the general population and on our residents, customers, and employees in particular, its impact on the employment rate and the economy, the extent and impact of governmental responses, and the impact of operational changes we have implemented and may implement in response to the pandemic.

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.

Item 8. Financial Statements and Supplementary Data

See Index to Financial Statements and Schedule on page F-1 of this Form 10-K.

Item 9. Changes In and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer), maintains a system of disclosure controls and procedures, designed to provide reasonable assurance that information we are required to disclose in the reports that we file under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms. Notwithstanding the foregoing, a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that we will detect or uncover failures to disclose material information otherwise required to be set forth in our periodic reports.

Our management, with the participation of the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2020. Based on that evaluation as of the end of the period covered by this annual report, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective to give reasonable assurances to the timely collection, evaluation and our disclosure of information that would potentially be subject to disclosure under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder as of December 31, 2020.

Changes in Internal Control Over Financial Reporting

There were no material changes in our internal control over financial reporting during the year ended December 31, 2020.

Report of Management on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Based on management's assessment, we maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020. In making this assessment, management used the criteria established by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *"Internal Control-Integrated Framework"* (2013 framework).

The effectiveness of our internal control over financial reporting as of December 31, 2020 has been audited by our independent registered public accounting firm, as stated in its report on Page F-4.

Item 9B. Other Information

None.

PART III

Items 10 and 11. Directors, Executive Officers and Corporate Governance, and Executive Compensation

The information required by Items 10 and 11 will be contained in the Proxy Statement on Schedule 14A for the 2021 Annual Meeting and is therefore incorporated by reference, and thus Items 10 and 11 have been omitted in accordance with General Instruction G(3) to Form 10-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Securities Authorized for Issuance Under Equity Compensation Plans

The following table presents securities authorized for issuance under our equity compensation plans as of December 31, 2020:

Plan Category	Number of securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders ⁽¹⁾	57,590	\$ 47.96	5,513,458
Equity compensation plans not approved by security holders ⁽²⁾	N/A	N/A	743,194
Total	57,590	\$ 47.96	6,256,652

⁽¹⁾ Represents shares of common stock under our Equity Incentive Plan effective May 13, 2014 (the "2014 Plan").

⁽²⁾ Represents shares of common stock under our Employee Stock Purchase Plan effective July 1997, as amended and restated in May 2016. Under the Employee Stock Purchase Plan, eligible employees may make contributions which are used to purchase shares of common stock at a purchase price equal to 85% of the lesser of the closing price of a share of common stock on the first or last trading day of the purchase period. Purchases of common stock under the Employee Stock Purchase Plan are made on the first business day of the next month after the close of the purchase period. Under NYSE rules then in effect, stockholder approval was not required for the Employee Stock Purchase Plan because it is a broad-based plan available generally to all employees.

The information required by Item 403 of Regulation S-K "Security Ownership of Certain Beneficial Owners and Management" required by Item 12 will be contained in the Proxy Statement on Schedule 14A for the 2021 Annual Meeting and is therefore incorporated by reference, and thus has been omitted in accordance with General Instruction G(3) to Form 10-K.

Items 13 and 14. Certain Relationships and Related Transactions, and Director Independence, and Principal Accounting Fees and Services

The information required by Item 13 and 14 will be contained in the Proxy Statement on Schedule 14A for the 2021 Annual Meeting and is therefore incorporated by reference, and thus Items 13 and 14 have been omitted in accordance with General Instruction G(3) to Form 10-K.

PART IV

Item 15. Exhibits, Financial Statements Schedules

1. Financial Statements

See Index to Financial Statements and Schedule on page F-1 of this Form 10-K.

2. Financial Statement Schedule

See Index to Financial Statements and Schedule on page F-1 of this Form 10-K.

3. Exhibits:

In reviewing the agreements included as exhibits to this Form 10-K, please remember they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information or the other parties to the agreements. The agreements contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

- should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;
- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Additional information about us may be found elsewhere in this Form 10-K and our other public filings, which are available without charge through the SEC's website at <http://www.sec.gov>.

- 3.1^(a) Articles of Amendment and Restatement of Equity Lifestyle Properties, Inc. effective May 15, 2007
- 3.2^(b) Articles of Amendment of Equity Lifestyle Properties, Inc. effective November 26, 2013
- 3.3^(c) Second Amended and Restated Bylaws effective August 8, 2007
- 3.4^(d) First Amendment to Second Amended and Restated Bylaws, effective as of February 27, 2018
- 3.5^(e) Articles of Amendment of Equity Lifestyle Properties, Inc. effective May 2, 2019
- 3.6^(f) Form of Articles Supplementary for Preferred Stock
- 3.7^(g) Second Amendment to Second Amended and Restated Bylaws, effective as of February 28, 2020
- 3.8^(h) Articles of Amendment of Equity Lifestyle Properties, Inc. effective May 4, 2020
- 4.1⁽ⁱ⁾ Form of Specimen Stock Certificate Evidencing the Common Stock of Equity LifeStyle Properties, Inc., par value \$0.01 per share
- 4.2^{*} Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934
- 10.1^(j) Second Amended and Restated MHC Operating Limited Partnership Agreement of Limited Partnership, dated March 15, 1996
- 10.2^(k) Amendment to Second Amended and Restated Agreement of Limited Partnership for MHC Operating Limited Partnership, dated February 27, 2004
- 10.3^(l) Second Amendment to the Second Amended and Restated Agreement of Limited Partnership for MHC Operating Limited Partnership effective as of December 31, 2013
- 10.4^{*} Third Amendment to the Second Amended and Restated Agreement of Limited Partnership for MHC Operating Limited Partnership effective as of December 31, 2018
- 10.5^(m) Equity LifeStyle Properties, Inc. 2014 Equity Incentive Plan effective May 13, 2014 (the "Plan")

- 10.6⁽ⁿ⁾ Amended and Restated Equity Lifestyle Properties, Inc. 1997 Non-Qualified Employee Stock Purchase Plan, effective May 10, 2016
- 10.7^(o) Form of Indemnification Agreement
- 10.8^(p) Second Amended and Restated Credit Agreement, dated as of October 27, 2017, by and among MHC Operating Limited Partnership, as Borrower, Equity Lifestyle Properties, Inc., as Parent, Wells Fargo Bank, National Association, as Administrative Agent, and each of the Lenders set forth therein
- 10.10^(p) Second Amended and Restated Guaranty dated as of October 27, 2017 by Equity Lifestyle Properties, Inc. in favor of Wells Fargo Bank, National Association
- 10.11^(q) Equity Distribution Agreement, dated July 30, 2020, by and among Equity LifeStyle Properties, Inc., MHC Operating Limited Partnership and Goldman Sachs & Co., LLC
- 10.12^(q) Equity Distribution Agreement, dated July 30, 2020, by and among Equity LifeStyle Properties, Inc., MHC Operating Limited Partnership and BofA Securities
- 10.13^(q) Equity Distribution Agreement, dated July 30, 2020, by and among Equity LifeStyle Properties, Inc., MHC Operating Limited Partnership and SunTrust Robinson Humphrey, Inc
- 10.14^(q) Equity Distribution Agreement, dated July 30, 2020, by and among Equity LifeStyle Properties, Inc., MHC Operating Limited Partnership and Wells Fargo Securities, LLC
- 10.15^(q) Equity Distribution Agreement, dated July 30, 2020, by and among Equity LifeStyle Properties, Inc., MHC Operating Limited Partnership and Morgan Stanley & Co., LLC
- 10.16^(r) Form of Restricted Share Award Agreement for the Plan
- 10.17^(r) Form of Option Award Agreement for the Plan
- 14* Equity LifeStyle Properties, Inc. Business Ethics and Conduct Policy, dated October 27, 2020
- 21* Subsidiaries of the Registrant
- 23* Consent of Independent Registered Public Accounting Firm
- 31.1* Certification of Chief Financial Officer Pursuant To Section 302 of the Sarbanes-Oxley Act Of 2002
- 31.2* Certification of Chief Executive Officer Pursuant To Section 302 of the Sarbanes-Oxley Act Of 2002
- 32.1* Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350
- 32.2* Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350
- 101.SCH* Inline XBRL Taxonomy Extension Schema Document
- 101.CAL* Inline XBRL Taxonomy Extension Calculation Linkbase Document
- 101.LAB* Inline XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document
- 101.DEF* Inline XBRL Taxonomy Extension Definition Linkbase Document
- 104 Cover Page Interactive Data File included as Exhibit 101 (embedded within the Inline XBRL document)

The following documents are incorporated by reference.

- (a) Included as an exhibit to our Report on Form 8-K dated May 22, 2007
- (b) Included as an exhibit to our Report on Form 8-K dated November 26, 2013
- (c) Included as an exhibit to our Report on Form 8-K dated August 10, 2007
- (d) Included as an exhibit to our Report on Form 8-K dated February 27, 2018
- (e) Included as an exhibit to our Report on Form 8-K dated May 2, 2019
- (f) Included as an exhibit to our Report on Form 8-K dated February 19, 2020
- (g) Included as an exhibit to our Report on Form 8-K dated February 28, 2020
- (h) Included as an exhibit to our Report on Form 8-K dated April 28, 2020
- (i) Included as an exhibit to our Report on Form S-3 Registration Statement dated May 6, 2009, file No. 333-159014
- (j) Included as an exhibit to our Report on Form 10-Q for the quarter ended June 30, 1996

- (k) Included as an exhibit to our Report on Form 10-K for the year ended December 31, 2005
- (l) Included as an exhibit to our Report on Form 8-K dated January 2, 2014
- (m) Included as Appendix B to our Definitive Proxy Statement dated March 24, 2014, relating to Annual Meeting of Stockholders held on May 13, 2014
- (n) Included as an exhibit to our Report on Form 10-Q for the quarter ended June 30, 2016
- (o) Included as an exhibit to our Report on Form 10-K for the year ended December 31, 2006
- (p) Included as an exhibit to our Report on Form 10-Q for the quarter ended September 30, 2017
- (q) Form of Agreement included as an exhibit to our Report on Form 8-K dated July 30, 2020
- (r) Included as an exhibit to our Report on Form 8-K dated May 13, 2014

* Filed herewith

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

EQUITY LIFESTYLE PROPERTIES, INC.,
a Maryland corporation

Date: February 22, 2021

By: /s/ MARGUERITE NADER

Marguerite Nader
President and Chief Executive Officer
(Principal Executive Officer)

Date: February 22, 2021

By: /s/ PAUL SEAVEY

Paul Seavey
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: February 22, 2021

By: /s/ VALERIE HENRY

Valerie Henry
Vice President and Chief Accounting Officer
(Principal Accounting Officer)

Equity LifeStyle Properties, Inc.—Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ MARGUERITE NADER</u> Marguerite Nader	President, Chief Executive Officer and Director (Principal Executive Officer)	February 22, 2021
<u>/s/ PAUL SEAVEY</u> Paul Seavey	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 22, 2021
<u>/s/ VALERIE HENRY</u> Valerie Henry	Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 22, 2021
<u>/s/ SAMUEL ZELL</u> Samuel Zell	Chairman of the Board	February 22, 2021
<u>/s/ THOMAS HENEGHAN</u> Thomas Heneghan	Vice-Chairman of the Board	February 22, 2021
<u>/s/ ANDREW BERKENFIELD</u> Andrew Berkenfield	Director	February 22, 2021
<u>/s/ DERRICK BURKS</u> Derrick Burks	Director	February 22, 2021
<u>/s/ PHILIP CALIAN</u> Philip Calian	Director	February 22, 2021
<u>/s/ DAVID CONTIS</u> David Contis	Director	February 22, 2021
<u>/s/ CONSTANCE FREEDMAN</u> Constance Freedman	Director	February 22, 2021
<u>/s/ TAO HUANG</u> Tao Huang	Director	February 22, 2021
<u>/s/ SCOTT PEPPET</u> Scott Peppet	Director	February 22, 2021
<u>/s/ SHELI ROSENBERG</u> Sheli Rosenberg	Director	February 22, 2021

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
EQUITY LIFESTYLE PROPERTIES, INC.

	<u>Page</u>
Report of Independent Registered Public Accounting Firm.....	F-2
Report of Independent Registered Public Accounting Firm.....	F-4
Consolidated Balance Sheets as of December 31, 2020 and 2019.....	F-5
Consolidated Statements of Income and Comprehensive Income for the years ended December 31, 2020, 2019 and 2018...	F-6
Consolidated Statements of Changes in Equity for the years ended December 31, 2020, 2019 and 2018.....	F-8
Consolidated Statements of Cash Flows for the years ended December 31, 2020, 2019 and 2018.....	F-9
Notes to Consolidated Financial Statements.....	F-11
Schedule III—Real Estate and Accumulated Depreciation.....	S-1

Note that certain schedules have been omitted, as they are not applicable to us.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Equity LifeStyle Properties, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Equity LifeStyle Properties, Inc. (the Company) as of December 31, 2020 and 2019, the related consolidated statements of income and comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2020, and the related notes and financial statement schedule listed in the Index at Item 15 (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 22, 2021 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of Investment in Real Estate

Description of the Matter

At December 31, 2020, the Company's net consolidated investment in real estate totaled \$4.2 billion. As discussed in Note 2 to the consolidated financial statements, the Company's investment in real estate is reviewed for impairment quarterly or whenever events or changes in circumstances indicate a possible impairment. If an impairment indicator exists related to an investment in real estate that is held and used, the expected future undiscounted cash flows are compared against the carrying amount of that asset. If the sum of the estimated undiscounted cash flows is less than the carrying amount of the asset, an impairment loss is recorded for the excess, if any, of the carrying amount of the asset over its estimated fair value.

Auditing the Company's evaluation of investment in real estate for impairment was complex and highly subjective. The determination of the undiscounted cash flows for properties where impairment indicators have been identified are sensitive to significant assumptions such as rental revenue and expense growth rates, and capitalization rates used to estimate the property's residual value, all of which can be affected by expectations about future market conditions, customer demand, and competition, as well as the Company's intent to hold and operate the property over the term assumed in the analysis.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls related to the Company's process for evaluating investment in real estate for impairment, including controls over management's review of the significant assumptions described above.

To test the Company's process for evaluating investment in real estate for impairment, we performed audit procedures that included, among others, assessing the methodologies, evaluating the significant assumptions discussed above and testing the completeness and accuracy of the underlying data used by the Company in its analysis. We compared the significant assumptions used by the Company to historical operational data of the particular property, current market rates, real estate industry publications, current industry trends and other relevant sources. We also compared the projected net operating income to historical actual results. As part of our evaluation, we assessed the historical accuracy of the Company's estimates and performed sensitivity analyses of certain assumptions to evaluate the changes in the undiscounted cash flows of certain properties that would result from changes in the assumptions used by management.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1996.

Chicago, Illinois

February 22, 2021

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Equity LifeStyle Properties, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Equity LifeStyle Properties, Inc.'s (the Company) internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2020 and 2019, the related consolidated statements of income and comprehensive income, changes in equity, and cash flows for each of the three years in the period ended December 31, 2020, and the related notes and financial statement schedule listed in the Index at Item 15 and our report dated February 22, 2021 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Chicago, Illinois
February 22, 2021

Equity LifeStyle Properties, Inc.
Consolidated Balance Sheets
(amounts in thousands, except share and per share data (adjusted for stock split))

	As of December 31, 2020	As of December 31, 2019
Assets		
Investment in real estate:		
Land	\$ 1,676,636	\$ 1,525,407
Land improvements	3,543,479	3,336,070
Buildings and other depreciable property	940,311	881,572
	6,160,426	5,743,049
Accumulated depreciation	(1,924,585)	(1,776,224)
Net investment in real estate	4,235,841	3,966,825
Cash and restricted cash	24,060	28,860
Notes receivable, net	35,844	37,558
Investment in unconsolidated joint ventures	19,726	20,074
Deferred commission expense	42,472	41,149
Other assets, net	61,026	56,809
Total Assets	\$ 4,418,969	\$ 4,151,275
Liabilities and Equity		
Liabilities:		
Mortgage notes payable, net	\$ 2,444,930	\$ 2,049,509
Term loan, net	—	198,949
Unsecured line of credit	222,000	160,000
Accounts payable and other liabilities	129,666	124,665
Deferred revenue – upfront payments from membership upgrade sales	138,878	126,814
Deferred revenue – annual membership subscriptions	11,814	10,599
Accrued interest payable	8,336	8,639
Rents and other customer payments received in advance and security deposits	92,587	91,234
Distributions payable	66,003	58,978
Total Liabilities	3,114,214	2,829,387
Equity:		
Stockholders' Equity:		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized as of December 31, 2020 and December 31, 2019; none issued and outstanding	—	—
Common stock, \$0.01 par value, 600,000,000 and 400,000,000 shares authorized as of December 31, 2020 and December 31, 2019, respectively; 182,230,631 and 182,089,595 shares issued and outstanding as of December 31, 2020 and December 31, 2019, respectively	1,813	1,812
Paid-in capital	1,411,397	1,402,696
Distributions in excess of accumulated earnings	(179,523)	(154,318)
Accumulated other comprehensive income (loss)	—	(380)
Total Stockholders' Equity	1,233,687	1,249,810
Non-controlling interests – Common OP Units	71,068	72,078
Total Equity	1,304,755	1,321,888
Total Liabilities and Equity	\$ 4,418,969	\$ 4,151,275

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

Equity LifeStyle Properties, Inc.
Consolidated Statements of Income and Comprehensive Income
(amounts in thousands, except per share data (adjusted for stock split))

	Years Ended December 31,		
	2020	2019	2018
Revenues:			
Rental income	\$ 923,743	\$ 879,635	\$ 821,114
Annual membership subscriptions	53,085	51,015	47,778
Membership upgrade sales current period, gross	21,739	19,111	15,191
Membership upgrade sales upfront payments, deferred, net	(12,062)	(10,451)	(7,380)
Other income	46,008	43,063	51,935
Gross revenues from home sales	45,695	34,655	36,064
Brokered resale and ancillary services revenues, net	2,060	3,493	3,584
Interest income	7,154	7,207	7,525
Income from other investments, net	4,026	9,528	10,842
Total revenues	<u>1,091,448</u>	<u>1,037,256</u>	<u>986,653</u>
Expenses:			
Property operating and maintenance	354,340	333,520	319,839
Real estate taxes	66,120	62,338	55,892
Sales and marketing, gross	17,332	15,583	12,542
Membership sales commissions, deferred, net	(1,660)	(1,219)	(813)
Property management	57,967	56,509	53,736
Depreciation and amortization	155,131	152,110	137,209
Cost of home sales	46,229	35,096	37,475
Home selling expenses	4,572	4,401	4,095
General and administrative	39,276	35,679	37,684
Other expenses	2,567	2,865	1,483
Early debt retirement	10,786	1,491	1,071
Interest and related amortization	102,771	104,223	104,993
Total expenses	<u>855,431</u>	<u>802,596</u>	<u>765,206</u>
Gain on sale of real estate, net	—	52,507	—
Income before equity in income of unconsolidated joint ventures	236,017	287,167	221,447
Equity in income of unconsolidated joint ventures	5,399	8,755	4,939
Consolidated net income	<u>241,416</u>	<u>295,922</u>	<u>226,386</u>
Income allocated to non-controlling interests – Common OP Units	(13,132)	(16,783)	(13,774)
Redeemable perpetual preferred stock dividends	(16)	(16)	(16)
Net income available for Common Stockholders	<u>\$ 228,268</u>	<u>\$ 279,123</u>	<u>\$ 212,596</u>
Consolidated net income	\$ 241,416	\$ 295,922	\$ 226,386
Other comprehensive income (loss):			
Adjustment for fair market value of swap	380	(2,679)	1,357
Consolidated comprehensive income	<u>241,796</u>	<u>293,243</u>	<u>227,743</u>
Comprehensive income allocated to non-controlling interests – Common OP Units	(13,154)	(16,633)	(13,861)
Redeemable perpetual preferred stock dividends	(16)	(16)	(16)
Comprehensive income attributable to Common Stockholders	<u>\$ 228,626</u>	<u>\$ 276,594</u>	<u>\$ 213,866</u>

