

EQUITY LIFESTYLE PROPERTIES INC

Form 424B5

June 22, 2009

Table of Contents

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

**Filed Pursuant to Rule 424(b)(5)
Registration No. 333-159014**

**Subject to Completion
Preliminary Prospectus Supplement dated June 22, 2009**

**PROSPECTUS SUPPLEMENT
(To prospectus dated May 6, 2009)**

4,000,000 Shares

EQUITY LIFESTYLE PROPERTIES, INC.

Common Stock

We are offering 4,000,000 shares of common stock pursuant to this prospectus supplement and the accompanying prospectus. Our common stock is listed on the New York Stock Exchange under the symbol ELS. On June 19, 2009, the last reported sale price for our common stock was \$37.85 per share.

Our amended and restated articles of incorporation contain restrictions on ownership and transfer of shares of our capital stock intended to assist us in maintaining our qualification as a REIT for U.S. federal income tax purposes.

Purchasers of common stock in this offering will not be entitled to receive the previously declared dividend of \$0.25 per share, payable on July 10, 2009 to common stockholders of record on June 26, 2009.

Investing in our common stock involves risks. See Risk Factors beginning on page S-4 of this prospectus supplement, page 9 of our Annual Report on Form 10-K for the year ended December 31, 2008 and page 51 of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009.

	Per Share	Total
Public offering price	\$	\$
Underwriting discount	\$	\$
Proceeds, before expenses, to us	\$	\$

The underwriters may also purchase up to an additional 600,000 shares of common stock from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement to cover overallotments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about June , 2009.

Joint Book-Running Managers

Merrill Lynch & Co.

Wachovia Securities

Co-Managers

Citi

Keefe, Bruyette & Woods

Piper Jaffray

The date of this prospectus is June , 2009.

TABLE OF CONTENTS
PROSPECTUS SUPPLEMENT

	Page
<u>ABOUT THIS PROSPECTUS SUPPLEMENT</u>	S-ii
<u>SUMMARY</u>	S-1
<u>THE OFFERING</u>	S-3
<u>RISK FACTORS</u>	S-4
<u>CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	S-7
<u>USE OF PROCEEDS</u>	S-8
<u>PRICE RANGE OF OUR COMMON STOCK AND DISTRIBUTIONS</u>	S-9
<u>DISTRIBUTION POLICY</u>	S-9
<u>UNDERWRITING</u>	S-10
<u>LEGAL MATTERS</u>	S-16
<u>EXPERTS</u>	S-16
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-16
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	S-17

PROSPECTUS

	Page
<u>ABOUT THIS PROSPECTUS</u>	ii
<u>INFORMATION ABOUT EQUITY LIFESTYLE PROPERTIES, INC.</u>	1
<u>RISK FACTORS</u>	3
<u>CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	4
<u>RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS</u>	5
<u>USE OF PROCEEDS</u>	5
<u>DESCRIPTION OF COMMON STOCK</u>	6
<u>DESCRIPTION OF PREFERRED STOCK</u>	9
<u>DESCRIPTION OF DEPOSITARY SHARES</u>	24
<u>DESCRIPTION OF WARRANTS</u>	27
<u>DESCRIPTION OF RIGHTS</u>	29
<u>CERTAIN PROVISIONS OF MARYLAND LAW AND OF OUR CHARTER AND BYLAWS</u>	30
<u>THE OPERATING PARTNERSHIP AGREEMENT</u>	34
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS</u>	37
<u>PLAN OF DISTRIBUTION</u>	55
<u>LEGAL MATTERS</u>	57
<u>EXPERTS</u>	57
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	57
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	58

You should read this prospectus supplement, the accompanying prospectus and the additional information described under the headings Where You Can Find More Information and Incorporation of Certain

Documents by Reference before you invest in our common stock. You should rely only on the information contained or incorporated by reference in this prospectus supplement and any related free writing prospectus required to be filed with the Securities and Exchange Commission, or the SEC. Neither we nor the underwriters are making an offer to sell the common stock in any jurisdiction where the offer or sale is not permitted. Neither we nor the underwriters have authorized any other person to provide you with different or additional information. If any other person provides you with different or additional information, you should not rely on it. You should assume that the information in this prospectus supplement, the accompanying prospectus, any such free writing prospectus and the documents incorporated by reference herein or therein, is accurate only as of its date or the date which is specified in those documents. Our business, financial condition, cash flows, liquidity, results of operations, funds from operations and prospects may have changed from any such date.

