

EQUITY LIFESTYLE PROPERTIES INC  
Form 10-Q  
April 27, 2016

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

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FORM 10-Q

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QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2016

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

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EQUITY LIFESTYLE PROPERTIES, INC.  
(Exact Name of Registrant as Specified in Its Charter)

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Maryland	36-3857664
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

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Two North Riverside Plaza, Suite 800, Chicago, Illinois	60606
(Address of Principal Executive Offices)	(Zip Code)
(312) 279-1400	
(Registrant's Telephone Number, Including Area Code)	

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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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

84,598,804 shares of Common Stock as of April 25, 2016.



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Equity LifeStyle Properties, Inc.  
 Consolidated Balance Sheets  
 As of March 31, 2016 and December 31, 2015  
 (amounts in thousands, except share and per share data)

	March 31, 2016 (unaudited)	December 31, 2015
Assets		
Investment in real estate:		
Land	\$ 1,105,542	\$ 1,101,676
Land improvements	2,796,998	2,787,882
Buildings and other depreciable property	597,989	588,041
	4,500,529	4,477,599
Accumulated depreciation	(1,310,762 )	(1,282,423 )
Net investment in real estate	3,189,767	3,195,176
Cash	97,107	80,258
Notes receivable, net	34,144	35,463
Investment in unconsolidated joint ventures	22,994	17,741
Deferred commission expense	30,758	30,865
Escrow deposits, goodwill, and other assets, net	40,355	40,897
Total Assets	\$ 3,415,125	\$ 3,400,400
Liabilities and Equity		
Liabilities:		
Mortgage notes payable	\$ 1,907,074	\$ 1,926,880
Term loan	199,224	199,172
Unsecured lines of credit	—	—
Accrued expenses and accounts payable	79,510	76,044
Deferred revenue – upfront payments from right-to-use contracts	78,707	78,405
Deferred revenue – right-to-use annual payments	13,615	9,878
Accrued interest payable	8,669	8,715
Rents and other customer payments received in advance and security deposits	74,153	74,300
Distributions payable	39,016	34,315
Total Liabilities	2,399,968	2,407,709
Equity:		
Stockholders' Equity:		
Preferred stock, \$0.01 par value, 9,945,539 shares authorized as of March 31, 2016 and December 31, 2015; none issued and outstanding.	—	—
6.75% Series C Cumulative Redeemable Perpetual Preferred Stock, \$0.01 par value, 54,461 shares authorized and 54,458 issued and outstanding as of March 31, 2016 and December 31, 2015 at liquidation value	136,144	136,144
Common stock, \$0.01 par value, 200,000,000 shares authorized as of March 31, 2016 and December 31, 2015; 84,594,060 and 84,253,065 shares issued and outstanding as of March 31, 2016 and December 31, 2015, respectively	845	843
Paid-in capital	1,046,033	1,039,140
Distributions in excess of accumulated earnings	(235,875 )	(250,506 )
Accumulated other comprehensive loss	(1,161 )	(553 )
Total Stockholders' Equity	945,986	925,068

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Non-controlling interests – Common OP Units	69,171	67,623
Total Equity	1,015,157	992,691
Total Liabilities and Equity	\$3,415,125	\$ 3,400,400

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

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Equity LifeStyle Properties, Inc.  
 Consolidated Statements of Income and Comprehensive Income  
 For the Quarters Ended March 31, 2016 and 2015  
 (amounts in thousands, except per share data)  
 (unaudited)

	Quarters Ended	
	March 31, 2016	March 31, 2015
Revenues:		
Community base rental income	\$114,076	\$109,270
Rental home income	3,545	3,554
Resort base rental income	55,434	51,645
Right-to-use annual payments	11,054	10,981
Right-to-use contracts current period, gross	2,532	2,797
Right-to-use contract upfront payments, deferred, net	(302)	(773)
Utility and other income	20,793	19,082
Gross revenues from home sales	8,214	6,937
Brokered resale revenues and ancillary services revenues, net	1,418	1,982
Interest income	1,660	1,820
Income from other investments, net	1,723	1,119
Total revenues	220,147	208,414
Expenses:		
Property operating and maintenance	62,954	61,117
Rental home operating and maintenance	1,525	1,669
Real estate taxes	13,198	12,594
Sales and marketing, gross	2,493	2,522
Right-to-use contract commissions, deferred, net	104	(243)
Property management	11,763	11,290
Depreciation on real estate assets and rental homes	28,656	28,116
Amortization of in-place leases	335	665
Cost of home sales	8,281	6,724
Home selling expenses	834	805
General and administrative	7,407	7,406
Property rights initiatives and other	654	553
Early debt retirement	—	16,991
Interest and related amortization	25,634	27,276
Total expenses	163,838	177,485
Income before equity in income of unconsolidated joint ventures	56,309	30,929
Equity in income of unconsolidated joint ventures	881	884
Consolidated net income	57,190	31,813