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

Equity LifeStyle Properties, Inc.
Consolidated Statements of Income and Comprehensive Income
(amounts in thousands, except per share data (adjusted for stock split))

	Years Ended December 31,		
	2020	2019	2018
Earnings per Common Share – Basic	\$ 1.26	\$ 1.54	\$ 1.19
Earnings per Common Share – Fully Diluted	\$ 1.25	\$ 1.54	\$ 1.19
Weighted average Common Shares outstanding – Basic	181,828	180,805	177,928
Weighted average Common Shares outstanding – Fully Diluted	192,555	191,995	190,110

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

Equity LifeStyle Properties, Inc.
Consolidated Statements of Changes In Equity
(amounts in thousands; adjusted for stock split)

	Common Stock	Paid-in Capital	Redeemable Perpetual Preferred Stock	Distributions in Excess of Accumulated Earnings	Accumulated Other Comprehensive Income (Loss)	Non- Controlling Interests – Common OP Units	Total Equity
Balance as of December 31, 2017	\$ 1,766	\$ 1,241,226	\$ —	\$ (211,980)	\$ 942	\$ 68,088	\$ 1,100,042
Cumulative effect of change in accounting principle (ASC 606, Revenue Recognition)	—	—	—	(15,186)	—	—	(15,186)
Balance as of January 1, 2018	1,766	1,241,226	—	(227,166)	942	68,088	1,084,856
Exchange of Common OP Units for Common Stock	2	1,023	—	—	—	(1,025)	—
Issuance of Common Stock through exercise of options	4	3,819	—	—	—	—	3,823
Issuance of Common Stock through employee stock purchase plan	—	2,043	—	—	—	—	2,043
Issuance of Common Stock	20	78,735	—	—	—	—	78,755
Compensation expenses related to restricted stock and stock options	—	9,995	—	—	—	—	9,995
Repurchase of Common Stock or Common OP Units	—	(3,011)	—	—	—	—	(3,011)
Adjustment for Common OP Unitholders in the Operating Partnership	—	(3,684)	—	—	—	3,684	—
Adjustment for fair market value of swap	—	—	—	—	1,357	—	1,357
Consolidated net income	—	—	16	212,596	—	13,774	226,386
Distributions	—	—	(16)	(196,464)	—	(12,729)	(209,209)
Other	—	(1,651)	—	—	—	—	(1,651)
Balance as of December 31, 2018	1,792	1,328,495	—	(211,034)	2,299	71,792	1,193,344
Exchange of Common OP Units for Common Stock	10	6,539	—	—	—	(6,549)	—
Issuance of Common Stock through exercise of options	—	53	—	—	—	—	53
Issuance of Common Stock through employee stock purchase plan	—	2,429	—	—	—	—	2,429
Issuance of Common Stock	10	59,309	—	—	—	—	59,319
Compensation expenses related to restricted stock and stock options	—	10,481	—	—	—	—	10,481
Repurchase of Common Stock or Common OP Units	—	(53)	—	—	—	—	(53)
Adjustment for Common OP Unitholders in the Operating Partnership	—	(3,210)	—	—	—	3,210	—
Adjustment for fair market value of swap	—	—	—	—	(2,679)	—	(2,679)
Consolidated net income	—	—	16	279,123	—	16,783	295,922
Distributions	—	—	(16)	(222,407)	—	(13,158)	(235,581)
Other	—	(1,347)	—	—	—	—	(1,347)
Balance as of December 31, 2019	1,812	1,402,696	—	(154,318)	(380)	72,078	1,321,888
Cumulative effect of change in accounting principle (ASU 2016-13, Financial Instruments - Credit Losses (Topic 326))	—	—	—	(3,875)	—	—	(3,875)
Exchange of Common OP Units for Common Stock	1	81	—	—	—	(82)	—
Issuance of Common Stock through employee stock purchase plan	—	2,026	—	—	—	—	2,026
Compensation expenses related to restricted stock and stock options	—	11,527	—	—	—	—	11,527
Repurchase of Common Stock or Common OP Units	—	(3,962)	—	—	—	—	(3,962)
Adjustment for Common OP Unitholders in the Operating Partnership	—	(300)	—	—	—	300	—
Adjustment for fair market value of swap	—	—	—	—	380	—	380
Consolidated net income	—	—	16	228,268	—	13,132	241,416
Distributions	—	—	(16)	(249,598)	—	(14,360)	(263,974)
Other	—	(671)	—	—	—	—	(671)
Balance as of December 31, 2020	\$ 1,813	\$ 1,411,397	\$ —	\$ (179,523)	\$ —	\$ 71,068	\$ 1,304,755

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

Equity LifeStyle Properties, Inc.
Consolidated Statements of Cash Flows
(amounts in thousands)

	Years Ended December 31,		
	2020	2019	2018
Cash Flows From Operating Activities:			
Consolidated net income	\$ 241,416	\$ 295,922	\$ 226,386
Adjustments to reconcile consolidated net income to net cash provided by operating activities:			
Gain on sale of real estate, net	—	(52,507)	—
Early debt retirement	10,786	1,491	1,071
Depreciation and amortization	157,760	153,980	138,688
Amortization of loan costs	3,473	3,479	3,564
Debt premium amortization	(394)	(483)	(2,259)
Equity in income of unconsolidated joint ventures	(5,399)	(8,755)	(4,939)
Distributions of income from unconsolidated joint ventures	95	5,133	4,122
Proceeds from insurance claims, net	(1,697)	(3,530)	(8,525)
Compensation expense related to restricted stock and stock options	11,527	10,481	9,995
Revenue recognized from membership upgrade sales upfront payments	(9,675)	(8,660)	(7,811)
Commission expense recognized related to membership sales	3,673	3,667	3,609
Long-term incentive plan compensation	1,531	(2,843)	1,176
Changes in assets and liabilities:			
Notes receivable, net	(1,166)	(2,836)	(247)
Deferred commission expense	(4,995)	(4,508)	(4,274)
Other assets, net	34,048	11,621	26,898
Accounts payable and other liabilities	3,386	15,578	9,615
Deferred revenue – upfront payments from membership upgrade sales	21,739	19,111	15,191
Deferred revenue – annual membership subscriptions	1,215	544	123
Rents and other customer payments received in advance and security deposits	(786)	6,635	1,701
Net cash provided by operating activities	<u>466,537</u>	<u>443,520</u>	<u>414,084</u>
Cash Flows From Investing Activities:			
Real estate acquisitions, net	(239,067)	(185,411)	(234,108)
Proceeds from disposition of properties, net	—	77,746	—
Investment in unconsolidated joint ventures	—	(983)	(4,497)
Distributions of capital from unconsolidated joint ventures	5,648	6,352	396
Proceeds from insurance claims	122	8,200	7,943
Repayments of notes receivable	—	—	13,823
Issuance of notes receivable	—	—	—
Capital improvements	(217,082)	(257,993)	(181,622)
Net cash used in investing activities	<u>(450,379)</u>	<u>(352,089)</u>	<u>(398,065)</u>
Cash Flows From Financing Activities:			
Proceeds from stock options and employee stock purchase plan	2,027	2,482	5,813
Gross proceeds from the issuance of common stock	—	59,319	78,755
Distributions:			
Common Stockholders	(242,948)	(216,098)	(190,211)
Common OP Unitholders	(13,983)	(13,104)	(12,411)
Preferred Stockholders	(16)	(16)	(16)
Share based award tax withholding payments	(3,962)	(53)	(2,958)
Principal payments and mortgage debt repayment	(468,278)	(121,028)	(245,335)
Mortgage notes payable financing proceeds	662,309	—	421,774
Line of Credit repayment	(390,500)	(155,500)	(284,000)
Line of Credit proceeds	452,500	315,500	254,000
Debt issuance and defeasance costs	(17,434)	(1,700)	(6,436)
Redemption of preferred stock	—	—	—
Other	(673)	(1,347)	(1,651)
Net cash (used in) provided by financing activities	<u>(20,958)</u>	<u>(131,545)</u>	<u>17,324</u>
Net increase (decrease) in cash and restricted cash	(4,800)	(40,114)	33,343
Cash and restricted cash, beginning of period	28,860	68,974	35,631
Cash and restricted cash, end of period	<u>\$ 24,060</u>	<u>\$ 28,860</u>	<u>\$ 68,974</u>

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

Equity LifeStyle Properties, Inc.
Consolidated Statements of Cash Flows
(amounts in thousands)

	Years Ended December 31,		
	2020	2019	2018
Supplemental information:			
Cash paid for interest.....	\$ 100,686	\$ 102,027	\$ 102,377
Net investment in real estate – reclassification of rental homes.....	\$ 38,845	\$ 28,260	\$ 30,799
Other assets, net – reclassification of rental homes.....	\$ (38,845)	\$ (28,260)	\$ (30,799)
Real estate acquisitions:			
Investment in real estate.....	\$ (248,100)	\$ (249,197)	\$ (265,129)
Investment in unconsolidated joint ventures.....	—	35,789	—
Other assets, net.....	(153)	(1,646)	(59)
Debt assumed.....	6,873	19,212	9,200
Debt financed.....	—	—	8,786
Other liabilities.....	2,313	10,431	13,094
Real estate acquisitions, net.....	\$ (239,067)	\$ (185,411)	\$ (234,108)
Real estate dispositions:			
Investment in real estate.....	\$ —	\$ 35,572	\$ —
Notes receivable, net.....	—	295	—
Other assets, net.....	—	97	—
Mortgage notes payable, net.....	—	(11,175)	—
Other liabilities.....	—	450	—
Gain on sale of real estate, net.....	—	52,507	—
Real estate dispositions, net.....	\$ —	\$ 77,746	\$ —

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

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 1—Organization

Equity LifeStyle Properties, Inc. ("ELS"), a Maryland corporation, together with MHC Operating Limited Partnership (the "Operating Partnership") and its other consolidated subsidiaries (the "Subsidiaries"), are referred to herein as "we," "us," and "our." We are a fully integrated owner and operator of lifestyle-oriented properties ("Properties") consisting primarily of manufactured home ("MH") and recreational vehicle ("RV") communities. We provide our customers the opportunity to place manufactured homes, cottages or RVs on our Properties either on a long-term or short-term basis. Our customers may lease individual developed areas ("Sites") or enter into right-to-use contracts, also known as membership subscriptions, which provide them access to specific Properties for limited stays.

Commencing with our taxable year ended December 31, 1993, we have elected to be taxed as a real estate investment trust ("REIT") for U.S. federal income tax purposes. We believe we have qualified for taxation as a REIT. To maintain our qualification as a REIT, we must meet certain requirements, which are highly technical and complex. If we fail to qualify as a REIT, we could be subject to U.S. federal income tax at regular corporate rates. Additionally, we could remain disqualified as a REIT for four years following the year we first failed to qualify. Even as a REIT, we are subject to certain foreign, state and local taxes on our income and property and U.S. federal income and excise taxes on our undistributed income.

Our Properties are owned primarily by the Operating Partnership and managed internally by affiliates of the Operating Partnership. We are the general partner of the Operating Partnership and own 94.6% as of December 31, 2020. We contributed the proceeds from our various equity offerings, including our initial public offering, to the Operating Partnership. In exchange for these contributions, we received units of common interests in the partnership ("OP Units") equal to the number of shares of common stock issued in such equity offerings. The limited partners of the Operating Partnership (the "Common OP Unitholders") receive an allocation of net income that is based on their respective ownership percentage in the Operating Partnership that is presented on the consolidated financial statements as Non-controlling interests—Common OP Units. As of December 31, 2020, the Non-controlling interests—Common OP Units were 10,479,194, which are exchangeable for an equivalent number of shares of our common stock or, at our option, cash. The issuance of additional shares of common stock or OP Units would change the respective ownership of the Operating Partnership for the Common OP Unitholders.

Since certain activities, if performed by us, may not be qualifying REIT activities under the Internal Revenue Code of 1986, as amended (the "Code"), we have formed Taxable REIT subsidiaries (each, a "TRS") to engage in such activities. Realty Systems, Inc. ("RSI") is our wholly-owned TRS, which owns several Properties. Additionally, RSI is engaged in the business of purchasing, selling and leasing factory-built homes located in Properties owned and managed by us. RSI also offers home sales brokerage services to our residents who choose to sell their homes as opposed to relocating them when moving from a Property. Subsidiaries of RSI also operates ancillary activities at certain Properties consisting of operations such as golf courses, pro shops, stores and restaurants.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 2—Summary of Significant Accounting Policies

(a) Basis of Presentation

The consolidated financial statements present the results of operations, financial position and cash flows of ELS, its majority-owned and controlled subsidiaries and variable interest entities ("VIEs") in which ELS is the primary beneficiary. Intercompany balances and transactions have been eliminated.

The Operating Partnership meets the criteria as a VIE, where we are the general partner and controlling owner of approximately 94.6%. The limited partners do not have substantive kick-out or participating rights. Our sole significant asset is our investment in the Operating Partnership, and consequently, substantially all of our assets and liabilities represent those assets and liabilities of the Operating Partnership. Additionally, we have the power to direct the Operating Partnership's activities and the obligation to absorb its losses or the right to receive its benefits. Accordingly, we are the primary beneficiary and we have continued to consolidate the Operating Partnership.

Equity method of accounting is applied to entities in which ELS does not have a controlling interest or for VIEs in which ELS is not considered the primary beneficiary, but with respect to which it can exercise significant influence over the operations and major decisions. Our exposure to losses associated with unconsolidated joint ventures is primarily limited to the carrying value of these investments. Accordingly, distributions from a joint venture in excess of our carrying value are recognized in earnings.

On October 15, 2019, we effected a two-for-one-stock split of our common stock. Pursuant to the anti-dilution provision in the Operating Partnership's Agreement of Limited Partnership, the stock split also effected a two-for-one unit split of the outstanding OP Units. All shares of common stock and OP Units and per share data in the consolidated financial statements and accompanying footnotes, for all periods presented, have been adjusted to reflect the stock split.

(b) Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. All property and site counts and acreage amounts are unaudited.

(c) Investment in Real Estate

Investment in real estate is recorded at cost less accumulated depreciation. Direct and indirect costs related to real estate improvement projects are capitalized, including salaries and related benefits of employees who are directly responsible for and spend their time on the execution and supervision of such projects. Land improvements consist primarily of improvements such as grading, landscaping and infrastructure items, such as streets, sidewalks or water mains. Improvements to buildings and other depreciable property include clubhouses, laundry facilities, maintenance storage facilities, rental units and furniture, fixtures and equipment.

For development and expansion projects, we capitalize direct project costs, such as construction, architectural and legal, as well as, indirect project costs such as interest, real estate taxes and salaries and related benefits of employees who are directly involved in the project. Capitalization of these costs begins when the activities and related expenditures commence and cease when the project, or a portion of the project, is substantially complete and ready for its intended use.

Depreciation is computed on a straight-line basis based on the estimated useful lives of the associated real estate assets.

	<u>Useful Lives (in years)</u>
Land and Building Improvements	10-30
Manufactured Homes	10-25
Furniture, Fixture and Equipment	5
In-place leases	Expected term
Above and below-market leases	Applicable lease term

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 2—Summary of Significant Accounting Policies (continued)

Long-lived assets to be held and used, including our investment in real estate, are evaluated for impairment indicators quarterly or whenever events or changes in circumstances indicate a possible impairment. Our judgments regarding the existence of impairment indicators are based on factors such as operational performance, market conditions, environmental and legal factors. Future events could occur which would cause us to conclude that impairment indicators exist and an impairment loss is warranted.

If an impairment indicator exists related to a long-lived asset that is held and used, the expected future undiscounted cash flows are compared against the carrying amount of that asset. Forecasting cash flows requires us to make estimates and assumptions on various inputs including, but not limited to, rental revenue and expense growth rates, occupancy, levels of capital expenditure and capitalization rates. If the sum of the estimated undiscounted cash flows is less than the carrying amount of the asset, an impairment loss is recorded for the carrying amount in excess of the estimated fair value, if any, of the asset. For the periods presented, no impairment losses were recorded.

(d) Acquisitions

On January 1, 2018, we adopted ("ASU 2017-01") Business Combinations: Clarifying the Definition of a Business (Topic 805) on a prospective basis. We apply a screen test to evaluate if substantially all the fair value of the acquired property is concentrated in a single identifiable asset or group of similar identifiable assets to determine whether a transaction is accounted for as an asset acquisition or business combination. As most of our real estate acquisitions are concentrated in either a single or a group of similar identifiable assets, our real estate transactions are generally accounted for as asset acquisitions, which permits the capitalization of transaction costs to the basis of the acquired property.

In estimating the fair values for purposes of allocating the purchase price, we utilize a number of sources, including independent appraisals or internal valuations that may be available in connection with the acquisition or financing of the respective Property and other market data. We also consider information obtained about each Property as a result of our due diligence, marketing and leasing activities in estimating the fair value of the tangible and intangible assets acquired and liabilities assumed.

The following methods and assumptions are used to estimate the fair value of each class of asset acquired and liability assumed:

Land – Market approach based on similar, but not identical, transactions in the market. Adjustments to comparable sales based on both quantitative and qualitative data.

Depreciable property – Cost approach based on market comparable data to replace adjusted for local variations, inflation and other factors.

Manufactured homes – Sales comparison approach based on market prices for similar homes adjusted for differences in age or size.

In-place leases – In-place leases are determined via a combination of estimates of market rental rates and expense reimbursement levels as well as an estimate of the length of time required to replace each lease.

Above-market assets/below-market liabilities – Income approach based on discounted cash flows comparing contractual cash flows to be paid pursuant to the leases and our estimate of fair market lease rates over the remaining non-cancelable lease terms. For below-market leases, we also consider remaining initial lease terms plus any renewal periods.

Notes receivable – Income approach based on discounted cash flows comparing contractual cash flows at a market rate adjusted based on particular notes' or note holders' down payment, credit score and delinquency status.

Mortgage notes payable – Income approach based on discounted cash flows comparing contractual cash flows to cash flows of similar debt discounted based on market rates.

(e) Intangibles and Goodwill

We record acquired intangible assets at their estimated fair value separate and apart from goodwill. We amortize identified intangible assets and liabilities that are determined to have finite lives over the period the assets and liabilities are expected to contribute directly or indirectly to the future cash flows of the Property or business acquired. Intangible assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that their carrying

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 2—Summary of Significant Accounting Policies (continued)

amounts may not be recoverable. An impairment loss is recognized if the carrying amount of an intangible asset is not recoverable and its carrying amount exceeds its estimated fair value.

The excess of the cost of an acquired entity over the net of the amounts assigned to assets acquired (including identified intangible assets) and liabilities assumed in a business combination is recorded as goodwill. Goodwill is not amortized but is tested for impairment at a level of reporting referred to as a reporting unit on an annual basis, or more frequently if events or changes in circumstances indicate that the asset might be impaired.