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to this offering.

To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in or incorporated by reference in the accompanying prospectus, on the other hand, the information in this prospectus supplement shall control.

References in this prospectus supplement to the terms we, us, our and our company refer to all entities owned or controlled by Equity LifeStyle Properties, Inc., including MHC Operating Limited Partnership, our Operating Partnership.

S-ii

Table of Contents

SUMMARY

Company Overview

We were formed in December 1992 as a Maryland corporation to continue the property operations, business objectives and acquisition strategies of an entity that had owned and operated properties since 1969. We have been a public company since 1993 and have elected to be taxed as a real estate investment trust, or a REIT, for U.S. federal income tax purposes commencing with our taxable year ended December 31, 1993.

We are a fully integrated owner and operator of lifestyle-oriented properties, or Properties. We lease individual developed areas, or sites, with access to utilities for placement of factory-built homes, cottages, cabins or recreational vehicles, or RVs. Customers may lease individual sites or purchase right-to-use contracts providing the customer access to specific Properties for limited stays. As of June 16, 2009, we owned or had an ownership interest in a portfolio of 308 Properties located throughout the United States and Canada consisting of 110,852 sites. These Properties are located in 28 states and British Columbia (with the number of Properties in each state or province shown parenthetically) as follows: Florida (86), California (48), Arizona (35), Texas (15), Washington (14), Pennsylvania (13), Colorado (10), Oregon (9), North Carolina (8), Delaware (7), New York (6), Nevada (6), Virginia (6), Wisconsin (5), Indiana (5), Maine (5), Illinois (4), Massachusetts (4), New Jersey (4), Michigan (3), South Carolina (3), New Hampshire (2), Ohio (2), Tennessee (2), Utah (2), Alabama (1), Kentucky (1), Montana (1), and British Columbia (1).

Properties are designed and improved for several home options of various sizes and designs that are produced off-site, installed and set on designated sites, or Site Set, within the Properties. These homes can range from 400 to over 2,000 square feet. The smallest of these are referred to as Resort Cottages. Properties may also have sites that can accommodate a variety of RVs. Properties generally contain centralized entrances, internal road systems and designated sites. In addition, Properties often provide a clubhouse for social activities and recreation and other amenities, which may include restaurants, swimming pools, golf courses, lawn bowling, shuffleboard courts, tennis courts, laundry facilities and cable television service. In some cases, utilities are provided or arranged for by us; otherwise, the customer contracts for the utilities directly. Some Properties provide water and sewer service through municipal or regulated utilities, while others provide these services to customers from on-site facilities. Properties generally are designed to attract retirees, empty-nesters, vacationers and second home owners; however, certain of our Properties focus on affordable housing for families. We focus on owning properties in or near large metropolitan markets and retirement and vacation destinations.

Our primary business objective is to seek to maximize both current income and long-term growth in income. We focus on properties that have strong cash flow, and we expect to hold such properties for long-term investment and capital appreciation. In determining cash flow potential, we evaluate our ability to attract and retain high quality customers who take pride in the Property and in their home.

Our operating strategy is to own and operate the highest quality properties in sought-after locations near urban areas, retirement and vacation destinations across the United States. We focus on creating an attractive residential environment by providing a well-maintained, comfortable Property with a variety of organized recreational and social activities and superior amenities as well as offering a multitude of lifestyle housing choices. In addition, we regularly conduct evaluations of the cost of housing in the marketplaces in which our Properties are located and survey rental rates of competing properties. From time to time, we also conduct satisfaction surveys of our customers to determine the factors they consider most important in choosing a property. We seek to improve site utilization and efficiency by tracking types of customers and usage patterns and marketing to those specific customer groups.

