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

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report: August 14, 2008
(Date of earliest event reported)

EQUITY LIFESTYLE PROPERTIES, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

1-11718
(Commission File No.)

36-3857664
(IRS Employer Identification
Number)

Two North Riverside Plaza, Chicago, Illinois
(Address of principal executive offices)

60606
(Zip Code)

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.02 Termination of a Material Definitive Agreement

On August 14, 2008, Equity LifeStyle Properties, Inc. (the "Company") issued a news release announcing the acquisition of substantially all of the assets and certain liabilities of Privileged Access, LP ("Privileged Access") for a \$2.0 million unsecured note payable, which matures on August 14, 2010 and accrues interest at 10 percent per annum. Privileged Access is an RV and vacation membership business with approximately 130,000 members, which leased approximately 24,300 sites at 82 of the Company's properties, with annual rental payments of approximately \$25.5 million.

Concurrent with the acquisition, all leases and previous arrangements between the Company and Privileged Access were terminated, including the Company's Second Amended and Restated Lease (the "TT Lease") with a subsidiary of Privileged Access (the "Lessee") for the lease of 60 membership resort properties known as the Thousand Trails properties. The TT Lease included various provisions, including annual fixed rent of approximately \$22.2 million. In addition, the Company terminated the Amended and Restated Option to Purchase Lessee (the "Option Agreement"), whereby the Company was granted an option, exercisable in our sole discretion, to purchase the Lessee for its fair market value. Mr. Joe B. McAdams, the Company's President, is the 100% owner of Privileged Access, LP. The Company received a fairness opinion regarding the terms of the transaction. The Company did not incur any early termination penalties related to this transaction.

The foregoing descriptions of the TT Lease and the Option Agreement are summaries, and do not purport to be complete and are qualified in their entirety by reference to the TT Lease and the Option Agreement, copies of which were filed as Exhibits 10.1 and 10.2, respectively, to the Company's Form 8-K filed with the United States Securities and Exchange Commission on January 7, 2008.

Item 2.02 Results of Operations and Financial Condition

On August 14, 2008, the Company issued a press release with respect to certain matters described herein, which press release is attached to this Current Report on Form 8-K as Exhibit 99.1. This press release stated that the Company will provide additional guidance as to the impact of this transaction on its business in the third quarter 2008 earnings press release and related conference call. As a result of the acquisition, nonrefundable up front payments from the sale of membership or right-to-use contracts will be deferred and recognized as revenue in subsequent years in accordance with generally accepted accounting principles. These non-cash deferral adjustments may have a significant negative impact on reported net income, although there is expected to be no material impact on funds from operations.

Item 8.01 Other Events

On August 14, 2008, the Company acquired substantially all of the assets and certain liabilities of Privileged Access, as previously described in Item 1.02 "Termination of a Material Definitive Agreement" of this Form 8-K.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

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

Exhibit 99.1 Equity LifeStyle Properties, Inc. press release dated August 14, 2008, "ELS Acquires Privileged Access Operations"

SIGNATURES

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

EQUITY LIFESTYLE PROPERTIES, INC.

By: /s/ Thomas P. Heneghan

Thomas P. Heneghan
Chief Executive Officer

By: /s/ Michael B. Berman

Michael B. Berman
Executive Vice President and
Chief Financial Officer

Date: August 15, 2008



CONTACT: Michael Berman
(312) 279-1496

FOR IMMEDIATE RELEASE
August 14, 2008

ELS ACQUIRES PRIVILEGED ACCESS OPERATIONS

CHICAGO, IL — August 14, 2008 — Equity LifeStyle Properties, Inc. (NYSE: ELS) today announced the acquisition of substantially all of the assets and certain liabilities of Privileged Access, LP (“Privileged Access”) for a note payable of \$2.0 million. Privileged Access is an RV and vacation membership business with approximately 130,000 members, which leased approximately 24,300 sites at 82 of the Company’s properties. The \$2.0 million unsecured note payable matures on August 14, 2010 and accrues interest at 10 percent per annum. The Company received a fairness opinion regarding the terms of the transaction. Concurrent with the acquisition, all leases between Privileged Access and the Company were terminated and the operations of Privileged Access will be included in the Company’s financial results.

The Company will provide additional guidance as to the impact of this transaction on its business in the third quarter 2008 earnings press release and related conference call. As a result of the acquisition, nonrefundable up front payments from the sale of membership or right-to-use contracts will be deferred and recognized as revenue in subsequent years in accordance with generally accepted accounting principles. These non-cash deferral adjustments may have a significant negative impact on reported net income, although there is expected to be no material impact on funds from operations.

Equity LifeStyle Properties, Inc. owns or has an interest in 309 quality properties in 28 states and British Columbia consisting of 111,997 sites. The Company is a self-administered, self-managed, real estate investment trust (REIT) with headquarters in Chicago.

This news release includes certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. When used, words such as “anticipate,” “expect,” “believe,” “project,” “intend,” “may be” and “will be” and similar words or phrases, or the negative thereof, unless the context requires otherwise, are intended to identify forward-looking statements. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, including, but not limited to:

- in the age-qualified properties, home sales results could be impacted by the ability of potential homebuyers to sell their existing residences as well as by financial markets volatility;
- in the all-age properties, results from home sales and occupancy will continue to be impacted by local economic conditions, lack of affordable manufactured home financing, and competition from alternative housing options including site-built single-family housing;
- our ability to maintain rental rates and occupancy with respect to properties currently owned or pending acquisitions;
- our assumptions about rental and home sales markets;
- the completion of pending acquisitions and timing with respect thereto;
- ability to obtain financing or refinance existing debt;
- the effect of interest rates;
- whether we will consolidate Privileged Access and the effects on our financials if we do so; and
- other risks indicated from time to time in our filings with the Securities and Exchange Commission.

These forward-looking statements are based on management's present expectations and beliefs about future events. As with any projection or forecast, these statements are inherently susceptible to uncertainty and changes in circumstances. The Company is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements whether as a result of such changes, new information, subsequent events or otherwise.