As of December 31, 2020 and 2019, the gross carrying amount of identified intangible assets and goodwill was \$12.5 million and \$12.1 million, respectively, which is reported as a component of other assets, net on the Consolidated Balance Sheets. As of December 31, 2020 and 2019, this amount was comprised of \$4.7 million and \$4.3 million, respectively of identified intangible assets and \$7.8 million of goodwill. Accumulated amortization of identified intangibles assets was \$3.2 million and \$3.1 million as of December 31, 2020 and 2019, respectively.

(f) Assets Held for Sale

In determining whether to classify a real estate asset held for sale, we consider whether: (i) management has committed to a plan to sell the asset; (ii) the asset is available for immediate sale in its present condition, subject only to terms that are usual and customary; (iii) we have initiated a program to locate a buyer; (iv) we believe that the sale of the real estate asset is probable within one year; (v) we are actively marketing the investment property for sale at a price that is reasonable in relation to its current value, and (vi) actions required for us to complete the plan indicate that it is unlikely that any significant changes will be made. If all of the above criteria are met, we classify the real estate asset as held for sale. When all of the above criteria are met, we discontinue depreciation or amortization of the asset, measure it at the lower of its carrying amount or its fair value less estimated cost to sell, and present it separately as assets held for sale, net on the Consolidated Balance Sheets. We also present the liabilities related to assets held for sale, if any, separately on the Consolidated Balance Sheets. In connection with the held for sale evaluation, if the disposal represents a strategic shift that has, or will have, a major effect on the consolidation financial statement, then the transaction is presented as discontinued operations.

(g) Restricted Cash

As of December 31, 2020 and 2019, restricted cash consists of \$24.1 million and \$25.1 million, respectively, primarily related to cash reserved for customer deposits and escrows for insurance and real estate taxes.

(h) Fair Value of Financial Instruments

We disclose the estimated fair value of our financial instruments according to a fair value hierarchy. The valuation hierarchy is based on the transparency of the lowest level of input that is significant to the valuation of an asset or a liability as of the measurement date. The three levels are defined as follows:

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The carrying values of cash and restricted cash, accounts receivable and accounts payable approximate their fair market values due to the short-term nature of these instruments. The carrying value of the notes receivable approximates the fair market value as the interest rates are generally comparable to current market rates. Concentrations of credit risk with respect to notes receivable are limited due to the size of the receivable and geographic diversity of the underlying Properties.

The fair market value of mortgage notes payable is measured with Level 2 inputs using quoted prices and observable inputs from similar liabilities as disclosed in Note 9. Borrowing Arrangements.

We also utilize Level 2 and Level 3 inputs as part of our determination of the purchase price allocation for our acquisitions as disclosed in Note 6. Investment in Real Estate.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 2—Summary of Significant Accounting Policies (continued)

(i) Deferred Financing Costs, Net

Deferred financing costs are being amortized over the terms of the respective loans on a straight-line basis. Unamortized deferred financing costs are written-off when debt is retired before the maturity date. Deferred financing costs, net were \$27.9 million and \$24.0 million as of December 31, 2020 and 2019, respectively.

(j) Allowance for Doubtful Accounts

Our allowance for doubtful accounts is comprised of our reserves for receivable from tenants, receivable for annual membership subscriptions, Contracts Receivable and Chattel Loans (See Note 8. Notes Receivable, Net for definition of these terms). The allowance reflects our best estimate of collectibility risks on outstanding receivables. Our allowance for doubtful accounts was as follows:

	December 31,		
	2020	2019	2018
<i>(amounts in thousands):</i>			
Balance, beginning of year	\$ 6,586	\$ 5,230	\$ 5,545
Change in accounting principle (ASU 2016-13, Financial Instruments - Credit Losses (Topic 326)) ⁽¹⁾	3,875	—	—
Provision for losses	7,287	3,929	4,154
Write-offs	(3,288)	(2,573)	(4,469)
Balance, end of year	<u>\$ 14,460</u>	<u>\$ 6,586</u>	<u>\$ 5,230</u>

⁽¹⁾ See Note 2. (o) Summary of Significant Accounting Policies for more detail.

(k) Revenue Recognition

Our revenue streams are predominantly derived from customers renting our Sites or entering into membership subscriptions. Our MH Sites and annual RV and marina Sites are leased on an annual basis. Seasonal RV and marina Sites are leased to customers generally for one to six months. Transient RV and marina Sites are leased to customers on a short-term basis. Leases with our customers are accounted for as operating leases. Rental income is accounted for in accordance with the Accounting Standard Codification (ASC) 842, *Leases*, and is recognized over the term of the respective lease or the length of a customer's stay. We do not separate expenses reimbursed by our customers ("utility recoveries") from the associated rental revenue as we meet the practical expedient criteria to combine these lease and non-lease components. We assessed the criteria and concluded that the timing and pattern of transfer for rental revenue and the associated utility recoveries are the same and as our leases qualify as operating leases, we account for and present rental revenue and utility recoveries as a single component under Rental income in our Consolidated Statements of Income and Comprehensive Income.

A membership subscription gives the customer the right to a set schedule of usage at a specified group of Properties. Payments are deferred and recognized on a straight-line basis over the one-year period in which access to Sites at certain Properties are provided. Membership upgrades grant certain additional access rights to the customer and require non-refundable upfront payments. The non-refundable upfront payments are recognized on a straight-line basis over 20 years, which is our estimated membership upgrade contract term. Income from home sales is recognized when the earnings process is complete. The earnings process is complete when the home has been delivered, the purchaser has accepted the home and title has transferred. Sales from membership subscriptions, upgrades and home sales are accounted for in accordance with ASC 606, *Revenue from Contracts with Customers*.

(l) Stock Based Compensation

Stock-based compensation expense for restricted stock awards with service conditions is measured based on the grant date fair value and recognized on a straight-line basis over the requisite service period of the individual grants.

Stock-based compensation expense for restricted stock awards with performance conditions is measured based on the grant date fair value and recognized on a straight-line basis over the performance period of the individual grants, when achieving the performance targets is considered probable. We estimate and revisit the probability of achieving the performance targets periodically by updating our forecasts throughout the performance period as necessary.

We also issue stock options by estimating the grant date fair value using the Black-Scholes option-pricing model and recognizing over the vesting period for options that are expected to vest. We estimate forfeitures at the time of grant based on

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 2—Summary of Significant Accounting Policies (continued)

historical experience, updated for changes in facts and circumstances, as appropriate, and in subsequent periods if actual forfeitures differ from those estimates. The expected volatility assumption is calculated based on our historical volatility, which is calculated over a period of time commensurate with the expected term of the options being valued. The risk-free interest rate assumption is based upon the U.S. Treasury yield curve in effect at the time of grant. The dividend yield assumption is based on our expectation of dividend payouts.

(m) Non-Controlling Interests

The OP Units are exchangeable for shares of common stock on a one-for-one basis at the option of the Common OP Unitholders, which we may, in our discretion, cause the Operating Partnership to settle in cash. The exchange is treated as a capital transaction, which results in an allocation between stockholders' equity and non-controlling interests to account for the change in the respective percentage ownership of the underlying equity of the Operating Partnership.

Net income is allocated to Common OP Unitholders based on their respective ownership percentage of the Operating Partnership. Such ownership percentage is calculated by dividing the number of OP Units held by the Common OP Unitholders by the total OP Units held by the Common OP Unitholders and the shares of common stock held by the common stockholders. Issuance of additional shares of common stock or OP Units would change the percentage ownership of both the Non-controlling interests – Common OP Units and the common stockholders.

(n) Income Taxes

Due to our structure as a REIT, the results of operations contain no provision for U.S. federal income taxes for the REIT. As of both December 31, 2020 and 2019, the REIT had a federal net operating loss carryforward of approximately \$74.1 million. The REIT is entitled to utilize the net operating loss carryforward only to the extent that the REIT taxable income exceeds our deduction for dividends paid. Due to the uncertainty regarding the use of the REIT net operating loss carryforward, no net tax asset has been recorded as of December 31, 2020 and 2019.

In addition, we own certain TRSs, which are subject to federal and state income taxes at regular corporate tax rates. Overall, the TRSs have federal net operating loss carryforwards. Due to the uncertainty regarding the realization of these deferred tax assets, we have maintained a full valuation allowance as of December 31, 2020 and 2019.

The REIT remains subject to certain foreign, state and local income, excise or franchise taxes; however, they are not material to our operating results or financial position. We do not have unrecognized tax benefit items.

We, or one of our Subsidiaries, file income tax returns in the U.S. federal jurisdiction, various U.S. state jurisdictions and Canada. With few exceptions, we are no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2016.

As of December 31, 2020, net investment in real estate and notes receivable had a U.S. federal tax basis of approximately \$4.0 billion (unaudited) and \$40.7 million (unaudited), respectively.

During the years ended December 31, 2020, 2019 and 2018, our tax treatment of common stock distributions, as adjusted for the stock split, was as follows (unaudited):

	2020	2019	2018
Tax status of common stock distributions deemed paid during the year:			
Ordinary income.....	\$ 1.234	\$ 1.241	\$ 1.069
Long-term capital gains.....	0.006	—	—
Non-dividend distributions.....	0.057	—	—
Distributions declared per common stock outstanding.....	<u>\$ 1.297</u>	<u>\$ 1.241</u>	<u>\$ 1.069</u>

The quarterly dividend paid on January 10, 2020 is a split-year distribution with \$0.015462 (unaudited) per share of common stock considered a distribution made in 2020 for federal income tax purposes. The quarterly distribution paid on January 8, 2021 is a split year distribution with \$0.254699 (unaudited) per share of common stock considered a distribution made in 2020 and \$0.087801 (unaudited) allocable to 2021 for federal income tax purposes.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 2—Summary of Significant Accounting Policies (continued)

(o) Recently Adopted Accounting Pronouncements

On January 1, 2020, we prospectively adopted FASB ("ASU 2018-15") Intangibles - Goodwill and Other - Internal-Use Software (ASC 350-40), Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract. ASU 2018-15 provides guidance on accounting for fees paid when the arrangement includes a software license and aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing costs to develop or obtain internal-use software. The adoption of this guidance did not have a material impact on our consolidated financial statements.

On January 1, 2020, we adopted FASB ("ASU 2016-13") Financial Instruments - Credit Losses (Topic 326) using the modified retrospective approach. ASU 2016-13 requires entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Entities should use forward-looking information to better form their credit loss estimates.

We are exposed to credit losses primarily through sales of annual membership subscriptions and membership upgrades and home sales. We have developed an allowance for credit losses, which represents an estimate of expected losses over the remaining contractual life of our receivables. The estimate is a result of our ongoing assessments and evaluations of collectability including historical loss experience, current market conditions and future expectations in forecasting credit losses in each of our receivable portfolios. We recognized a cumulative-effect adjustment of \$3.9 million, which decreased opening retained earnings as of January 1, 2020.

The cumulative-effect adjustment resulting from the adoption of ASU 2016-13 as of January 1, 2020 was as follows:

	Balance Sheet Location	Balance at December 31, 2019	Adjustment due to ASU 2016-13 Adoption	Balance at January 1, 2020	Balance at December 31, 2020
<i>(amounts in thousands)</i>					
Annual membership subscriptions	Other assets, net	\$ 2,394	\$ (1,361)	\$ 1,033	\$ 1,857
Membership upgrades	Notes receivable, net	\$ 25,236	\$ (2,514)	\$ 22,722	\$ 25,427

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 3—Leases

Lessor

Rental income derived from customers renting our Sites is accounted for in accordance with ASC 842, *Leases*, and is recognized over the term of the respective operating lease or the length of a customer's stay. MH Sites are generally leased on an annual basis to residents who own or lease factory-built homes, including manufactured homes. Annual RV and marina Sites are leased on an annual basis to customers who generally have an RV, factory-built cottage, boat or other unit placed on the site, including those Northern properties that are open for the summer season. Seasonal RV and marina Sites are leased to customers generally for one to six months. Transient RV and marina Sites are leased to customers on a short-term basis. In addition, customers may lease homes that are located in our communities.

The leases entered into between the customer and us for a rental of a Site are renewable upon the consent of both parties or, in some instances, as provided by statute. Long-term leases that are non-cancelable by the tenants are in effect at certain Properties. Rental rate increases at these Properties are primarily a function of increases in the Consumer Price Index, taking into consideration certain conditions. Additionally, periodic market rate adjustments are made as deemed appropriate. In addition, certain state statutes allow entry into long-term agreements that effectively modify lease terms related to rent amounts and increases over the term of the agreements. The following table presents future minimum rents expected to be received under long-term non-cancelable tenant leases, as well as those leases that are subject to long-term agreements governing rent payments and increases:

<i>(amounts in thousands)</i>	As of December 31, 2020	
2021.....	\$	133,385
2022.....		136,225
2023.....		92,816
2024.....		43,512
2025.....		21,915
Thereafter.....		74,196
Total.....	<u>\$</u>	<u>502,049</u>

Lessee

We lease land under non-cancelable operating leases at 13 Properties expiring at various dates between 2022 and 2054. The majority of the leases have terms requiring fixed payments plus additional rents based on a percentage of gross revenues at those Properties. We also have other operating leases, primarily office space expiring at various dates through 2030. For the years ended December 31, 2020, 2019 and 2018, total operating lease payments were \$9.9 million, \$9.3 million and \$8.3 million, respectively.

The following table presents the operating lease payments for the year ended December 31, 2020, 2019 and 2018:

<i>(amounts in thousands)</i>	Years Ended December 31,		
	2020	2019	2018
<i>Fixed lease cost:</i>			
Ground leases.....	\$ 5,912	\$ 5,727	\$ 5,537
Office and other leases.....	3,243	2,869	2,114
<i>Variable lease cost:</i>			
Ground leases.....	652	639	599
Office and other leases.....	111	72	39
Total lease cost.....	<u>\$ 9,918</u>	<u>\$ 9,307</u>	<u>\$ 8,289</u>

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 3—Leases (continued)

The following table summarizes our minimum future rental payments, excluding variable costs, which are discounted by our incremental borrowing rate to calculate the lease liability for our operating leases as of December 31, 2020:

<i>(amounts in thousands)</i>	<u>Ground Leases</u>	<u>Office and Other Leases</u>	<u>Total</u>
2021	\$ 1,960	\$ 3,209	\$ 5,169
2022 ^(a)	1,490	1,531	3,021
2023	545	1,240	1,785
2024	545	897	1,442
2025	545	766	1,311
Thereafter	4,493	2,125	6,618
Total undiscounted rental payments	<u>9,578</u>	<u>9,768</u>	<u>19,346</u>
Less imputed interest	<u>(2,044)</u>	<u>(908)</u>	<u>(2,952)</u>
Total lease liabilities	<u>\$ 7,534</u>	<u>\$ 8,860</u>	<u>\$ 16,394</u>

^(a) The leases of our four Westwinds Properties expire on August 31, 2022 and do not contain extension options. See Note 16. Commitments and Contingencies for more details on the Westwinds leases.

ROU assets and lease liabilities from our operating leases, included within Other assets, net and Accounts payable and other liabilities on the Consolidated Balance Sheets, were \$15.7 million and \$16.4 million, respectively, as of December 31, 2020. The weighted average remaining lease term for our operating leases was eight years and the weighted average incremental borrowing rate was 4.0% at December 31, 2020.

ROU assets and lease liabilities from our operating leases, included within Other assets, net and Accounts payable and other liabilities on the Consolidated Balance Sheets, were \$15.1 million and \$16.2 million, respectively, as of December 31, 2019. The weighted average remaining lease term for our operating leases was seven years and the weighted average incremental borrowing rate was 4.4% at December 31, 2019.

Note 4—Earnings Per Common Share

Basic and fully diluted earnings per share are based on the weighted average shares outstanding during each year. The following table sets forth the computation of basic and diluted earnings per share of common stock (Common Share), as adjusted for the stock split, for the years ended December 31, 2020, 2019, and 2018:

<i>(amounts in thousands, except per share data)</i>	<u>Years Ended December 31,</u>		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Numerators:			
Net income available to Common Stockholders—Basic	\$ 228,268	\$ 279,123	\$ 212,596
Amounts allocated to dilutive securities	13,132	16,783	13,774
Net income available to Common Stockholders—Fully Diluted	<u>\$ 241,400</u>	<u>\$ 295,906</u>	<u>\$ 226,370</u>
Denominator:			
Weighted average Common Shares outstanding—Basic	181,828	180,805	177,928
Effect of dilutive securities:			
Exchange of Common OP Units for Common Shares	10,484	10,934	11,586
Stock options and restricted stock	243	256	596
Weighted average Common Shares outstanding—Fully Diluted	<u>192,555</u>	<u>191,995</u>	<u>190,110</u>
Earnings per Common Share—Basic:	<u>\$ 1.26</u>	<u>\$ 1.54</u>	<u>\$ 1.19</u>
Earnings per Common Share—Fully Diluted:	<u>\$ 1.25</u>	<u>\$ 1.54</u>	<u>\$ 1.19</u>

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 5—Common Stock and Other Equity Related Transactions

Increase in Authorized Shares

On April 28, 2020, our stockholders approved an amendment to our charter to increase the number of shares of common stock that we are authorized to issue from 400,000,000 to 600,000,000 shares.

Two-for-One Common Stock and OP Units Split

On October 15, 2019, a two-for-one stock split of our common stock, effected by and in the form of a stock dividend, was paid to stockholders of record as of October 1, 2019. In connection with our stock split, the OP Units of our Operating Partnership were also split on a two-for-one basis.

Equity Offering Program

On July 30, 2020, we entered into our current at-the-market ("ATM") equity offering program with certain sales agents, pursuant to which we may sell, from time-to-time, shares of our Common Stock, par value \$0.01 per share, having an aggregate offering price of up to \$200.0 million. As of December 31, 2020, we have \$200.0 million of common stock available for issuance.

The following table presents the shares that were issued under our ATM equity offering programs, as adjusted for the stock split, during the years ended December 31, 2020, 2019, and 2018:

	Years Ended December 31,		
	2020	2019	2018
<i>(amounts in thousands, except share data)</i>			
Shares of common stock sold	—	1,010,472	1,722,282
Weighted average price	\$ —	\$ 58.71	\$ 45.73
Total gross proceeds	\$ —	\$ 59,319	\$ 78,755
Commissions paid to sales agents	\$ —	\$ 771	\$ 1,028

Employee Stock Purchase Plan

On May 10, 2016, we amended and restated the 1997 Non-Qualified Employee Stock Purchase Plan ("ESPP"). Pursuant to the ESPP, certain of our employees and directors may each annually acquire up to \$250,000 of our common stock. The common stock may be purchased monthly at a price equal to 85% of the lesser of: (a) the closing price for a share of common stock on the last day of the offering period; and (b) the closing price for a share of common stock on the first day of the offering period. Shares of common stock issued through the ESPP for the years ended December 31, 2020, 2019 and 2018 were 31,385, 40,934 and 44,142, respectively. As of December 31, 2020, 743,194 shares remained available to be sold under the ESPP, subject to adjustment by our Board of Directors.