Our operations are conducted primarily through our Operating Partnership. We contributed the net proceeds from our initial public offering and subsequent offerings to our Operating Partnership for a general

S-1

Table of Contents

partnership interest. In 2004, the general partnership interest was contributed to MHC Trust, a private REIT subsidiary owned by us. The financial results of the Operating Partnership and our subsidiaries are consolidated in our consolidated financial statements. In addition, since certain activities, if performed by us, may not be qualifying REIT activities under the Internal Revenue Code of 1986, as amended, or the Internal Revenue Code, we have formed taxable REIT subsidiaries, as defined in the Internal Revenue Code, to engage in such activities.

Our principal executive offices are located at Two North Riverside Plaza, Chicago, Illinois, 60606 and our telephone number is (312) 279-1400. We maintain a website at www.equitylifestyle.com. Our reference to our website is intended to be an inactive textual reference only. Information contained on our website is not, and should not be interpreted to be, part of this prospectus supplement or the accompanying prospectus.

Recent Developments

The Company has entered into commitments with Fannie Mae related to mortgages on four manufactured home Properties. The Company has locked an annual interest rate of 6.53% on \$10.0 million of debt, 6.925% on approximately \$12.0 million of debt and 7.135% on approximately \$49.7 million of debt. The loans will have a term of ten years, with principal amortization over 30 years. The net proceeds from the loans will be used to repay secured long-term debt and for general corporate purposes. The closing of these loans is subject to the execution of definitive loan documentation and the fulfillment of certain conditions; accordingly, no assurance can be given that these financings will be consummated on the terms described or at all. The Company is seeking to enter into commitments with Fannie Mae to borrow an additional \$21.6 million secured by mortgages on two additional manufactured home Properties, however no assurance can be given that it will be successful in doing so.

Our management and the executive committee of our Board of Directors intend to recommend to the Board of Directors an increase in our quarterly common stock dividend from \$0.25 to \$0.30 per share of common stock. This expected increase in our quarterly dividend will have no effect on our previously declared dividend of \$0.25 per share of common stock, payable on July 10, 2009 to stockholders of record on June 26, 2009. Although we anticipate increasing our regular quarterly dividend as described above, the amount, timing and form of any future dividends to our stockholders will be at the sole discretion of our Board of Directors and will depend upon numerous factors, including, but not limited to, our actual and projected results of operations and funds from operations; our actual and projected financial condition, cash flows and liquidity; our business prospects; our operating expenses; our capital expenditure requirements; our debt service requirements; restrictive covenants in our financing or other contractual arrangements; restrictions under Maryland law; our taxable income; the annual distribution requirements under the REIT provisions of the Internal Revenue Code; and such other factors as our Board of Directors deems relevant.

Table of Contents

THE OFFERING

For a description of our common stock, see **Description of Common Stock** in the accompanying prospectus.

Common stock offered by us 4,000,000 shares of common stock

Common stock and Operating Partnership units to be outstanding after this offering 29,911,603 shares of common stock and 5,152,131 Operating Partnership units

Use of proceeds We expect that the net proceeds from this offering will be approximately \$ million (approximately \$ million if the underwriters overallotment option is exercised in full), after deducting the underwriting discount and other estimated expenses of this offering payable by us. We intend to contribute to our Operating Partnership the net proceeds from this offering. Our Operating Partnership intends to use the net proceeds from this offering to repay secured long-term debt and for general corporate purposes. See **Use of Proceeds**.

Restrictions on ownership and transfer Our amended and restated articles of incorporation contain restrictions on ownership and transfer of shares of our capital stock intended to assist us in maintaining our qualification as a REIT for U.S. federal and/or state income tax purposes. For example, our amended and restated articles of incorporation generally restrict any person from acquiring beneficial ownership, either directly or indirectly, of more than 5.0%, in value or number of shares, subject to certain adjustments, whichever is more restrictive, of our outstanding common stock, as more fully described in the section entitled **Description of Common Stock** in the accompanying prospectus.