Exchanges

Subject to certain limitations, Common OP Unitholders can request an exchange of any or all of their OP Units for shares of common stock at any time. Upon receipt of such a request, we may, in lieu of issuing shares of common stock, cause the Operating Partnership to pay cash.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 5—Common Stock and Other Equity Related Transactions (continued)

Common Stock Activity and Distributions

The following table presents the changes in our outstanding common stock (excluding OP Units of 10,479,194, 10,491,222, and 11,491,932 outstanding at December 31, 2020, 2019 and 2018, respectively), as adjusted for the stock split:

	Years Ended December 31,		
	2020	2019	2018
Shares outstanding at January 1,	182,089,595	179,842,036	177,170,320
Common stock issued through the ATM Equity Offering Program and its predecessor	—	1,010,472	1,722,282
Common stock issued through exchange of OP Units	12,028	997,750	176,268
Common stock issued through exercise of options	—	5,600	405,600
Common stock issued through restricted stock grants	151,104	193,262	385,010
Common stock forfeitures	—	—	—
Common stock issued through ESPP and Dividend Reinvestment Plan	32,099	41,589	45,144
Common stock repurchased and retired	(54,195)	(1,114)	(62,588)
Shares outstanding at December 31,	<u>182,230,631</u>	<u>182,089,595</u>	<u>179,842,036</u>

During the years ended December 31, 2020, 2019 and 2018, we repurchased shares of common stock representing common stock surrendered to satisfy income tax withholding obligations primarily due to the vesting of restricted stock grants at a weighted average price of \$73.12, \$47.48 and \$48.12 per share, respectively.

As of December 31, 2020, 2019 and 2018, ELS' percentage ownership of the Operating Partnership was approximately 94.6%, 94.6% and 94.0%, respectively. The remaining approximately 5.4%, 5.4% and 6.0% as of December 31, 2020, 2019 and 2018, respectively, was owned by the Common OP Unitholders.

The following regular quarterly distributions have been declared and paid to common stockholders and Common OP Unitholders since January 1, 2018:

Distribution Amount Per Share	For the Quarter Ended	Stockholder Record Date	Payment Date
\$0.2750	March 31, 2018	March 30, 2018	April 13, 2018
\$0.2750	June 30, 2018	June 29, 2018	July 13, 2018
\$0.2750	September 30, 2018	September 28, 2018	October 12, 2018
\$0.2750	December 31, 2018	December 28, 2018	January 11, 2019
\$0.3063	March 31, 2019	March 29, 2019	April 12, 2019
\$0.3063	June 30, 2019	June 28, 2019	July 12, 2019
\$0.3063	September 30, 2019	September 27, 2019	October 11, 2019
\$0.3063	December 31, 2019	December 27, 2019	January 10, 2020
\$0.3425	March 31, 2020	March 27, 2020	April 10, 2020
\$0.3425	June 30, 2020	June 26, 2020	July 10, 2020
\$0.3425	September 30, 2020	September 25, 2020	October 9, 2020
\$0.3425	December 31, 2020	December 24, 2020	January 8, 2021

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 6—Investment in Real Estate

Acquisitions

We acquired all of the following Properties from unaffiliated third parties:

During the year ended December 31, 2020, we acquired one MH community, seven RV communities and one marina for a combined purchase price of \$209.2 million, including:

- Dolce Vita at Superstition Mountain, an MH community located in Apache Junction, Arizona,
- Meridian RV Resort, an RV community located in Apache Junction, Arizona,
- Marina Dunes RV Park, an RV community located in Marina, California,
- Marker 1 Marina, a marina located in Dunedin, Florida,
- Acorn Campground, an RV community located in Green Creek, New Jersey,
- Topsail Sound, an RV community located in Holly Ridge, North Carolina,
- Harbor Point, an RV community located in Sneads Ferry, North Carolina, and
- Leisure World and Trails End, two RV communities located in Weslaco, Texas.

These properties contain 2,772 Sites. We also completed the acquisition of three development assets, including The Resort at Tranquility Lake, located in Cape Coral, Florida, Bayport, located in Jamaica, Virginia, and a development property adjacent to our Voyager joint venture, located in Tuscon, Arizona, for a combined purchase price of \$23.7 million. We also acquired additional assets, including nine land parcels, for a combined purchase price of \$15.2 million. All acquisitions were accounted for as asset acquisitions. As a result of these acquisitions, we assumed approximately \$6.9 million of mortgage debt. The remaining purchase price was funded through new debt financing, our unsecured Line of Credit ("LOC") and available cash.

During the year ended December 31, 2019, we acquired four RV communities, including White Oak Shores, located in Stella, North Carolina, Round Top and Drummer Boy, located in Gettysburg, Pennsylvania, and Lake of the Woods, located in Wautoma, Wisconsin for a combined purchase price of \$58.3 million. These properties contain 1,614 Sites. As a result of these acquisitions, we assumed approximately \$18.6 million of mortgage debt, excluding mortgage premiums of \$0.6 million. The remaining purchase price was funded with available cash. We also completed the acquisition of the remaining interest in our joint venture investment of 11 marinas in Florida for a purchase price of approximately \$49.0 million. As part of the acquisition, we also funded the repayment of the joint venture's non-transferable debt of approximately \$72.0 million. The transaction was funded with proceeds from the LOC. In addition, the gross carrying value of the joint venture investment of \$35.8 million was included in the total fair value of \$162.2 million that was allocated to the real estate assets. We also acquired additional assets, including three land parcels, for a combined purchase price of \$28.1 million. All acquisitions were accounted for as asset acquisitions.

During the year ended December 31, 2018, we acquired four RV communities, including Sunseekers, located in North Fort Myers, Florida, Holiday Travel Park, located in Holiday, Florida, Timber Creek, located in Waverly, Rhode Island, and King Nummy, located in Cape May Court House, New Jersey and four MH communities, including Everglades Lakes, Serendipity, Kingswood and Palm Lake located in Fort Lauderdale, Clearwater, Riverview and Riviera Beach, Florida, respectively, for a combined purchase price of \$251.7 million. These properties contain 3,712 Sites. As a result of these acquisitions, we assumed approximately \$9.2 million of mortgage debt and entered into new mortgage debt of \$8.8 million. The remaining purchase price was funded with available cash, proceeds from the ATM equity offering program and the LOC. We also acquired two vacant land parcels adjacent to our other communities for a combined purchase price of \$2.8 million. All acquisitions were accounted for as asset acquisitions.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 6—Investment in Real Estate (continued)

We engaged third-party valuation firms to assist with our purchase price allocation when necessary. The following table summarizes the fair value of the assets acquired and liabilities assumed for the years ended December 31, 2020, 2019 and 2018, which we determined using Level-3 inputs for land and buildings and other depreciable property and Level-2 inputs for the others:

<i>(amounts in thousands)</i>	Years Ended December 31,		
	2020	2019	2018
Assets acquired			
Land.....	\$ 150,909	\$ 116,575	\$ 171,111
Buildings and other depreciable property.....	87,749	125,721	84,019
Manufactured homes ^(a)	2,621	1,382	140
In-place leases ^(a)	6,821	5,519	9,859
Net investment in real estate	\$ 248,100	\$ 249,197	\$ 265,129
Other assets.....	153	1,646	59
Total assets acquired	\$ 248,253	\$ 250,843	\$ 265,188
Liabilities assumed			
Mortgage notes payable.....	\$ 6,873	\$ 19,212	\$ 9,200
Below-market lease liability ^(b)	—	—	10,645
Other liabilities.....	2,313	10,431	2,449
Total liabilities assumed	\$ 9,186	\$ 29,643	\$ 22,294
Net assets acquired	\$ 239,067	\$ 221,200	\$ 242,894

(a) Manufactured homes and in-place leases are included in buildings and other depreciable property on the Consolidated Balance Sheets.

(b) Below-market lease liability is included in accounts payable and other liabilities on the Consolidated Balance Sheets.

Dispositions

On January 23, 2019, we closed on the sale of five all-age MH communities located in Indiana and Michigan, collectively containing 1,463 sites, for \$89.7 million and recognized a gain of \$52.5 million, net of transaction costs, during the first quarter of 2019. The assets sold included \$35.4 million of net investment in real estate and \$0.5 million of other assets that were held for sale as of December 31, 2018. In connection with the sale of these communities, we defeased \$11.2 million of mortgage debt that was secured by these communities. The associated assets and liabilities were classified as held for sale as of December 31, 2018.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 7—Investment in Unconsolidated Joint Ventures

The following table summarizes our investment in unconsolidated joint ventures (investment amounts in thousands with the number of Properties shown parenthetically for the years ended December 31, 2020 and 2019, respectively):

Investment	Location	Number of Sites	Economic Interest ^(a)	Investment as of December 31,		Income/(Loss) for Years Ended December 31,		
				2020	2019	2020	2019	2018
Meadows.....	Various (2,2)	1,077	50 %	\$ —	\$ 146	\$ 1,879	\$ 1,400	\$ 1,839
Lakeshore.....	Florida (3,3)	721	^(b)	2,281	2,467	1,405	263	22
Voyager.....	Arizona (1,1)	1,801	50 % ^(c)	83	599	1,616	2,951	995
Loggerhead..	Florida	2,343	— % ^(d)	—	—	—	3,501	1,486
ECHO JV.....	Various	—	50 %	17,362	16,862	499	640	597
		5,942		\$ 19,726	\$ 20,074	\$ 5,399	\$ 8,755	\$ 4,939

- (a) The percentages shown approximate our economic interest as of December 31, 2020. Our legal ownership interest may differ.
(b) Includes two joint ventures in which we own a 65% interest in each and the Crosswinds joint venture in which we own a 49% interest.
(c) Voyager joint venture primarily consists of a 50% interest in Voyager RV Resort and 33% interest in the utility plant servicing this Property.
(d) On September 10, 2019, we completed the acquisition of the remaining interest in the Loggerhead joint venture (see Note 6. Investment in Real Estate). Loggerhead sites represent marina slip count.

We recognized \$5.4 million, \$8.8 million, and \$4.9 million (net of \$0.7 million, \$1.2 million and \$1.8 million of depreciation expense, respectively) of equity in income from unconsolidated joint ventures for the years ended December 31, 2020, 2019 and 2018, respectively. We received approximately \$5.7 million, \$11.5 million and \$4.5 million in distributions from joint ventures for the years ended December 31, 2020, 2019 and 2018, respectively. Approximately \$4.8 million, \$3.5 million and \$0.2 million of the distributions made to us exceeded our basis in joint ventures, and as such, were recorded as income from unconsolidated joint ventures for the years ended December 31, 2020, 2019, and 2018 respectively.

Note 8—Notes Receivable, Net

Notes receivable generally are presented at their outstanding unpaid principal balances, net of any allowances and unamortized discounts or premiums. Interest income is accrued on the unpaid principal balance. Discounts or premiums are amortized to income using the interest method.

We provide financing for non-refundable upfront payments required for membership upgrades ("Contracts Receivable"). As of December 31, 2020 and 2019, Contracts Receivable, net of allowance, was \$25.4 million and \$25.2 million, respectively. Contracts Receivable, as of December 31, 2020, had an average stated interest rate of 16.7% per annum, a weighted average term remaining of 4.2 years and require monthly payments of principal and interest.

In certain cases, we purchase loans made by an unaffiliated lender to finance the sales of homes to our customers at our Properties (referred to as "Chattel Loans"). These loans are secured by the underlying homes sold and require monthly principal and interest payments. As of December 31, 2020 and 2019, we had \$10.4 million and \$12.3 million of Chattel Loans, respectively. As of December 31, 2020, the Chattel Loans receivable had an average stated interest rate of approximately 7.6% per annum and had a weighted average term remaining of approximately 11 years.

Note 9—Borrowing Arrangements

Mortgage Notes Payable

Our mortgage notes payable is classified as Level 2 in the fair value hierarchy as of December 31, 2020 and 2019. The following table presents the fair value of our mortgage notes payable:

(amounts in thousands)	As of December 31, 2020		As of December 31, 2019	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Mortgage notes payable, excluding deferred financing costs.....	\$ 2,537,137	\$ 2,472,876	\$ 2,227,185	\$ 2,072,416

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 9—Borrowing Arrangements (continued)

As of December 31, 2020 and 2019, we had outstanding mortgage indebtedness on Properties of approximately \$2,444.9 million and \$2,049.5 million, respectively, excluding liabilities classified as held for sale and net of deferred financing costs. The weighted average interest rate on our outstanding mortgage indebtedness, including the impact of premium/discount amortization and loan cost amortization on mortgage indebtedness, as of December 31, 2020 and December 31, 2019, was approximately 4.1% and 4.5% per annum, respectively. The debt bears interest at stated rates ranging from 2.5% to 8.9% per annum and matures on various dates ranging from 2022 to 2041. The debt encumbered a total of 116 of our Properties as of December 31, 2020 and December 31, 2019 and the gross carrying value of such Properties was approximately \$2,580.9 million and \$2,524.7 million, as of December 31, 2020 and December 31, 2019, respectively.

2020 Activity

We entered into two secured credit facilities with Fannie Mae, for total gross proceeds of \$662.3 million. The average maturity for these credit facilities is 12 years and has a weighted average interest rate of 2.6%. The facilities were secured by 18 MH and four RV communities.

We also repaid \$48.1 million of principal on three mortgage loans that were due to mature in 2020 and \$166.8 million of principal on secured loans that were due to mature in 2021. The secured loans had a weighted average interest rate of approximately 5.1% per annum and were secured by 21 MH and three RV communities. As part of the repayment of the loans, we incurred early debt retirement costs of \$9.0 million.

2019 Activity

We defeased mortgage debt of \$11.2 million in conjunction with the disposition of the five all-age MH communities as disclosed in Note 6. Investment in Real Estate. These loans had a weighted average interest rate of 5.0% per annum. We also assumed mortgage debt of \$18.6 million, excluding mortgage note premium of \$0.6 million, in connection with the acquisitions that were closed during the year ended December 31, 2019. These loans carry a weighted average interest rate of 5.4% per annum and mature between 2022 and 2024.

We also repaid \$66.8 million of principal on four mortgage loans that were due to mature in 2020, incurring \$1.4 million of prepayment penalties. These mortgage loans had a weighted average interest rate of 6.9% per annum and were secured by three MH and one RV communities.

2018 Activity

We entered into two secured credit facilities with gross proceeds of \$357.8 million, with a weighted average maturity of 14.8 years and a weighted average interest rate of 4.2%. We also closed on one loan secured by two RV communities for gross proceeds of \$64.0 million. The loan has a term of 20 years and carries an interest rate of 4.8% per annum. Additionally, in connection with the Serendipity acquisition, we assumed \$9.2 million of debt and obtained \$8.8 million of additional financing for a total of \$18.0 million, secured by the MH community. The debt carries a weighted average interest rate of 4.8% and matures in 2039.

We also repaid \$196.8 million of principal on 16 mortgage loans (15 due to mature in 2019 and one maturing in 2018) incurring \$1.9 million of prepayment penalties. These mortgage loans had a weighted average interest rate of 6.29% per annum and were secured by 15 MH and one RV communities.

Second Amended and Restated Unsecured Credit Facility

During the year ended December 31, 2017, we entered into a Second Amended and Restated Credit Agreement with Wells Fargo Bank, National Association, as the administrative agent, and other lenders named therein, which amended and restated the terms of the obligations owed by us under the Amended, Restated and Consolidated Credit Agreement dated as of July 17, 2014, pursuant to which we have access to a \$400.0 million unsecured Line of Credit (the “LOC”) and entered into the \$200.0 million term loan. The LOC maturity date was extended to October 27, 2021, and this term can be extended an additional year in two six-month increments, subject to certain conditions. The LOC bears interest at a rate of LIBOR plus 1.10% to 1.55% and requires an annual facility fee of 0.15% to 0.35%. The spread over LIBOR varies quarterly based on leverage measured throughout the loan term. In 2017, we incurred commitment and arrangement fees of approximately \$3.7 million to extend the LOC and enter into the Term Loan.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 9—Borrowing Arrangements (continued)

We repaid our \$200.0 million senior unsecured term loan (the “Term Loan”) scheduled to mature in 2023. The term loan had an interest rate of LIBOR plus 1.20% to 1.90% per annum and, subject to certain conditions, could be prepaid at any time without premium or penalty. In connection with the term loan, we entered into a LIBOR swap agreement allowing us to trade the variable rate of LIBOR on the term loan for a fixed rate of 1.85%. Our spread over LIBOR was 1.20% resulting in an all-in interest rate of 3.05% per annum. In connection with the repayment of the unsecured term loan, we terminated the associated swap agreement as disclosed in Note 10. Derivative Instruments and Hedging Activities. As part of the repayment of the term loan, we incurred early debt retirement costs of \$0.8 million.

Unsecured Line of Credit

During the year ended December 31, 2020, we paid off and borrowed amounts on our LOC, leaving a balance of \$222.0 million outstanding as of December 31, 2020. As of December 31, 2020, our LOC has a remaining borrowing capacity of \$178.0 million with the option to increase the borrowing capacity by \$200.0 million, subject to certain conditions. The LOC had a \$160.0 million outstanding balance as of December 31, 2019.

Future Maturities of Debt

The following table presents the aggregate scheduled payments of principal on long-term borrowings for each of the next five years and thereafter as of December 31, 2020:

<i>(amounts in thousands)</i>	Amount
2021	\$ 53,611
2022	194,414
2023	141,795
2024	60,856
2025	138,043
Thereafter	1,883,491
Net unamortized premiums	666
Unamortized deferred financing costs	(27,946)
Total	<u>\$ 2,444,930</u>

As of December 31, 2020, we were in compliance in all material respects with the covenants in our borrowing arrangements.

Note 10—Derivative Instruments and Hedging Activities

Cash Flow Hedges of Interest Rate Risk

We record all derivatives at fair value. Our objective in utilizing interest rate derivatives is to add stability to our interest expense and to manage our exposure to interest rate movements. To accomplish this objective, we primarily use interest rate swaps as part of our interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in our exchange for making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

The changes in the fair value of the designated derivative that qualify as a cash flow hedge are recorded in Accumulated other comprehensive income (loss) on the Consolidated Balance Sheets and subsequently reclassified into earnings on the Consolidated Statements of Income and Comprehensive Income in the period that the hedged forecasted transaction affects earnings.

During the year ended December 31, 2020, in connection with the repayment of our \$200.0 million unsecured term loan (See Note 9. Borrowing Arrangements for additional information), we terminated the interest rate swap that was scheduled to mature on November 1, 2020. As a result of the interest rate swap termination, we incurred an early termination fee of \$0.9 million, which was recognized in the Consolidated Statements of Income and Comprehensive Income.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 10—Derivative Instruments and Hedging Activities (continued)

Our derivative financial instrument is classified as Level 2 in the fair value hierarchy. The following table presents the fair value of our derivative financial instrument:

<i>(amounts in thousands)</i>	Balance Sheet Location	As of December 31,	
		2020	2019
Interest Rate Swap	Accounts payable and other liabilities	\$ —	\$ 380

The table below presents the effect of our derivative financial instrument on the Consolidated Statements of Income and Comprehensive Income:

<i>(amounts in thousands)</i>	Amount of (gain)/loss recognized in OCI on derivative for the year ended December 31,			<i>(amounts in thousands)</i>	Amount of (gain)/loss reclassified from accumulated OCI into income for the year ended December 31,		
	2020	2019	2018		2020	2019	2018
Derivatives in Cash Flow Hedging Relationship				Location of (gain)/ loss reclassified from accumulated OCI into income			
Interest Rate Swap	\$ 1,561	\$ 1,847	\$ (1,613)	Interest Expense	\$ 1,941	\$ (832)	\$ (256)

Note 11—Deferred Revenue of Membership Upgrade Sales and Deferred Commission Expense

The components of the change in deferred revenue entry of membership subscriptions and deferred commission expense were as follows:

<i>(amounts in thousands)</i>	As of	
	2020	2019
Deferred revenue - upfront payments from membership upgrade sales as of December 31,	\$ 126,814	\$ 116,363
Membership upgrade sales current period, gross	21,739	19,111
Revenue recognized from membership upgrade sales upfront payments	(9,675)	(8,660)
Net increase in deferred revenue - upfront payments from membership grade sales	12,064	10,451
Deferred revenue - upfront payments from membership upgrade sales as of December 31,	<u>\$ 138,878</u>	<u>\$ 126,814</u>
Deferred commission expense as of December 31	\$ 41,149	\$ 40,308
Deferred commission expense	4,995	4,508
Commission expense recognized	(3,673)	(3,667)
Net increase in deferred commission expense	1,322	841
Deferred commission expense as of December 31,	<u>\$ 42,471</u>	<u>\$ 41,149</u>

Note 12—Transactions with Related Parties

We lease office space from Two North Riverside Plaza Joint Venture Limited Partnership, an entity affiliated with Samuel Zell, Chairman of our Board of Directors. Payments made in accordance with the lease agreement to this entity amounted to approximately \$1.6 million for the year ended December 31, 2020, \$1.7 million for the year ended December 31, 2019, and \$1.4 million for the year ended December 31, 2018.

Note 13—Equity Incentive Awards

Our 2014 Equity Incentive Plan (the "2014 Plan") was adopted by the Board of Directors on March 11, 2014 and approved by our stockholders on May 13, 2014. Pursuant to the 2014 Plan, our officers, directors, employees and consultants may be awarded restricted stock, options, including non-qualified stock options and incentive stock options, and other forms of equity awards subject to conditions and restrictions determined by the Compensation, Nominating, and Corporate Governance Committee of our Board of Directors (the "Compensation Committee").

Equity awards under the 2014 Plan are made by the Compensation Committee, who determines the individuals eligible to receive awards, the types of awards, and the terms, conditions and restrictions applicable to any award. Grants to directors are determined by the Board of Directors. As of December 31, 2020, 5,513,458 shares remained available for future grants.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 13—Equity Incentive Awards (continued)

Restricted stock and options under the 2014 Plan have a maximum contractual term of ten years from the date of grant and have an exercise price not less than the fair value of the stock on the grant date. Individual grants could have different vesting periods but generally no longer than three and a half years. All restricted stock awards have non-forfeitable rights to dividend payments even if the underlying stock does not entirely vest.

Grants Issued

During the quarter ended March 31, 2020, 90,933 shares of restricted stock were awarded to certain members of our management team. Of these shares, 50% are time-based awards, vesting in equal installments over a three-year period on January 29, 2021, January 31, 2022, and January 27, 2023, respectively, and have a grant date fair value of \$3.3 million. The remaining 50% are performance-based awards vesting in equal installments on January 29, 2021, January 31, 2022, and January 27, 2023, respectively, upon meeting performance conditions as established by the Compensation Committee in the year of the vesting period. They are valued using the closing price at the grant date when all the key terms and conditions are known to all parties. The 15,154 shares of restricted stock subject to 2020 performance goals have a grant date fair value of \$1.1 million.

During the quarter ended September 30, 2020, we awarded to certain members of our Board of Directors 60,171 shares of restricted stock at a fair value of approximately \$4.0 million and options to purchase 16,090 shares of common stock with an exercise price of \$66.81. These are time-based awards subject to various vesting dates between January 28, 2021 and July 28, 2023.

Stock-based compensation expense, reported in General and administrative expense on the Consolidated Statements of Income and Comprehensive Income, for the years ended December 31, 2020, 2019 and 2018 was \$11.5 million, \$10.5 million and \$10.0 million, respectively.

Restricted Stock

A summary of our restricted stock activities and related information, as adjusted for stock split, is as follows:

	<u>Number of Shares</u>	<u>Weighted Average Grant Date Fair Value Per Share</u>
Balance at December 31, 2017.....	139,544	\$38.89
Shares granted.....	385,010	\$43.01
Shares vested.....	<u>(224,852)</u>	\$40.74
Balance at December 31, 2018.....	299,702	\$42.78
Shares granted.....	193,262	\$55.51
Shares vested.....	<u>(74,222)</u>	\$43.72
Balance at December 31, 2019.....	418,742	\$48.32
Shares granted.....	151,104	\$56.07
Shares vested.....	<u>(221,055)</u>	\$47.74
Balance at December 31, 2020.....	<u>348,791</u>	\$53.06

Compensation expense to be recognized subsequent to December 31, 2020 for restricted stock granted during or prior to 2020 that have not yet vested was \$12.3 million, which is expected to be recognized over a weighted average term of 1.8 years.

Stock Options

The fair value of stock options granted was estimated on the grant date using the Black-Scholes-Merton model. The following table includes the assumptions made in the valuation, as adjusted for stock split:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Dividend Yield.....	2.1%	—%	2.5%
Risk-free interest rate.....	0.3%	—%	2.8%
Expected Life.....	5.6 years	0	5.6 years
Expected Volatility.....	49.2%	—%	16.7%
Weighted Average Grant Date Fair Value Per Share.....	\$29.58	\$—	\$6.48

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 13—Equity Incentive Awards (continued)

There were 16,090 stock options granted during 2020. No options were forfeited or expired for the years ended December 31, 2020, 2019 and 2018. A summary of our stock option activity and related information, as adjusted for stock split, is as follows:

	<u>Shares Subject To Options</u>	<u>Weighted Average Exercise Price Per Share</u>	<u>Weighted Average Outstanding Contractual Life (in years)</u>	<u>Average Intrinsic Value (in millions)</u>
Balance at December 31, 2017	440,160	\$11.36	1.6	\$14.6
Options issued	12,540	\$44.83		
Options exercised	<u>(405,600)</u>	\$9.43		\$16.9
Balance at December 31, 2018	47,100	\$36.95	7.3	\$0.5
Options exercised	<u>(5,600)</u>	\$9.43		\$0.2
Balance at December 31, 2019	41,500	\$40.65	7.3	\$1.2
Options issued	<u>16,090</u>	\$66.81		
Balance at December 31, 2020	<u>57,590</u>	\$47.96	7.2	\$0.9
Exercisable at December 31, 2020	<u>41,500</u>	\$40.65	6.3	\$0.9

There were no cash proceeds received from stock options exercised for the year ended December 31, 2020, and \$0.1 million and \$3.8 million for the years ended December 31, 2019 and 2018, respectively.

Note 14—Long-Term Cash Incentive Plan

2019 LTIP

On February 11, 2019, the Compensation Committee approved a Long-Term Cash Incentive Plan Award (the "2019 LTIP") to provide a long-term cash bonus opportunity to certain members of our management. The 2019 LTIP was approved by the Compensation Committee pursuant to the authority set forth in the Long-Term Cash Incentive Plan approved by our Board of Directors on May 15, 2007. The total cumulative payment for all participants (the "Eligible Payment") is based upon certain performance conditions being met over a three-year period ending December 31, 2021.

The Compensation Committee has responsibility for administering the 2019 LTIP and may use its reasonable discretion to adjust the performance criteria or the Eligible Payment to take into account the impact of any major or unforeseen transaction or event. Our named executive officers are not participants in the 2019 LTIP. The Eligible Payment will be paid, at the discretion of the Compensation Committee, in cash upon completion of our annual audit for the 2021 fiscal year and upon satisfaction of the vesting conditions as outlined in the 2019 LTIP. For each of the years ended December 31, 2020 and 2019, we accrued compensation expense of approximately \$1.5 million.

Note 15—Savings Plan

We maintain a qualified retirement plan under which eligible employees may defer compensation for income tax purposes under Section 401(k) of the Internal Revenue Code (the "401K Plan"). The 401K Plan permits eligible employees and those of any Subsidiary to defer up to 60.0% of their compensation on a pre-tax basis subject to certain limits. In addition, we match 100.0% of their contribution up to the first 3.0% and then 50.0% of the next 2.0% for a maximum potential match of 4.0%. Both employee's and our matching contributions vest immediately.

Our contribution to the 401K Plan was approximately \$2.9 million, \$1.9 million and \$1.7 million for the years ended December 31, 2020, 2019 and 2018, respectively. The increase for the year ended December 31, 2020 primarily relates to the correction of an operational error in prior years approved by the IRS pursuant to its Voluntary Correction Program.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 16—Commitments and Contingencies

We are involved in various legal and regulatory proceedings ("Proceedings") arising in the ordinary course of business. The Proceedings include, but are not limited to, legal claims made by employees, vendors and customers, and notices, consent decrees, information requests, additional permit requirements and other similar enforcement actions by governmental agencies relating to our utility infrastructure, including water and wastewater treatment plants and other waste treatment facilities and electrical systems. Additionally, in the ordinary course of business, our operations are subject to audit by various taxing authorities. Management believes these Proceedings taken together do not represent a material liability. In addition, to the extent any such Proceedings or audits relate to newly acquired Properties, we consider any potential indemnification obligations of sellers in our favor.

The Operating Partnership operates and manages Westwinds, a 720 site mobilehome community, and Nicholson Plaza, an adjacent shopping center, both located in San Jose, California pursuant to ground leases that expire on August 31, 2022 and do not contain extension options. The master lessor of these ground leases, The Nicholson Family Partnership (the "Nicholsons"), has expressed a desire to redevelop Westwinds, and in a written communication, they claimed that we were obligated to deliver the property free and clear of any and all subtenancies upon the expiration of the ground leases on August 31, 2022. In connection with any redevelopment, the City of San Jose's conversion ordinance requires, among other things, that the landowner provide relocation, rental and purchase assistance to the impacted residents.

We believe the Nicholsons' demand is unlawful, and on December 30, 2019, the Operating Partnership, together with certain interested parties, filed a complaint in California Superior Court for Santa Clara County, seeking declaratory relief pursuant to which it requested that the Court determine, among other things, that the Operating Partnership has no obligation to deliver the property free and clear of the mobilehome residents upon the expiration of the ground leases. The Operating Partnership and the interested parties filed an amended complaint on January 29, 2020. The Nicholsons filed a demand for arbitration on January 28, 2020, which they subsequently amended, pursuant to which they request (i) a declaration that the Operating Partnership, as the "owner and manager" of Westwinds, is "required by the Ground Leases, and State and local law to deliver the Property free of any encumbrances or third-party claims at the expiration of the lease terms," (ii) that the Operating Partnership anticipatorily breached the ground leases by publicly repudiating any such obligation and (iii) that the Operating Partnership is required to indemnify the Nicholsons with respect to the claims brought by the interested parties in the Superior Court proceeding.

On February 3, 2020, the Nicholsons filed a motion in California Superior Court to compel arbitration and to stay the Superior Court litigation, which motion was heard on June 25, 2020. On July 29, 2020, the Superior Court issued a final order denying the Nicholsons' motion to compel arbitration. The Nicholsons filed a notice of appeal on August 7, 2020. The Nicholsons' claim that the Operating Partnership is required to indemnify the Nicholsons for legal fees with respect to the claims brought by the third parties in the Superior Court litigation is proceeding in the arbitration.

We intend to continue to vigorously defend our interests in this matter. As of December 31, 2020 we have not made an accrual, as we are unable to predict the outcome of this matter or reasonably estimate any possible loss.

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 17—Reportable Segments

Operating segments are defined as components of an entity for which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM"). The CODM evaluates and assesses performance on a monthly basis. Segment operating performance is measured on Net Operating Income ("NOI"). NOI is defined as total operating revenues less total operating expenses. Segments are assessed before interest income and depreciation and amortization.

We have identified two reportable segments: (i) Property Operations and (ii) Home Sales and Rentals Operations. The Property Operations segment owns and operates land lease Properties and the Home Sales and Rentals Operations segment purchases, sells and leases homes at the Properties. The distribution of the Properties throughout the United States reflects our belief that geographic diversification helps insulate the total portfolio from regional economic influences.

All revenues are from external customers and there is no customer who contributed 10% or more of our total revenues during the years ended December 31, 2020, 2019 and 2018.

The following tables summarize our segment financial information for the years ended December 31, 2020, 2019, and 2018:

	Year Ended December 31, 2020		
	Property Operations	Home Sales and Rentals Operations	Consolidated
<i>(amounts in thousands)</i>			
Operations revenues	\$ 1,017,249	\$ 63,019	\$ 1,080,268
Operations expenses	(488,153)	(56,747)	(544,900)
Income from segment operations	529,096	6,272	535,368
Interest income	4,385	2,754	7,139
Depreciation and amortization	(144,235)	(10,896)	(155,131)
Gain on sale of real estate, net	—	—	—
Income (loss) from operations	<u>\$ 389,246</u>	<u>\$ (1,870)</u>	<u>\$ 387,376</u>
Reconciliation to consolidated net income:			
Corporate interest income			15
Income from other investments, net			4,026
General and administrative			(39,276)
Other expenses			(2,567)
Interest and related amortization			(102,771)
Equity in income of unconsolidated joint ventures			5,399
Early debt retirement			(10,786)
Consolidated net income			<u><u>\$ 241,416</u></u>
Total assets	<u><u>\$ 4,160,216</u></u>	<u><u>\$ 258,753</u></u>	<u><u>\$ 4,418,969</u></u>
Capital improvements	<u><u>\$ 157,467</u></u>	<u><u>\$ 59,615</u></u>	<u><u>\$ 217,082</u></u>

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 17—Reportable Segments (continued)

	Year Ended December 31, 2019		
<i>(amounts in thousands)</i>	Property Operations	Home Sales and Rentals Operations	Consolidated
Operations revenues	\$ 969,560	\$ 50,961	\$ 1,020,521
Operations expenses	(461,128)	(45,100)	(506,228)
Income from segment operations	508,432	5,861	514,293
Interest income	3,856	3,324	7,180
Depreciation and amortization	(141,472)	(10,638)	(152,110)
Gain on sale of real estate, net	52,507	—	52,507
Income (loss) from operations	<u>\$ 423,323</u>	<u>\$ (1,453)</u>	<u>\$ 421,870</u>
Reconciliation to consolidated net income:			
Corporate interest income			27
Income from other investments, net			9,528
General and administrative			(35,679)
Other expenses			(2,865)
Interest and related amortization			(104,223)
Equity in income of unconsolidated joint venture			8,755
Early debt retirement			(1,491)
Consolidated net income			<u><u>\$ 295,922</u></u>
Total assets	<u><u>\$ 3,878,770</u></u>	<u><u>\$ 272,505</u></u>	<u><u>\$ 4,151,275</u></u>
Capital Improvements	<u><u>\$ 116,349</u></u>	<u><u>\$ 141,644</u></u>	<u><u>\$ 257,993</u></u>

	Year Ended December 31, 2018		
<i>(amounts in thousands)</i>	Property Operations	Home Sales and Rentals Operations	Consolidated
Operations revenues	\$ 916,565	\$ 51,721	\$ 968,286
Operations expenses	(434,360)	(48,406)	(482,766)
Income from segment operations	482,205	3,315	485,520
Interest income	3,374	3,898	7,272
Depreciation and amortization	(127,399)	(9,810)	(137,209)
Gain on sale of real estate, net	—	—	—
Income (loss) from operations	<u>\$ 358,180</u>	<u>\$ (2,597)</u>	<u>\$ 355,583</u>
Reconciliation to consolidated net income:			
Corporate interest income			253
Income from other investments, net			10,842
General and administrative			(37,684)
Other expenses			(1,483)
Interest and related amortization			(104,993)
Equity in income of unconsolidated joint ventures			4,939
Early debt retirement			(1,071)
Consolidated net income			<u><u>\$ 226,386</u></u>
Total assets	<u><u>\$ 3,692,510</u></u>	<u><u>\$ 233,298</u></u>	<u><u>\$ 3,925,808</u></u>
Capital Improvements	<u><u>\$ 94,015</u></u>	<u><u>\$ 87,607</u></u>	<u><u>\$ 181,622</u></u>

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 17—Reportable Segments (continued)

The following table summarizes our financial information for the Property Operations segment for the years ended December 31, 2020, 2019, and 2018:

<i>(amounts in thousands)</i>	Years Ended December 31,		
	2020	2019	2018
Revenues:			
Rental income.....	\$ 907,305	\$ 864,701	\$ 806,785
Annual membership subscriptions.....	53,085	51,015	47,778
Membership upgrade sales current period, gross.....	21,739	19,111	15,191
Membership upgrade sales upfront payments, deferred, net.....	(12,062)	(10,451)	(7,380)
Other income.....	46,008	43,063	51,935
Ancillary services revenues, net.....	1,174	2,121	2,256
Total property operations revenues.....	1,017,249	969,560	916,565
Expenses:			
Property operating and maintenance.....	348,394	327,917	313,003
Real estate taxes.....	66,120	62,338	55,892
Sales and marketing, gross.....	17,332	15,583	12,542
Membership sales commissions, deferred, net.....	(1,660)	(1,219)	(813)
Property management.....	57,967	56,509	53,736
Total property operations expenses.....	488,153	461,128	434,360
Income from property operations segment.....	\$ 529,096	\$ 508,432	\$ 482,205

The following table summarizes our financial information for the Home Sales and Rentals Operations segment for the years ended December 31, 2020, 2019, and 2018:

<i>(amounts in thousands)</i>	Years Ended December 31,		
	2020	2019	2018
Revenues:			
Rental income ⁽¹⁾	\$ 16,438	\$ 14,934	\$ 14,329
Gross revenue from home sales.....	45,695	34,655	36,064
Brokered resale revenues, net.....	886	1,372	1,290
Ancillary services revenues, net.....	—	—	38
Total revenues.....	63,019	50,961	51,721
Expenses:			
Cost of home sales.....	46,229	35,096	37,475
Home selling expenses.....	4,572	4,401	4,095
Rental home operating and maintenance.....	5,946	5,603	6,836
Total expenses.....	56,747	45,100	48,406
Income from home sales and rentals operations segment.....	\$ 6,272	\$ 5,861	\$ 3,315

⁽¹⁾ Rental income within Home Sales and Rentals Operations does not include base rent related to the rental home Sites. Base rent is included within property operations.

Note 18—Subsequent Events

Equity Incentive Awards

On February 9, 2021, the Compensation Committee approved the 2021 Restricted Stock Award Program for certain members of our management team pursuant to the authority set forth in the 2014 Plan. As a result, we awarded 104,734 shares of restricted stock. Of these shares, 50% are time-based awards, vesting in equal installments over a three-year period on January 31, 2022, January 27, 2023 and January 26, 2024, respectively, and have a grant date fair value of \$3.3 million. The remaining 50% are performance-based awards vesting in equal installments on on January 31, 2022, January 27, 2023 and

Equity LifeStyle Properties, Inc.
Notes to Consolidated Financial Statements

Note 18—Subsequent Events (continued)

January 26, 2024, respectively, upon meeting performance conditions to be established by the Compensation Committee in the year of the vesting period. They are valued using the closing price at the grant date when all the key terms and conditions are known to all parties. The 17,454 shares of restricted stock subject to 2021 performance goals have a grant date fair value of \$1.1 million.

Acquisitions

In January and February 2021, we completed the acquisitions of:

- Okeechobee KOA Resort, a 740 site RV community located in Okeechobee, Florida for a purchase price of \$42.2 million, which was funded with the LOC.
- 11 marinas, containing 3,986 slips and 181 RV sites located in Florida, North Carolina, South Carolina, Kentucky and Ohio. The purchase price of these properties was \$266.4 million, which was funded with proceeds from the term loan discussed below.