Risk factors See **Risk Factors** beginning on page S-6 of this prospectus supplement, page 9 of our Annual Report on Form 10-K for the year ended December 31, 2008 and page 51 of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009.

New York Stock Exchange symbol ELS

Unless expressly stated otherwise, the information set forth above and throughout this prospectus supplement assumes no exercise of the underwriters' overallotment option to purchase up to 600,000 additional shares of common stock and excludes shares issuable pursuant to options outstanding and common stock that may be issued in the future under our incentive plans.

Table of Contents

RISK FACTORS

Your investment in our common stock involves certain risks. In consultation with your own financial and legal advisers, you should carefully consider, among other matters, the factors set forth below, as well as the risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2008 and our Quarterly Report on Form 10-Q for the period ended March 31, 2009 and any subsequently filed periodic reports which are incorporated by reference into this prospectus supplement and the accompanying prospectus before deciding whether an investment in our common stock is suitable for you. If any of the risks contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus develop into actual events, our business, financial condition, cash flows, liquidity, results of operations, funds from operations and prospects could be materially and adversely affected, the market price of our common stock could decline and you may lose all or part of your investment.

Volatility in capital and credit markets could materially and adversely impact us.

The capital and credit markets have been experiencing extreme volatility and disruption, which has made it more difficult to borrow money or raise equity capital. If current levels of market volatility and disruption continue or worsen, we may not be able to obtain new debt financing or refinance our maturing debt on favorable terms or at all. In addition, our future access to the equity markets could be limited. Any such financing or refinancing issues could materially and adversely affect us. This market turmoil and tightening of credit have also led to an increased lack of consumer confidence and widespread reduction of business activity generally, which may adversely impact us, including our ability to acquire and dispose of assets on favorable terms or at all and continue our development activities. The volatility in capital and credit markets may also have a material adverse effect on the market value of our common stock.

This offering is expected to be dilutive.

Giving effect to the issuance of common stock in this offering, the receipt of the expected net proceeds and the use of those proceeds, we expect that this offering will have a dilutive effect on our expected earnings per share and funds from operations per share for the year ending December 31, 2009. The actual amount of dilution cannot be determined at this time and will be based on numerous factors.

Future sales or issuances of our common stock may cause the market price of our common stock to decline.

The sale of substantial amounts of our common stock, whether directly by us or in the secondary market, the perception that such sales could occur or the availability for future sale of shares of our common stock or securities convertible into or exchangeable or exercisable for our common stock could materially and adversely affect the market price of our common stock and our ability to raise capital through future offerings of equity or equity-related securities. In addition, we may issue capital stock that is senior to our common stock in the future for a number of reasons, including to finance our operations and business strategy, to adjust our ratio of debt to equity, to satisfy obligations upon the exchange of units of our Operating Partnership or the exercise of options or for other reasons.

Table of Contents

The market price of our common stock may fluctuate significantly.

The market price of our common stock may fluctuate significantly in response to many factors, including, but not limited to:

- actual or anticipated variations in our operating results, funds from operations, cash flows or liquidity;
- changes in our earnings estimates or those of analysts;
- changes in our dividend 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 outstanding debt at any time, the amount of our maturing debt in the near-and medium-term and our ability to refinance such debt and the terms thereof, or our plans to incur additional debt in the future;
- additions or departures of key management personnel;
- actions by institutional stockholders;
- speculation in the press or investment community;
- the realization of any of the other risk factors included or incorporated by reference in this prospectus supplement and the accompanying prospectus; 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 performance and condition 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.

Purchasers in this offering will not receive dividends declared prior to this offering

On May 12, 2009, our Board of Directors declared a dividend on our common stock of \$0.25 per share, representing, on an annualized basis, a dividend of \$1.00 per share. The dividend will be paid on July 10, 2009 to stockholders of record on June 26, 2009. Purchasers in this offering will not receive this dividend.

Table of Contents

We may choose to pay dividends in our own stock, in which case you may be required to pay income taxes in excess of the cash dividends you receive.

We may distribute taxable dividends that are payable in cash and shares of our common stock at the election of each stockholder. Under IRS Revenue Procedure 2009-15, up to 90% of any such taxable dividend for 2009 could be payable in our stock. Taxable stockholders receiving such dividends will be required to include the full amount of the dividend as ordinary income to the extent of our current and accumulated earnings and profits for U.S. federal income tax purposes. As a result, a U.S. stockholder may be required to pay income taxes with respect to such dividends in excess of the cash dividends received. If a U.S. stockholder sells the stock it receives as a dividend in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of our stock at the time of the sale. For more information on the tax consequences of distributions with respect to our common stock, see **Material U.S. Federal Income Tax Considerations Taxation of Taxable U.S. Stockholders, Taxation of Tax-Exempt U.S. Stockholders** in the accompanying prospectus. Furthermore, with respect to non-U.S. stockholders, we may be required to withhold U.S. tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in stock. For more information on the tax consequences of distributions with respect to our common stock, see **Material U.S. Federal Income Tax Considerations Taxation of Non- U.S. Stockholders** in the accompanying prospectus. In addition, if a significant number of our stockholders determine to sell shares of our common stock in order to pay taxes owed on their dividends, it may put downward pressure on the market price of our common stock.

Table of Contents

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus, and the documents incorporated by reference herein and therein include 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:

our ability to control costs, real estate market conditions, the actual rate of decline in customers, the actual use of sites by customers and our success in acquiring new customers at our Properties (including those recently acquired);

our ability to maintain historical rental rates and occupancy with respect to Properties currently owned or that we may acquire;

our assumptions about rental and home sales markets;

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;

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;

the completion of future acquisitions, if any, and timing with respect thereto and the effective integration and successful realization of cost savings;

ability to obtain financing or refinance existing debt on favorable terms or at all;

the effect of interest rates;

the dilutive effects of issuing additional common stock;

the effect of accounting for the sale of agreements to customers representing a right-to-use the Properties previously leased by Privileged Access under Staff Accounting Bulletin No. 104, *Revenue Recognition in Consolidated Financial Statements, Corrected*; and

other risks indicated from time to time in our filings with the SEC.

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.

Table of Contents

USE OF PROCEEDS

We expect the net proceeds from this offering to be approximately \$ million (approximately \$ million if the underwriters' overallotment option is exercised in full), after deducting the underwriting discount and other estimated expenses of this offering payable by us.

We intend to contribute to our Operating Partnership the net proceeds from this offering. The net proceeds when combined with our current cash and cash equivalent balance of approximately \$37.0 million at June 11, 2009, would give our Operating Partnership a cash and cash equivalent balance of approximately \$ million (approximately \$ million if the underwriters' overallotment option is exercised in full) immediately following this offering. Our Operating Partnership intends to use the net proceeds from this offering to repay secured long-term debt and for general corporate purposes. In the interim the Company may be carrying a higher cash balance than has historically been the case. As of June 18, 2009, we had approximately \$1.611 billion of outstanding secured long-term debt, with a weighted average interest rate of approximately 6.02% per annum. Pending such use, the Operating Partnership will invest the net proceeds from this offering in readily marketable interest bearing securities consistent with our intention to qualify as a REIT; accordingly, we will hold more cash and cash equivalents than has historically been the case until such time as these funds are used to either repay debt or for other general purposes.

Table of Contents**PRICE RANGE OF OUR COMMON STOCK AND DISTRIBUTIONS**

Our shares of common stock are listed and traded on the New York Stock Exchange under the symbol ELS. The following table sets forth, for the periods indicated, the high and low sale prices of our common stock as reported on the New York Stock Exchange and the distributions declared per share.