Unsecured Financing

On February 5, 2021, we entered into a term loan agreement with Wells Fargo Bank, National Association, as the administrative agent, pursuant to which we have entered into a \$300.0 million senior unsecured term loan. The maturity date is October 27, 2021, and this term can be extended an additional three months, subject to certain conditions. The term loan bears interest at a rate of LIBOR plus 1.45%. We incurred commitment and arrangement fees of approximately \$1.1 million.

**Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation**

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS			Costs Capitalized Subsequent to Acquisition (Improvements)			Gross Amount Carried at 12/31/20			Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property	Total ⁽³⁾		
Properties Held for Long Term													
Hidden Cove	Arley	\$ —	\$ 212	\$ 610	\$ —	\$ 1,842	\$ 212	\$ 2,452	\$ 2,664	\$ (434)	2006		
Apache East	Apache Junction	(4,930)	2,236	4,181	—	215	2,236	4,396	6,632	(1,577)	2011		
Countryside RV	Apache Junction	(8,035)	2,056	6,241	—	1,759	2,056	8,000	10,056	(4,667)	2002		
Denali Park	Apache Junction	—	2,394	4,016	—	324	2,394	4,340	6,734	(1,516)	2011		
Dolce Vita	Apache Junction	—	52,803	37,245	—	3	52,803	37,248	90,051	—	2020		
Golden Sun RV	Apache Junction	(5,701)	1,678	5,049	—	867	1,678	5,916	7,594	(3,391)	2002		
Meridian RV Resort	Apache Junction	—	6,445	5,292	—	—	6,445	5,292	11,737	—	2020		
Valley Vista	Benson	—	115	429	—	278	115	707	822	(229)	2010		
Casita Verde	Casa Grande	—	719	2,179	—	273	719	2,452	3,171	(1,140)	2006		
Fiesta Grande	Casa Grande	—	2,869	8,653	—	1,430	2,869	10,083	12,952	(4,587)	2006		
Foothills West	Casa Grande	—	747	2,261	—	554	747	2,815	3,562	(1,344)	2006		
Sunshine Valley	Chandler	(25,359)	9,139	12,912	—	671	9,139	13,583	22,722	(4,775)	2011		
Verde Valley	Cottonwood	—	1,437	3,390	19	7,084	1,456	10,474	11,930	(2,896)	2004		
Casa del Sol East II	Glendale	—	2,103	6,283	—	3,452	2,103	9,735	11,838	(5,509)	1996		
Casa del Sol East III	Glendale	—	2,450	7,452	—	1,254	2,450	8,706	11,156	(6,146)	1998		
Palm Shadows	Glendale	—	1,400	4,218	—	1,853	1,400	6,071	7,471	(4,761)	1993		
Hacienda De Valencia	Mesa	(19,408)	833	2,701	—	5,445	833	8,146	8,979	(5,857)	1984		
Mesa Spirit	Mesa	(15,805)	17,382	25,238	192	292	17,574	25,530	43,104	(5,710)	2014		
Monte Vista Resort	Mesa	(20,179)	11,402	34,355	—	32,339	11,402	66,694	78,096	(23,372)	2004		
Seyenna Vistas	Mesa	—	1,360	4,660	(87)	3,506	1,273	8,166	9,439	(5,996)	1994		
The Highlands at Brentwood	Mesa	(12,182)	1,997	6,024	—	2,396	1,997	8,420	10,417	(6,882)	1993		
ViewPoint RV & Golf Resort	Mesa	(47,422)	24,890	56,340	15	25,404	24,905	81,744	106,649	(37,844)	2004		
Apollo Village	Peoria	—	932	3,219	—	1,846	932	5,065	5,997	(3,845)	1994		
Casa del Sol West	Peoria	—	2,215	6,467	—	2,670	2,215	9,137	11,352	(5,618)	1996		
Carefree Manor	Phoenix	—	706	3,040	—	1,099	706	4,139	4,845	(2,875)	1998		
Central Park	Phoenix	(11,243)	1,612	3,784	—	2,019	1,612	5,803	7,415	(4,880)	1983		
Desert Skies	Phoenix	(4,473)	792	3,126	—	942	792	4,068	4,860	(2,894)	1998		
Sunrise Heights	Phoenix	(5,480)	1,000	3,016	—	1,983	1,000	4,999	5,999	(3,639)	1994		
Whispering Palms	Phoenix	—	670	2,141	—	500	670	2,641	3,311	(1,914)	1998		
Desert Vista	Salome	—	66	268	—	314	66	582	648	(205)	2010		
Sedona Shadows	Sedona	—	1,096	3,431	—	2,276	1,096	5,707	6,803	(3,604)	1997		
Venture In	Show Low	(8,661)	2,050	6,188	—	777	2,050	6,965	9,015	(3,337)	2006		
Paradise	Sun City	(36,055)	6,414	19,263	11	3,074	6,425	22,337	28,762	(12,666)	2004		
The Meadows AZ	Tempe	(15,933)	2,613	7,887	—	4,709	2,613	12,596	15,209	(9,549)	1994		

**Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation**

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20		Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property		
			Total ⁽³⁾	Total ⁽³⁾	Total ⁽³⁾	Total ⁽³⁾				
Fairview Manor	Tucson	—	1,674	4,708	—	2,547	1,674	7,255	(5,031)	1998
Voyager Expansion	Tucson	—	6,148	—	—	6,148	6,148	—	—	2020
Westpark	Wickenburg	(8,425)	4,495	10,517	—	4,588	4,495	15,105	(4,028)	2011
Araby Acres	Yuma	—	1,440	4,345	—	1,260	1,440	5,605	(2,948)	2003
Cactus Gardens	Yuma	(6,089)	1,992	5,984	—	610	1,992	6,594	(3,534)	2004
Capri	Yuma	—	1,595	4,774	—	503	1,595	5,277	(2,469)	2006
Desert Paradise	Yuma	—	666	2,011	—	413	666	2,424	(1,319)	2004
Foothill Village	Yuma	—	459	1,402	—	394	459	1,796	(963)	2003
Mesa Verde RV	Yuma	(4,432)	1,387	4,148	—	789	1,387	4,937	(2,236)	2007
Suni Sands	Yuma	—	1,249	3,759	—	689	1,249	4,448	(2,388)	2004
Cultus Lake	Lindell Beach	—	410	968	6	570	416	1,538	(811)	2004
Soledad Canyon	Acton	—	2,933	6,917	39	8,466	2,972	15,383	(5,748)	2004
Los Ranchos	Apple Valley	—	8,336	15,774	—	1,072	8,336	16,846	(5,850)	2011
Monte del Lago	Castroville	(35,627)	3,150	9,469	—	4,930	3,150	14,399	(9,457)	1997
Date Palm Country Club	Cathedral City	—	—	18,179	—	8,371	—	26,550	(21,113)	1994
Palm Springs Oasis RV Resort	Cathedral City	—	—	216	—	684	—	900	(510)	1994
Colony Park	Ceres	(7,568)	890	2,837	—	1,608	890	4,445	(2,867)	1998
Russian River	Cloverdale	—	368	868	5	605	373	1,473	(653)	2004
Oakzanita Springs	Descanso	—	396	934	5	2,374	401	3,308	(1,211)	2004
Rancho Mesa	El Cajon	—	2,130	6,389	—	1,555	2,130	7,944	(5,420)	1998
Rancho Valley	El Cajon	(18,320)	685	1,902	—	2,050	685	3,952	(2,940)	1983
Snowflower	Emigrant Gap	—	308	727	4	2,076	312	2,803	(900)	2004
Four Seasons	Fresno	—	756	2,348	—	1,929	756	4,277	(2,406)	1997
Yosemite Lakes	Groveland	—	2,045	4,823	27	6,206	2,072	11,029	(3,884)	2004
Royal Holiday	Hemet	—	778	2,643	—	5,017	778	7,660	(3,360)	1999
Idyllwild	Idyllwild-Pine Cove	—	313	737	4	2,201	317	2,938	(1,047)	2004
Pio Pico	Jamul	—	2,626	6,194	35	4,687	2,661	10,881	(4,700)	2004
Tahoe Valley	Lake Tahoe	—	—	5,428	—	1,638	—	7,066	(3,563)	2004
Sea Oaks	Los Osos	—	871	2,703	—	1,175	871	3,878	(2,546)	1997
Ponderosa Resort	Lotus	—	900	2,100	—	2,778	900	4,878	(1,590)	2006
Turtle Beach	Manteca	—	268	633	4	1,447	272	2,080	(605)	2004
Marina Dunes RV Resort	Marina	—	20,379	8,204	—	13	20,379	8,217	(52)	2020
Wilderness Lakes	Menifee	—	2,157	5,088	29	3,063	2,186	8,151	(3,617)	2004
Coralwood	Modesto	—	—	5,047	—	1,652	—	6,699	(4,516)	1997
Morgan Hill	Morgan Hill	—	1,856	4,378	980	5,569	2,836	9,947	(3,229)	2004

**Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation**

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20			Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property	Total ⁽³⁾		
Lake Minden	Nicolaus	—	961	2,267	13	1,558	974	3,825	4,799	(1,910)	2004
Pacific Dunes Ranch	Oceana	—	1,940	5,632	—	1,662	1,940	7,294	9,234	(3,531)	2004
Lake of the Springs	Oregon House	—	1,062	2,504	14	2,328	1,076	4,832	5,908	(2,041)	2004
Concord Cascade	Pacheco	—	985	3,016	—	3,461	985	6,477	7,462	(4,634)	1983
San Francisco RV	Pacifica	—	1,660	4,973	—	3,055	1,660	8,028	9,688	(4,559)	2005
San Benito	Paicines	—	1,411	3,328	19	3,240	1,430	6,568	7,998	(2,737)	2004
Palm Springs	Palm Desert	—	1,811	4,271	24	2,164	1,835	6,435	8,270	(3,016)	2004
Las Palmas Estates	Rialto	—	1,295	3,866	—	1,050	1,295	4,916	6,211	(2,521)	2004
Parque La Quinta	Rialto	—	1,799	5,450	—	1,083	1,799	6,533	8,332	(3,342)	2004
Quail Meadows	Riverbank	—	1,155	3,469	—	1,113	1,155	4,582	5,737	(3,058)	1998
California Hawaiian	San Jose	(34,528)	5,825	17,755	—	5,124	5,825	22,879	28,704	(16,399)	1997
Nicholson Plaza	San Jose	—	—	4,512	—	687	—	5,199	5,199	(4,291)	1997
Sunshadow	San Jose	—	12,334	5,707	8	1,149	12,342	6,856	19,198	(4,837)	1997
Village of the Four Seasons	San Jose	(19,666)	5,229	15,714	—	2,016	5,229	17,730	22,959	(9,293)	2004
Westwinds (4 properties)	San Jose	—	—	17,616	—	10,972	—	28,588	28,588	(23,728)	1997
Laguna Lake	San Luis Obispo	(18,708)	2,845	6,520	—	1,657	2,845	8,177	11,022	(5,631)	1998
Contempo Marin	San Rafael	(36,927)	4,787	16,379	—	4,354	4,787	20,733	25,520	(17,053)	1994
Rancho Oso	Santa Barbara	—	860	2,029	12	2,738	872	4,767	5,639	(1,740)	2004
De Anza Santa Cruz	Santa Cruz	(46,010)	2,103	7,201	—	5,838	2,103	13,039	15,142	(8,340)	1994
Meadowbrook	Santee	(22,627)	4,345	12,528	—	3,307	4,345	15,835	20,180	(11,025)	1998
Santa Cruz Ranch	Scotts Valley	—	1,595	3,937	—	828	1,595	4,765	6,360	(1,955)	2007
Lamplighter Village	Spring Valley	(32,920)	633	2,201	—	2,303	633	4,504	5,137	(3,323)	1983
Santiago Estates	Sylmar	(22,705)	3,562	10,767	—	3,393	3,562	14,160	17,722	(9,361)	1998
Royal Oaks	Visalia	—	602	1,921	—	1,766	602	3,687	4,289	(2,077)	1997
Hillcrest Village CO	Aurora	(39,298)	1,912	5,202	289	6,884	2,201	12,086	14,287	(8,040)	1983
Cimarron Village	Broomfield	(29,785)	863	2,790	—	1,929	863	4,719	5,582	(3,600)	1983
Holiday Village CO	Colorado Springs	(19,672)	567	1,759	—	2,765	567	4,524	5,091	(2,916)	1983
Bear Creek Village	Denver	(5,883)	1,100	3,359	—	1,126	1,100	4,485	5,585	(2,912)	1998
Holiday Hills Village	Denver	(58,559)	2,159	7,780	—	9,068	2,159	16,848	19,007	(12,228)	1983
Golden Terrace	Golden	—	826	2,415	—	3,414	826	5,829	6,655	(3,693)	1983
Golden Terrace South	Golden	—	750	2,265	—	1,063	750	3,328	4,078	(2,302)	1997
Golden Terrace West	Golden	—	1,694	5,065	—	7,580	1,694	12,645	14,339	(6,795)	1986
Pueblo Grande	Pueblo	—	241	1,069	—	3,323	241	4,392	4,633	(1,791)	1983
Woodland Hills	Thornton	(33,521)	1,928	4,408	—	4,357	1,928	8,765	10,693	(6,421)	1994
Stonegate Manor	North Windham	—	6,011	12,336	—	467	6,011	12,803	18,814	(4,616)	2011

**Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation**

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20		Accumulated Depreciation	Date of Acquisition	
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property			
			Total ⁽³⁾	Total ⁽³⁾	Total ⁽³⁾	Total ⁽³⁾					
Waterford Estates	Bear	(38,991)	5,250	16,202	—	3,035	5,250	19,237	24,487	(9,262)	1996
McNicol Place	Lewes	—	562	1,710	—	270	562	1,980	2,542	(1,420)	1998
Whispering Pines	Lewes	—	1,536	4,609	—	2,594	1,536	7,203	8,739	(5,759)	1988
Mariner's Cove	Millsboro	(19,157)	990	2,971	—	7,230	990	10,201	11,191	(7,403)	1987
Sweetbriar	Millsboro	—	498	1,527	—	926	498	2,453	2,951	(1,603)	1998
Aspen Meadows	Rehoboth	(10,835)	1,148	3,460	—	746	1,148	4,206	5,354	(3,055)	1998
Camelot Meadows	Rehoboth	—	527	2,058	1,251	4,756	1,778	6,814	8,592	(4,803)	1998
Riverside RV Resort	Arcadia	—	8,400	11,905	—	742	8,400	12,647	21,047	(3,413)	2016
Toby's RV Resort	Arcadia	—	1,093	3,280	—	709	1,093	3,989	5,082	(2,123)	2003
Sunshine Key	Big Pine Key	—	5,273	15,822	—	16,317	5,273	32,139	37,412	(11,535)	2004
Windmill Manor	Bradenton	(11,885)	2,153	6,125	—	2,348	2,153	8,473	10,626	(5,836)	1998
Winter Quarters Manatee	Bradenton	—	2,300	6,903	—	1,496	2,300	8,399	10,699	(4,421)	2004
Clover Leaf Farms	Brooksville	(32,336)	13,684	24,106	—	5,777	13,684	29,883	43,567	(9,099)	2011
Clover Leaf Forest	Brooksville	—	1,092	2,178	—	421	1,092	2,599	3,691	(766)	2011
Resort at Tranquility Lake	Cape Coral	—	12,572	—	24	205	12,596	205	12,801	—	2020
Glen Ellen	Clearwater	—	619	1,882	—	478	619	2,360	2,979	(1,309)	2002
Hillcrest FL	Clearwater	—	1,278	3,928	—	1,606	1,278	5,534	6,812	(3,937)	1998
Holiday Ranch	Clearwater	—	925	2,866	—	737	925	3,603	4,528	(2,516)	1998
Serendipity	Clearwater	(16,953)	18,944	11,782	—	2,225	18,944	14,007	32,951	(3,362)	2018
Shady Lane Oaks	Clearwater	—	4,984	8,482	—	621	4,984	9,103	14,087	(3,264)	2011
Shady Lane Village	Clearwater	—	3,102	5,480	—	353	3,102	5,833	8,935	(2,106)	2011
Silk Oak Lodge	Clearwater	—	1,649	5,028	—	623	1,649	5,651	7,300	(3,200)	2002
Clerbrook Golf & RV Resort	Clermont	—	3,883	11,700	—	2,998	3,883	14,698	18,581	(6,706)	2006
Lake Magic	Clermont	—	1,595	4,793	—	1,457	1,595	6,250	7,845	(3,228)	2004
Orange Lake	Clermont	—	4,303	6,815	—	1,078	4,303	7,893	12,196	(2,714)	2011
Orlando	Clermont	—	2,975	7,017	40	16,273	3,015	23,290	26,305	(5,871)	2004
Crystal Isles	Crystal River	—	926	2,787	10	3,580	936	6,367	7,303	(2,586)	2004
Cheron Village	Davie	—	10,393	6,217	—	329	10,393	6,546	16,939	(2,637)	2011
Carriage Cove	Daytona Beach	(16,342)	2,914	8,682	—	2,318	2,914	11,000	13,914	(7,688)	1998
Lake Haven	Dunedin	(13,613)	1,135	4,047	—	4,320	1,135	8,367	9,502	(6,237)	1983
Marker I Marina	Dunedin	—	21,685	15,758	—	(19)	21,685	15,739	37,424	—	2020
Coquina Crossing	Elkton	(28,170)	5,274	5,545	—	19,821	5,274	25,366	30,640	(13,856)	1999
Colony Cove	Ellenton	(96,677)	28,660	92,457	38,094	27,916	66,754	120,373	187,127	(35,580)	2011
Ridgewood Estates	Ellenton	—	8,769	8,791	—	844	8,769	9,635	18,404	(3,373)	2011
Haselton Village	Eustis	—	3,800	8,955	—	721	3,800	9,676	13,476	(3,285)	2011

**Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation**

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20		Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property		
			Total ⁽³⁾	Total ⁽³⁾	Total ⁽³⁾	Total ⁽³⁾				
Southern Palms RV	Eustis	—	2,169	5,884	—	4,352	2,169	10,236	(6,785)	1998
Bulow Plantation	Flagler Beach	—	3,637	949	—	7,418	3,637	8,367	(5,297)	1994
Bulow RV	Flagler Beach	—	—	228	—	2,472	—	2,700	(1,030)	1994
Carefree Cove	Fort Lauderdale	—	1,741	5,170	—	950	1,741	6,120	(3,228)	2004
Everglades Lakes	Fort Lauderdale	—	53,850	18,797	—	1,675	53,850	20,472	(2,443)	2018
Park City West	Fort Lauderdale	—	4,184	12,561	—	1,486	4,184	14,047	(7,614)	2004
Sunshine Holiday MH	Fort Lauderdale	(9,409)	3,099	9,286	—	1,971	3,099	11,257	(5,669)	2004
Crystal Lakes-Fort Myers	Fort Myers	—	1,047	—	1,340	825	2,387	825	(24)	2018
Fort Myers Beach	Fort Myers	—	1,188	3,548	849	1,037	2,037	4,585	(2,397)	2004
Gulf Air	Fort Myers Beach	(6,040)	1,609	4,746	—	955	1,609	5,701	(2,998)	2004
Lakeside Terrace	Fruitland Park	—	3,275	7,165	—	696	3,275	7,861	(2,699)	2011
Grand Island Resort	Grand Island	—	1,723	5,208	125	6,207	1,848	11,415	(6,023)	2001
Holiday Travel Park	Holiday	—	9,240	13,284	—	1,014	9,240	14,298	(3,598)	2018
Barrington Hills	Hudson	(4,323)	1,145	3,437	—	1,272	1,145	4,709	(2,388)	2004
Sherwood Forest - MHP	Kissimmee	—	4,852	14,596	—	7,777	4,852	22,373	(15,034)	1998
Sherwood Forest RV	Kissimmee	—	2,870	3,621	567	4,156	3,437	7,777	(4,799)	1998
Tropical Palms	Kissimmee	—	5,677	17,116	—	13,051	5,677	30,167	(15,088)	2004
Lake Worth Village	Lake Worth	(3,620)	14,959	24,501	—	4,217	14,959	28,718	(9,729)	2011
Beacon Hill Colony	Lakeland	—	3,775	6,405	—	429	3,775	6,834	(2,330)	2011
Beacon Terrace	Lakeland	(9,654)	5,372	9,153	216	719	5,588	9,872	(3,444)	2011
Kings & Queens	Lakeland	—	1,696	3,064	—	307	1,696	3,371	(1,183)	2011
Lakeland Harbor	Lakeland	(31,199)	10,446	17,376	—	919	10,446	18,295	(6,341)	2011
Lakeland Junction	Lakeland	(3,427)	3,018	4,752	—	305	3,018	5,057	(1,795)	2011
Maralago Cay	Lantana	(39,136)	5,325	15,420	—	6,640	5,325	22,060	(15,447)	1997
Down Yonder	Largo	—	2,652	7,981	—	1,593	2,652	9,574	(5,398)	1998
East Bay Oaks	Largo	(9,067)	1,240	3,322	—	1,865	1,240	5,187	(4,212)	1983
Eldorado Village	Largo	(6,058)	778	2,341	—	2,167	778	4,508	(3,109)	1983
Paradise Park - Largo	Largo	(5,442)	3,523	4,026	—	610	3,523	4,636	(1,208)	2017
Shangri-La Mobile Home Park	Largo	—	1,722	5,200	—	394	1,722	5,594	(3,079)	2004
Vacation Village	Largo	(4,441)	1,315	3,946	—	985	1,315	4,931	(2,521)	2004
Whispering Pines - Largo	Largo	—	8,218	14,054	—	1,393	8,218	15,447	(5,271)	2011
Coachwood Colony	Leesburg	—	1,602	4,822	—	1,380	1,602	6,202	(3,038)	2004
Mid-Florida Lakes	Leesburg	(60,052)	5,997	20,635	—	14,676	5,997	35,311	(24,744)	1994
Fiesta Key	Long Key	—	16,611	7,338	—	14,250	16,611	21,588	(3,200)	2013
Winter Quarters Pasco	Lutz	(3,790)	1,494	4,484	—	1,490	1,494	5,974	(2,973)	2004

Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20			Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property	Total ⁽³⁾		
Coral Cay Plantation	Margate	(77,795)	5,890	20,211	—	9,408	5,890	29,619	35,509	(23,066)	1994
Lakewood Village	Melbourne	—	1,862	5,627	—	2,813	1,862	8,440	10,302	(6,268)	1994
Miami Everglades	Miami	—	5,362	6,238	—	1,031	5,362	7,269	12,631	(2,284)	2015
Southernaire	Mt. Dora	—	796	2,395	—	497	796	2,892	3,688	(1,460)	2004
Loggerhead Marinas (11 properties)	Multiple	—	80,819	81,387	—	3,560	80,819	84,947	165,766	(7,582)	2019
Country Place ⁽²⁾	New Port Richey	(18,661)	663	—	18	8,291	681	8,291	8,972	(6,588)	1986
Hacienda Village	New Port Richey	(16,171)	4,297	13,088	—	4,035	4,297	17,123	21,420	(9,279)	2002
Harbor View Mobile Manor	New Port Richey	(17,456)	4,030	12,146	—	1,821	4,030	13,967	17,997	(7,738)	2002
Bay Lake Estates	Nokomis	(10,991)	990	3,390	—	2,608	990	5,998	6,988	(4,183)	1994
Lake Village	Nokomis	(15,247)	15,850	18,099	—	691	15,850	18,790	34,640	(6,587)	2011
Royal Coachman	Nokomis	—	5,321	15,978	—	1,984	5,321	17,962	23,283	(9,895)	2004
Buccaneer Estates	North Fort Myers	—	4,207	14,410	—	6,846	4,207	21,256	25,463	(14,854)	1994
Island Vista Estates	North Fort Myers	—	5,004	15,066	—	4,888	5,004	19,954	24,958	(7,840)	2006
Lake Fairways	North Fort Myers	(37,409)	6,075	18,134	35	4,241	6,110	22,375	28,485	(17,851)	1994
Pine Lakes	North Fort Myers	—	6,306	14,579	2,317	9,535	8,623	24,114	32,737	(18,544)	1994
Pioneer Village	North Fort Myers	(13,149)	4,116	12,353	—	3,173	4,116	15,526	19,642	(8,198)	2004
Sunseekers RV Resort	North Fort Myers	—	4,224	2,299	—	1,831	4,224	4,130	8,354	(639)	2018
The Heritage	North Fort Myers	—	1,438	4,371	346	5,336	1,784	9,707	11,491	(7,062)	1993
Windmill Village - N. Ft. Myers	North Fort Myers	—	1,417	5,440	—	4,477	1,417	9,917	11,334	(7,260)	1983
Foxwood Farms	Ocala	—	3,853	7,967	—	2,262	3,853	10,229	14,082	(3,301)	2011
Oak Bend	Ocala	—	850	2,572	—	3,460	850	6,032	6,882	(3,406)	1993
Villas at Spanish Oaks	Ocala	—	2,250	6,922	—	3,009	2,250	9,931	12,181	(7,548)	1993
Silver Dollar Golf & Trap Club Resort	Odessa	—	4,107	12,431	7,158	3,918	11,265	16,349	27,614	(8,483)	2004
Audubon Village - Florida	Orlando	—	4,622	7,200	—	736	4,622	7,936	12,558	(2,773)	2011
Hidden Valley	Orlando	—	11,398	12,861	—	1,099	11,398	13,960	25,358	(4,874)	2011
Starflight Ranch	Orlando	(31,796)	13,543	20,388	—	3,284	13,543	23,672	37,215	(8,116)	2011
Holiday Village, Ormond Beach	Ormond Beach	—	2,610	7,837	—	1,517	2,610	9,354	11,964	(5,133)	2002
Sunshine Holiday-Daytona North	Ormond Beach	—	2,001	6,004	—	1,069	2,001	7,073	9,074	(3,918)	2004
The Meadows, FL	Palm Beach Gardens	(36,323)	3,229	9,870	—	7,286	3,229	17,156	20,385	(9,881)	1999
Terra Ceia	Palmetto	—	965	2,905	1,833	605	2,798	3,510	6,308	(1,819)	2004
Lakes at Countrywood	Plant City	—	2,377	7,085	—	3,627	2,377	10,712	13,089	(5,904)	2001
Meadows at Countrywood	Plant City	—	4,514	13,175	75	11,758	4,589	24,933	29,522	(15,569)	1998
Oaks at Countrywood	Plant City	—	846	2,513	(75)	2,274	771	4,787	5,558	(2,597)	1998
Breezy Hill	Pompano Beach	(17,647)	5,424	16,555	—	2,894	5,424	19,449	24,873	(11,296)	2002

**Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation**

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20		Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property		
			Total ⁽³⁾	Total ⁽³⁾	Total ⁽³⁾	Total ⁽³⁾				
Highland Wood Travel Park	Pompano Beach	—	1,043	3,130	42	697	1,085	3,827	4,912	2002
Harbor Lakes	Port Charlotte	(17,462)	3,384	10,154	—	1,500	3,384	11,654	15,038	2004
Lighthouse Pointe at Daytona Beach	Port Orange	—	2,446	7,483	23	2,980	2,469	10,463	12,932	1998
Pickwick Village	Port Orange	(17,110)	2,803	8,870	—	3,933	2,803	12,803	15,606	1998
Rose Bay	Port Orange	—	3,866	3,528	—	609	3,866	4,137	8,003	2016
Emerald Lake	Punta Gorda	(4,193)	3,598	5,197	—	589	3,598	5,786	9,384	2011
Gulf View	Punta Gorda	—	717	2,158	—	1,592	717	3,750	4,467	2004
Tropical Palms MH	Punta Gorda	—	2,365	7,286	—	3,450	2,365	10,736	13,101	2006
Kingswood	Riverview	—	9,094	8,365	—	1,054	9,094	9,419	18,513	2018
Palm Lake	Riviera Beach	—	56,323	27,418	—	2,236	56,323	29,654	85,977	2018
Indian Oaks	Rockledge	—	1,089	3,376	—	1,446	1,089	4,822	5,911	1998
Space Coast	Rockledge	—	2,413	3,716	—	1,590	2,413	5,306	7,719	2014
Covington Estates	Saint Cloud	(9,008)	3,319	7,253	—	333	3,319	7,586	10,905	2011
Winds of St. Armands North	Sarasota	(23,774)	1,523	5,063	—	3,954	1,523	9,017	10,540	1983
Winds of St. Armands South	Sarasota	(15,499)	1,106	3,162	1,744	2,713	2,850	5,875	8,725	1983
Topics RV Resort	Spring Hill	(2,274)	844	2,568	—	850	844	3,418	4,262	2004
Pine Island	St. James City	—	1,678	5,044	—	1,629	1,678	6,673	8,351	2007
Carefree Village	Tampa	(23,918)	6,799	10,421	—	1,309	6,799	11,730	18,529	2011
Tarpon Glen	Tarpon Springs	—	2,678	4,016	—	697	2,678	4,713	7,391	2011
Featherock	Valrico	—	11,369	22,770	—	2,321	11,369	25,091	36,460	2011
Bay Indies	Venice	(61,198)	10,483	31,559	10	8,551	10,493	40,110	50,603	1994
Ramblers Rest RV Resort	Venice	(29,945)	4,646	14,201	—	8,258	4,646	22,459	27,105	2006
Countryside at Vero Beach	Vero Beach	(50,619)	3,711	11,133	—	8,908	3,711	20,041	23,752	1998
Heritage Plantation	Vero Beach	(27,504)	2,403	7,259	—	3,398	2,403	10,657	13,060	1994
Heron Cay	Vero Beach	—	14,368	23,792	—	2,081	14,368	25,873	40,241	2011
Holiday Village, Florida	Vero Beach	—	350	1,374	—	258	350	1,632	1,982	1998
Sunshine Travel-Vero Beach	Vero Beach	—	1,603	4,813	—	1,455	1,603	6,268	7,871	2004
Vero Palm Estates	Vero Beach	(11,042)	6,697	9,025	—	1,473	6,697	10,498	17,195	2011
Village Green	Vero Beach	(53,281)	15,901	25,175	518	2,874	16,419	28,049	44,468	2011
Peace River	Wauchula	—	900	2,100	—	2,088	900	4,188	5,088	2006
Palm Beach Colony	West Palm Beach	(10,632)	5,930	10,113	8	946	5,938	11,059	16,997	2011
Parkwood Communities	Wildwood	—	6,990	15,115	—	1,611	6,990	16,726	23,716	2011
Three Flags	Wildwood	—	228	684	—	625	228	1,309	1,537	2006
Winter Garden	Winter Garden	—	2,321	6,962	—	1,247	2,321	8,209	10,530	2007
Crystal Lake Zephyrhills	Zephyrhills	—	3,767	6,834	194	10,155	3,961	16,989	20,950	2011

Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20			Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property	Total ⁽³⁾		
Forest Lake Estates MH	Zephyrhills	(19,207)	40,716	33,918	1,048	2,005	41,764	35,923	77,687	(11,016)	2016
Forest Lake Village RV	Zephyrhills	—	—	537	—	207	—	744	744	(159)	2016
Sixth Avenue	Zephyrhills	—	837	2,518	—	172	837	2,690	3,527	(1,479)	2004
Coach Royale	Boise	—	465	1,685	—	373	465	2,058	2,523	(671)	2011
Maple Grove	Boise	—	1,358	5,151	—	855	1,358	6,006	7,364	(2,020)	2011
Shenandoah Estates	Boise	(8,194)	1,287	7,603	—	562	1,287	8,165	9,452	(2,687)	2011
West Meadow Estates	Boise	(7,304)	1,371	6,770	—	293	1,371	7,063	8,434	(2,443)	2011
O'Connell's Yogi Bear RV Resort	Amboy	(3,247)	1,648	4,974	—	3,051	1,648	8,025	9,673	(3,728)	2004
Pheasant Lake Estates	Beecher	(39,315)	12,764	42,183	—	1,939	12,764	44,122	56,886	(11,906)	2013
Pine Country	Belvidere	—	53	166	—	2,579	53	2,745	2,798	(457)	2006
Willow Lake Estates	Elgin	—	6,138	21,033	—	15,567	6,138	36,600	42,738	(22,794)	1994
Golf Vista Estates	Monee	—	2,842	4,719	—	13,150	2,842	17,869	20,711	(8,293)	1997
Indian Lakes	Batesville	—	450	1,061	6	7,456	456	8,517	8,973	(1,788)	2004
Horseshoe Lakes	Clinton	—	155	365	2	1,767	157	2,132	2,289	(465)	2004
Twin Mills RV	Howe	—	1,399	4,186	—	758	1,399	4,944	6,343	(2,205)	2006
Lakeside RV	New Carlisle	—	426	1,281	—	259	426	1,540	1,966	(814)	2004
Diamond Caverns	Park City	—	530	1,512	—	611	530	2,123	2,653	(950)	2006
Gateway to Cape Cod	Rochester	—	91	288	—	420	91	708	799	(320)	2006
Hillcrest MA	Rockland	—	2,034	3,182	—	197	2,034	3,379	5,413	(1,204)	2011
The Glen	Rockland	—	940	1,680	—	15	940	1,695	2,635	(621)	2011
Old Chatham	South Dennis	(6,552)	1,760	5,293	—	612	1,760	5,905	7,665	(2,846)	2005
Sturbridge	Sturbridge	—	110	347	—	823	110	1,170	1,280	(429)	2006
Fernwood	Capitol Heights	(12,331)	6,556	11,674	—	1,269	6,556	12,943	19,499	(4,406)	2011
Williams Estates/Peppermint Woods	Middle River	—	22,774	42,575	—	1,805	22,774	44,380	67,154	(15,468)	2011
Mt. Desert Narrows	Bar Harbor	—	1,037	3,127	—	564	1,037	3,691	4,728	(1,548)	2007
Patten Pond	Ellsworth	—	267	802	—	253	267	1,055	1,322	(454)	2007
Pinehurst	Old Orchard Beach	(10,146)	1,942	5,827	—	2,608	1,942	8,435	10,377	(3,718)	2005
Narrows Too	Trenton	—	1,451	4,408	—	323	1,451	4,731	6,182	(2,031)	2007
Moody Beach	Wells	—	93	292	—	5,184	93	5,476	5,569	(486)	2006
Bear Cave	Buchanan	—	176	516	—	690	176	1,206	1,382	(403)	2006
St Clair	St. Clair	—	453	1,068	6	862	459	1,930	2,389	(846)	2004
Cedar Knolls	Apple Valley	(29,555)	10,021	14,357	—	1,977	10,021	16,334	26,355	(5,655)	2011
Cimarron Park	Lake Elmo	—	11,097	23,132	—	3,470	11,097	26,602	37,699	(8,739)	2011
Rockford Riverview Estates	Rockford	—	2,959	8,882	—	1,339	2,959	10,221	13,180	(3,410)	2011
Rosemount Woods	Rosemount	—	4,314	8,932	—	3,090	4,314	12,022	16,336	(3,309)	2011

Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20			Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property	Total ⁽³⁾		
Forest Lake	Advance	—	986	2,325	13	1,742	999	4,067	5,066	(1,701)	2004
Scenic	Asheville	—	1,183	3,511	—	831	1,183	4,342	5,525	(1,892)	2006
Waterway RV	Cedar Point	(4,965)	2,392	7,185	—	1,234	2,392	8,419	10,811	(4,336)	2004
Twin Lakes	Chocowinity	—	1,709	3,361	—	2,260	1,709	5,621	7,330	(2,320)	2004
Topsail Sound RV	Holly Ridge	—	3,414	5,898	—	—	3,414	5,898	9,312	—	2020
Green Mountain	Lenoir	—	1,037	3,075	—	2,483	1,037	5,558	6,595	(1,972)	2006
Lake Gaston	Littleton	—	130	409	—	2,052	130	2,461	2,591	(533)	2006
Lake Myers RV	Mocksville	—	1,504	4,587	—	1,137	1,504	5,724	7,228	(2,472)	2006
Bogue Pines	Newport	—	1,476	2,592	—	204	1,476	2,796	4,272	(715)	2015
Goose Creek	Newport	(13,830)	4,612	13,848	750	2,880	5,362	16,728	22,090	(8,841)	2004
Whispering Pines - NC	Newport	—	3,096	5,081	1	340	3,097	5,421	8,518	(1,348)	2015
Harbor Point RV	Sneads Ferry	—	4,633	7,777	—	—	4,633	7,777	12,410	—	2020
White Oak Shores	Stella	—	5,089	15,416	2,144	2,790	7,233	18,206	25,439	(2,356)	2019
Buena Vista	Fargo	—	4,563	14,949	—	1,338	4,563	16,287	20,850	(5,525)	2011
Meadow Park	Fargo	—	943	2,907	—	406	943	3,313	4,256	(1,147)	2011
Sandy Beach	Contoocook	—	1,755	5,265	—	271	1,755	5,536	7,291	(2,847)	2005
Pine Acres	Raymond	—	3,096	2,102	—	753	3,096	2,855	5,951	(851)	2014
Tuxbury Resort	South Hampton	—	3,557	3,910	—	1,369	3,557	5,279	8,836	(2,107)	2007
King Nummy	Cape May Court House	—	4,027	3,584	—	391	4,027	3,975	8,002	(1,280)	2018
Acorn Campground	Green Creek	—	3,707	4,642	—	—	3,707	4,642	8,349	(273)	2020
Mays Landing Resort	Mays Landing	—	536	289	—	1,086	536	1,375	1,911	(250)	2014
Echo Farms	Ocean View	—	2,840	3,045	—	2,174	2,840	5,219	8,059	(1,169)	2014
Lake and Shore	Ocean View	—	378	1,192	—	2,440	378	3,632	4,010	(1,578)	2006
Chestnut Lake	Port Republic	—	337	796	5	1,295	342	2,091	2,433	(793)	2004
Sea Pines	Swaimton	—	198	625	—	4,149	198	4,774	4,972	(1,046)	2006
Pine Ridge at Crestwood	Whiting	(50,057)	17,367	33,127	—	5,391	17,367	38,518	55,885	(12,478)	2011
Mountain View - NV	Henderson	(30,922)	16,665	25,915	—	878	16,665	26,793	43,458	(9,314)	2011
Bonanza Village	Las Vegas	—	908	2,643	—	2,371	908	5,014	5,922	(3,905)	1983
Boulder Cascade	Las Vegas	—	2,995	9,020	—	3,432	2,995	12,452	15,447	(8,565)	1998
Cabana	Las Vegas	—	2,648	7,989	—	1,458	2,648	9,447	12,095	(7,703)	1994
Flamingo West	Las Vegas	—	1,730	5,266	—	2,102	1,730	7,368	9,098	(5,901)	1994
Las Vegas	Las Vegas	—	1,049	2,473	14	1,715	1,063	4,188	5,251	(1,723)	2004
Villa Borega	Las Vegas	—	2,896	8,774	—	1,859	2,896	10,633	13,529	(7,662)	1997
Rondout Valley	Accord	—	1,115	3,240	—	1,660	1,115	4,900	6,015	(1,945)	2006

**Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation**

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20			Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property	Total ⁽³⁾		
Alpine Lake RV Resort	Corinth	—	4,783	14,125	153	3,641	4,936	17,766	22,702	(8,171)	2005
Lake George Escape	Lake George	—	3,562	10,708	—	8,331	3,562	19,039	22,601	(7,199)	2005
The Woodlands	Lockport	(42,935)	12,183	39,687	—	5,551	12,183	45,238	57,421	(14,600)	2011
Greenwood Village	Manorville	—	3,667	9,414	484	6,976	4,151	16,390	20,541	(10,588)	1998
Brennan Beach	Pulaski	—	7,325	21,141	—	6,674	7,325	27,815	35,140	(13,095)	2005
Lake George Schroon Valley	Warrensburg	—	540	1,626	—	433	540	2,059	2,599	(830)	2008
Kenisee Lake	Jefferson	—	295	696	4	657	299	1,353	1,652	(531)	2004
Wilmington	Wilmington	—	235	555	3	722	238	1,277	1,515	(495)	2004
Bend	Bend	—	733	1,729	10	2,845	743	4,574	5,317	(1,509)	2004
Shadowbrook	Clackamas	—	1,197	3,693	—	1,605	1,197	5,298	6,495	(3,258)	1997
Pacific City	Cloverdale	—	1,076	2,539	15	2,746	1,091	5,285	6,376	(2,216)	2004
Falcon Wood Village	Eugene	(12,494)	1,112	3,426	—	961	1,112	4,387	5,499	(3,076)	1997
Portland Fairview	Fairview	(19,011)	7,330	10,278	—	860	7,330	11,138	18,468	(3,051)	2016
Quail Hollow	Fairview	—	—	3,249	—	801	—	4,050	4,050	(2,950)	1997
South Jetty	Florence	—	678	1,598	9	1,839	687	3,437	4,124	(1,217)	2004
Seaside	Seaside	—	891	2,101	12	1,513	903	3,614	4,517	(1,581)	2004
Whalers Rest	South Beach	—	754	1,777	10	1,100	764	2,877	3,641	(1,367)	2004
Mt. Hood Village	Welches	—	1,817	5,733	—	13,458	1,817	19,191	21,008	(4,571)	2002
Greenbriar Village	Bath	—	8,359	16,941	—	798	8,359	17,739	26,098	(6,032)	2011
Sun Valley	Bowmansville	—	866	2,601	—	1,153	866	3,754	4,620	(1,317)	2009
Green Acres	Breinigsville	(36,024)	2,680	7,479	—	6,251	2,680	13,730	16,410	(10,555)	1988
Gettysburg Farm	Dover	—	111	350	—	841	111	1,191	1,302	(365)	2006
Timothy Lake North	East Stroudsburg	—	296	933	—	844	296	1,777	2,073	(686)	2006
Timothy Lake South	East Stroudsburg	—	206	649	—	324	206	973	1,179	(401)	2006
Drummer Boy	Gettysburg	(10,647)	1,884	20,342	—	643	1,884	20,985	22,869	(2,890)	2019
Round Top	Gettysburg	(7,670)	1,214	11,355	—	667	1,214	12,022	13,236	(2,481)	2019
Circle M	Lancaster	—	330	1,041	—	1,775	330	2,816	3,146	(1,072)	2006
Hershey	Lebanon	—	1,284	3,028	17	2,529	1,301	5,557	6,858	(2,481)	2004
Robin Hill	Lenhartsville	—	1,263	3,786	—	692	1,263	4,478	5,741	(1,718)	2009
PA Dutch County	Manheim	—	88	278	—	499	88	777	865	(257)	2006
Spring Gulch	New Holland	—	1,593	4,795	—	1,117	1,593	5,912	7,505	(3,140)	2004
Lil Wolf	Orefield	—	5,627	13,593	—	3,295	5,627	16,888	22,515	(5,214)	2011
Scotrun	Scotrun	—	153	483	—	909	153	1,392	1,545	(391)	2006
Appalachian RV	Shaartlesville	—	1,666	5,044	—	984	1,666	6,028	7,694	(2,719)	2006
Mountain View - PA	Walnutport	—	3,207	7,182	—	747	3,207	7,929	11,136	(2,665)	2011

**Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation**

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20			Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property	Total ⁽³⁾		
Timber Creek	Westerly	—	12,618	8,489	—	326	12,618	8,815	21,433	(3,012)	2018
Carolina Landing	Fair Play	—	457	1,078	6	923	463	2,001	2,464	(812)	2004
Inlet Oaks Village	Murrells Inlet	—	1,546	4,642	—	448	1,546	5,090	6,636	(2,384)	2006
The Oaks	Yemassee	—	267	810	—	340	267	1,150	1,417	(477)	2006
Natchez Trace	Hohenwald	—	533	1,257	7	1,803	540	3,060	3,600	(1,180)	2004
Cherokee Landing	Saulsbery	—	118	279	2	229	120	508	628	(242)	2004
Alamo Palms	Alamo	(5,874)	1,562	7,924	—	541	1,562	8,465	10,027	(2,875)	2012
Bay Landing	Bridgeport	—	438	1,033	6	1,979	444	3,012	3,456	(969)	2004
Colorado River	Columbus	—	466	1,099	6	1,246	472	2,345	2,817	(871)	2004
Victoria Palms	Donna	(9,939)	2,849	12,305	—	4,407	2,849	16,712	19,561	(5,221)	2012
Lake Texoma	Gordonville	—	488	1,151	6	1,986	494	3,137	3,631	(1,519)	2004
Lakewood	Harlingen	—	325	979	—	622	325	1,601	1,926	(764)	2004
Paradise Park	Harlingen	—	1,568	4,705	—	1,557	1,568	6,262	7,830	(3,173)	2004
Sunshine RV Resort	Harlingen	—	1,494	4,484	—	2,105	1,494	6,589	8,083	(3,253)	2004
Tropic Winds	Harlingen	—	1,221	3,809	—	1,047	1,221	4,856	6,077	(2,741)	2002
Medina Lake	Lakehills	—	936	2,208	13	1,946	949	4,154	5,103	(1,863)	2004
Paradise South	Mercedes	—	448	1,345	—	834	448	2,179	2,627	(1,011)	2004
Lake Tawakoni	Point	—	35	2,320	—	891	35	3,211	3,246	(1,525)	2004
Fun N Sun RV	San Benito	—	2,533	5,560	412	7,440	2,945	13,000	15,945	(8,682)	1998
Country Sunshine	Weslaco	—	627	1,881	—	1,500	627	3,381	4,008	(1,656)	2004
Leisure World	Weslaco	(2,642)	957	2,575	—	—	957	2,575	3,532	—	2020
Southern Comfort	Weslaco	(4,165)	1,108	3,323	—	837	1,108	4,160	5,268	(2,184)	2004
Trails End RV	Weslaco	(4,089)	1,115	4,086	—	—	1,115	4,086	5,201	—	2020
Lake Whitney	Whitney	—	679	1,602	10	1,729	689	3,331	4,020	(1,386)	2004
Lake Conroe	Willis	—	1,363	3,214	18	16,330	1,381	19,544	20,925	(4,334)	2004
Westwood Village	Farr West	—	1,346	4,179	—	2,601	1,346	6,780	8,126	(4,653)	1997
St George	Hurricane	—	64	264	2	1,233	66	1,497	1,563	(296)	2010
All Seasons	Salt Lake City	—	510	1,623	—	915	510	2,538	3,048	(1,646)	1997
Meadows of Chantilly	Chantilly	(39,366)	5,430	16,440	—	8,473	5,430	24,913	30,343	(18,955)	1994
Harbor View	Colonial Beach	—	64	202	—	896	64	1,098	1,162	(366)	2006
Lynchburg	Gladys	—	266	627	3	800	269	1,427	1,696	(537)	2004
Chesapeake Bay	Gloucester	—	1,230	2,900	16	3,658	1,246	6,558	7,804	(2,615)	2004
Bayport Development	Jamaica	—	4,942	—	1,892	—	6,834	—	6,834	—	2020
Virginia Landing	Quincy	—	602	1,419	8	467	610	1,886	2,496	(966)	2004
Grey's Point Camp	Topping	(21,642)	33,491	17,104	—	2,691	33,491	19,795	53,286	(4,956)	2017

Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation

Real Estate ⁽¹⁾	Location	Encumbrances	Initial Cost to ELS		Costs Capitalized Subsequent to Acquisition (Improvements)		Gross Amount Carried at 12/31/20			Accumulated Depreciation	Date of Acquisition
			Land	Depreciable Property	Land	Depreciable Property	Land	Depreciable Property	Total ⁽³⁾		
Bethpage Camp Resort	Urbanna	(36,123)	45,415	38,149	—	3,633	45,415	41,782	87,197	(8,315)	2017
Williamsburg	Williamsburg	—	111	350	—	817	111	1,167	1,278	(338)	2006
Regency Lakes	Winchester	(40,427)	9,757	19,055	—	2,099	9,757	21,154	30,911	(7,199)	2011
Birch Bay	Blaine	—	502	1,185	7	700	509	1,885	2,394	(774)	2004
Mount Vernon	Bow	—	621	1,464	8	2,292	629	3,756	4,385	(1,401)	2004
Chehalis	Chehalis	—	590	1,392	8	2,913	598	4,305	4,903	(1,414)	2004
Grandy Creek	Concrete	—	475	1,425	—	870	475	2,295	2,770	(826)	2008
Tall Chief	Fall City	—	314	946	—	817	314	1,763	2,077	(645)	2010
Kloshe Illahee	Federal Way	(18,946)	2,408	7,286	—	1,027	2,408	8,313	10,721	(6,207)	1997
La Conner	La Conner	—	—	2,016	—	1,610	—	3,626	3,626	(1,945)	2004
Leavenworth	Leavenworth	—	786	1,853	10	1,390	796	3,243	4,039	(1,456)	2004
Thunderbird Resort	Monroe	—	500	1,178	6	709	506	1,887	2,393	(838)	2004
Little Diamond	Newport	—	353	834	5	1,215	358	2,049	2,407	(846)	2004
Oceana	Oceana City	—	283	668	4	583	287	1,251	1,538	(472)	2004
Crescent Bar	Quincy	—	314	741	4	752	318	1,493	1,811	(680)	2004
Long Beach	Seaview	—	321	758	5	556	326	1,314	1,640	(603)	2004
Paradise RV	Silver Creek	—	466	1,099	6	1,033	472	2,132	2,604	(886)	2004
Rainbow Lake Manor	Bristol	—	4,474	16,594	—	3,703	4,474	20,297	24,771	(4,883)	2013
Fremont Jellystone Park Campground	Fremont	—	1,437	4,296	—	1,263	1,437	5,559	6,996	(2,895)	2004
Yukon Trails	Lyndon Station	—	556	1,629	—	312	556	1,941	2,497	(1,025)	2004
Blackhawk Camping Resort	Milton	—	1,789	7,613	—	1,454	1,789	9,067	10,856	(2,138)	2014
Lakeland	Milton	—	3,159	13,830	—	1,235	3,159	15,065	18,224	(3,721)	2014
Westwood Estates	Pleasant Prairie	(19,628)	5,382	19,732	—	2,401	5,382	22,133	27,515	(5,899)	2013
Plymouth Rock	Plymouth	—	2,293	6,879	—	1,809	2,293	8,688	10,981	(3,134)	2009
Tranquil Timbers	Sturgeon Bay	—	714	2,152	—	874	714	3,026	3,740	(1,309)	2006
Lake of the Woods RV	Wautoma	—	1,333	2,238	—	233	1,333	2,471	3,804	(874)	2019
Neshonoc Lakeside	West Salem	(4,826)	1,106	4,861	(1)	413	1,105	5,274	6,379	(1,322)	2013
Arrowhead	Wisconsin Dells	—	522	1,616	—	871	522	2,487	3,009	(1,036)	2006
Subtotal of Properties Held for Long Term		(2,444,930)	1,607,061	3,019,193	65,604	1,095,340	1,672,665	4,114,533	5,787,198	(1,834,665)	2002
Realty Systems, Inc.		—	3,448	578	109	37,046	3,557	37,624	41,181	(25,778)	
Management business and other		—	—	—	—	—	—	—	—	—	
		\$ (2,444,930)	\$ 1,610,509	\$ 3,019,771	\$ 66,127	\$ 1,464,019	\$ 1,676,636	\$ 4,483,790	\$ 6,160,426	\$ (1,924,585)	

Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation

- (1) The schedule excludes Properties in which we have a non-controlling joint venture interest and account for using the equity method of accounting.
- (2) All Properties were acquired, except for Country Place Village, which was constructed.
- (3) Aggregate cost for federal income tax purposes is approximately \$4.0 billion.

Schedule III
Equity LifeStyle Properties, Inc.
Real Estate and Accumulated Depreciation

The following table presents the changes in gross investment in real estate:

<i>(amounts in thousands)</i>	2020	2019	2018
Balance, beginning of year	\$ 5,743,049	\$ 5,273,477	\$ 4,915,813
Acquisitions	248,253	250,843	265,129
Improvements	217,082	257,993	181,622
Properties held for sale	—	—	(49,973)
Dispositions and other	(47,958)	(39,264)	(39,114)
Balance, end of year	<u>\$ 6,160,426</u>	<u>\$ 5,743,049</u>	<u>\$ 5,273,477</u>

The following table presents the changes in accumulated depreciation related to investment in real estate:

<i>(amounts in thousands)</i>	2020	2019	2018
Balance, beginning of year	\$ 1,776,224	\$ 1,631,888	\$ 1,516,694
Depreciation and amortization	157,673	153,893	137,209
Properties held for sale	—	—	(14,547)
Dispositions and other	(9,312)	(9,557)	(7,468)
Balance, end of year	<u>\$ 1,924,585</u>	<u>\$ 1,776,224</u>	<u>\$ 1,631,888</u>

[THIS PAGE INTENTIONALLY LEFT BLANK]

CORPORATE DATA

BOARD OF DIRECTORS

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

Thomas Heneghan
Vice Chairman of the Board of Directors,
Equity LifeStyle Properties, Inc.
Chief Executive Officer, Equity International

Andrew Berkenfield
Partner and Chief Executive Officer of Duncan
Channon

Derrick Burks
Retired Partner, Ernst & Young LLP

Philip Calian
Founder and Managing Partner of Kingsbury
Partners, LLC

David Contis
Principal of Agora Advisors, Inc.

Constance Freedman
Founder and Managing Partner of Moderne Ventures

Tao Huang
Founder and Managing Partner of Range Light, LLC

Marguerite Nader
President and Chief Executive Officer,
Equity LifeStyle Properties, Inc.

Scott Peppet
President and Senior Managing Director of Chai
Trust

Sheli Rosenberg
Retired Vice Chairman, Equity Group Investments

EXECUTIVE OFFICERS

Marguerite Nader
President and Chief Executive Officer

Paul Seavey
Executive Vice President and Chief Financial Officer

Patrick Waite
Executive Vice President and Chief Operating Officer

Roger Maynard
Executive Vice President - Investments

David Eldersveld
Executive Vice President, Chief Legal Officer and
Corporate Secretary

CORPORATE OFFICE

Equity LifeStyle Properties, Inc.
Two North Riverside Plaza
Chicago, Illinois 60606
Phone: 312.279.1400
Fax: 312.279.1710
www.equitylifestyleproperties.com

TRANSFER AGENT

American Stock Transfer and Trust Company, LLC
Attn: Equity LifeStyle Properties, Inc.
6201 15th Avenue
Brooklyn, NY 11219
Toll Free: 800.830.9942
Email address: info@astfinancial.com
www.astfinancial.com

CORPORATE COUNSEL

Clifford Chance US LLP
New York, New York

AUDITORS

Ernst & Young LLP
Chicago, Illinois

FORM 10-K AVAILABILITY

Requests for ELS' Form 10-K for the year ended December 31, 2020 filed with the Securities and Exchange Commission ("SEC"), which will be provided without charge, and any 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@equitylifestyle.com

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

ELS' common stock is listed on the New York Stock Exchange ("NYSE") and is traded under the ticker symbol "ELS." ELS submitted a Section 303A.12(a) CEO Certification to the NYSE last year. ELS has filed with the SEC the CEO/CFO certifications required under Section 302 of the Sarbanes-Oxley Act as an exhibit to its most recently filed Form 10-K. For additional information about ELS please contact ELS' Investor Relations Department.

STOCKHOLDERS

There were approximately 292 holders of record of ELS' common stock as of December 31, 2020.

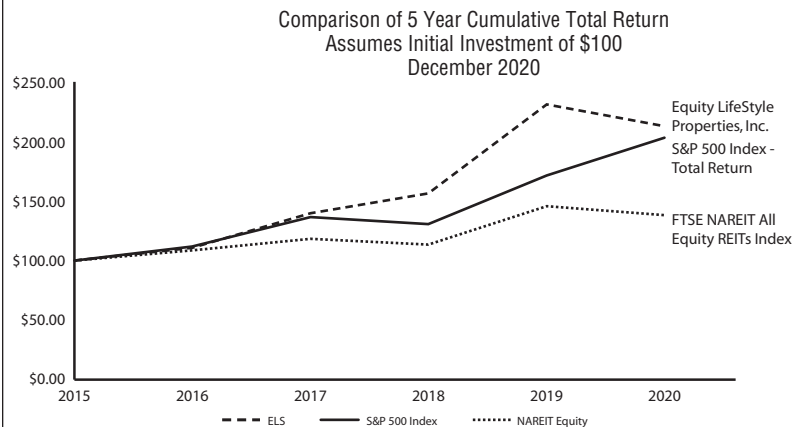
DIVIDEND REINVESTMENT PLAN

ELS offers a Dividend Reinvestment Plan ("Plan"). For an information packet, including the Plan prospectus and enrollment form, please call the Plan Administrator, American Stock Transfer and Trust Company, at 800.830.9942.

COMPARISON OF CUMULATIVE TOTAL RETURN

Assumes Initial Investment of \$100, December 2015

The performance graph below compares total stockholders' return on ELS' Common Stock since December 31, 2015 with the Standard and Poor's ("S&P") 500 Stock Index and the index of equity REITs prepared by the National Association of Real Estate Investment Trusts ("NAREIT"). The Common Stock price performance graph assumes that an investment of \$100 was made on December 31, 2015 in ELS' Common Stock and in each of the two indexes, and further assumes the reinvestment of all dividends. The FTSE NAREIT All Equity REITs Index is a free-float adjusted, market capitalization-weighted index of U.S. Equity REITs. Constituents of the Index include all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets other than mortgages secured by real property. Common Stock price performance presented for the period from December 31, 2015 through December 31, 2020 is not necessarily indicative of future results.



		2015	2016	2017	2018	2019	2020
Equity LifeStyle Properties, Inc.	Return %		10.70	26.38	11.37	47.77	-7.89
	Cum \$	100.00	110.70	139.91	156.33	231.00	212.77
S&P 500 Index - Total Return	Return %		11.96	21.83	-4.38	31.49	18.40
	Cum \$	100.00	111.96	136.40	130.42	171.49	203.04
FTSE NAREIT All Equity REITs Index	Return %		8.63	8.67	-4.04	28.66	-5.12
	Cum \$	100.00	108.63	118.05	113.27	145.74	138.28

Equity LifeStyle Properties, Inc.
Two North Riverside Plaza
Chicago, IL 60606-2609
www.equitylifestyleproperties.com