	Price per Share		Distribution per Share
	High	Low	
Year Ended December 31, 2007			
First Quarter	\$ 59.67	\$ 51.00	\$ 0.150
Second Quarter	56.47	49.60	0.150
Third Quarter	54.25	43.79	0.150
Fourth Quarter	55.65	43.72	0.150
Year Ended December 31, 2008			
First Quarter	\$ 52.26	\$ 39.77	\$ 0.200
Second Quarter	53.64	43.62	0.200
Third Quarter	56.00	40.93	0.200
Fourth Quarter	52.90	22.64	0.200
Year Ending December 31, 2009			
First Quarter	42.44	28.34	0.250
Second Quarter (through June 19, 2009)	37.57	39.17	0.250

On June 19, 2009, the reported last sale price for our shares of common stock on the New York Stock Exchange was \$37.85 per share.

For a description of our shares of common stock, see *Description of Common Stock* in the accompanying prospectus and our amended and restated articles of incorporation, which was filed as an exhibit to our current Report on Form 8-K on May 17, 2007.

DISTRIBUTION POLICY

In order to qualify as a REIT for U.S. federal income tax purposes, we must distribute 90% or more of our taxable income (without regard to the dividends paid deduction and excluding capital gains) to our stockholders. On May 12, 2009, our Board of Directors declared a dividend on our common stock of \$0.25 per share, representing, on an annualized basis, a dividend of \$1.00 per share. The dividend will be paid on July 10, 2009 to stockholders of record on June 26, 2009. Purchasers of common stock in this offering will not be entitled to receive this dividend.

Our management and the executive committee of our Board of Directors intend to recommend to the Board of Directors an increase in our quarterly common stock dividend from \$0.25 to \$0.30 per share of common stock. This expected increase in our quarterly dividend will have no effect on our previously declared dividend of \$0.25 per share of common stock, payable on July 10, 2009 to stockholders of record on June 26, 2009. Although we anticipate increasing our regular quarterly dividend as described above, the amount, timing and form of any future dividends to our stockholders will be at the sole discretion of our Board of Directors and will depend upon numerous factors, including, but not limited to, our actual and projected results of operations and funds from operations; our actual and

projected financial condition, cash flows and liquidity; our business prospects; our operating expenses; our capital expenditure requirements; our debt service requirements; restrictive covenants in our financing or other contractual arrangements; restrictions under Maryland law; our taxable income; the annual distribution requirements under the REIT provisions of the Internal Revenue Code; and such other factors as our Board of Directors deems relevant.

S-9

Table of Contents

UNDERWRITING

Merrill Lynch, Pierce, Fenner & Smith Incorporated and Wachovia Capital Markets, LLC are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us, our Operating Partnership and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of common stock set forth opposite its name below.

Underwriter	Number of Shares
Merrill Lynch, Pierce, Fenner & Smith Incorporated Wachovia Capital Markets, LLC Citigroup Global Markets Inc. Keefe, Bruyette & Woods, Inc. Piper Jaffray & Co.	
Total	4,000,000

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares of common stock to be sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares of common stock, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives of the underwriters have advised us that the underwriters propose initially to offer the shares of common stock to the public at the public offering price set forth on the cover page of this prospectus supplement and to dealers at that price less a concession not in excess of \$ per share. The underwriters may allow, and the dealers may reallow, a discount not in excess of \$ per share to other dealers. After the initial public offering, the public offering price, concession or any other term of the offering may be changed.

Table of Contents

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their overallotment option described below.

	Per Share	Without Option	With Option
Public offering price	\$	\$	\$
Underwriting discount	\$	\$	\$
Proceeds, before expenses, to us	\$	\$	\$

The expenses of the offering, not including the underwriting discount, are estimated at \$ and are payable by us.

Overallotment Option

We have granted an option to the underwriters to purchase up to 600,000 additional shares of common stock at the public offering price appearing on the cover page of this prospectus supplement, less the underwriting discount, solely to cover any overallotments. The underwriters may exercise this option for 30 days from the date of this prospectus supplement. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares of common stock proportionate to that underwriter's initial amount reflected in the above table.

No Sales of Similar Securities

We, our executive officers and directors have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 30 days after the date of this prospectus supplement without first obtaining the written consent of each of the representatives. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly, and, in each case, not to publicly disclose the intention to:

offer, pledge, sell or contract to sell any common stock or Operating Partnership units,

sell any option or contract to purchase any common stock or Operating Partnership units,

purchase any option or contract to sell any common stock or Operating Partnership units,

grant any option, right or warrant for the purchase of any common stock or Operating Partnership units,

lend or otherwise dispose of or transfer any common stock or Operating Partnership units,

request or demand that we file a registration statement related to the common stock or Operating Partnership units, or

enter into any swap, hedge or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock or Operating Partnership units whether any such swap, hedge or transaction is to be settled by delivery of shares of common stock, Operating Partnership units or other securities, in cash or otherwise.

This lock-up provision applies to common stock, Operating Partnership units and to securities convertible into or exchangeable or exercisable for or repayable with common stock or Operating Partnership units. It also applies to common stock and Operating Partnership units owned now or acquired later by the

S-11

Table of Contents

person executing the agreement or for which the person executing the agreement later acquires the power of disposition. In the event that either (x) during the last 17 days of lock-up period referred to above, we issue an earnings release or material news or a material event relating to the Company occurs or (y) prior to the expiration of the lock-up period, we announce that we will release earnings results or become aware that material news or a material event will occur during the 16-day period beginning on the last day of the lock-up period, the restrictions described above shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

New York Stock Exchange Listing

Our shares of common stock are listed on the New York Stock Exchange under the symbol ELS.

Price Stabilization, Short Positions

Until the distribution of our shares of common stock is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with this offering, the underwriters may purchase and sell our common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares of common stock than they are required to purchase in the offering. Covered short sales are sales made in an amount not greater than the underwriters' overallotment option. The underwriters may close out any covered short position by either exercising their overallotment option or purchasing shares of common stock in the open market. In determining the source of shares of common stock to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the overallotment option. Naked short sales are sales in excess of the underwriters' overallotment option. The underwriters must close out any naked short position by purchasing shares of common stock in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in this offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriters in the open market prior to the completion of this offering.

Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Electronic Offer, Sale and Distribution of Shares

In connection with this offering, certain of the underwriters or securities dealers may distribute this prospectus supplement and the accompanying prospectus by electronic means, such as e-mail. In addition,

Table of Contents

certain of the underwriters may facilitate Internet distribution for this offering to certain of their Internet subscription customers. Each such underwriter may allocate a limited number of shares for sale to its online brokerage customers. An electronic prospectus supplement and the accompanying prospectus is available on the Internet website maintained by each such underwriter. Other than this prospectus supplement and the accompanying prospectus in electronic format, the information on each underwriter's website is not part of this prospectus supplement or the accompanying prospectus.

Other Relationships

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

Bank of America, N.A., Wachovia Bank, N.A. and Wells Fargo Bank, N.A., each of which is an affiliate of an underwriter in this offering, are lenders under our unsecured \$350 million revolving credit facility. Wells Fargo Bank, N.A. is the lender under our unsecured \$20 million revolving credit facility. Bank of America, N.A. also acts as a co-syndication agent under this facility. Wells Fargo Bank, N.A. also acts as agent, sole lead arranger, swingline lender and issuing lender under this facility. As of June 22, 2009, there were no outstanding amounts under either facility.

Sales Outside the United States

No action has been taken in any jurisdiction (except in the United States) that would permit a public offering of shares of our common stock described in this prospectus supplement or the possession, circulation or distribution of this prospectus supplement or the accompanying prospectus or any other material relating to us or shares of our common stock in any jurisdiction where action for that purpose is required. Accordingly, shares of our common stock may not be offered or sold, directly or indirectly, and neither this prospectus supplement nor any other offering material or advertisements in connection with shares of our common stock may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction.

Each of the underwriters may arrange to sell shares of our common stock offered hereby in certain jurisdictions outside the United States, either directly or through affiliates, where they are permitted to do so. In that regard, Wachovia Capital Markets, LLC may arrange to sell shares of our common stock in certain jurisdictions through an affiliate, Wachovia Securities International Limited, or WSIL. WSIL is a wholly-owned indirect subsidiary of Wells Fargo & Company and an affiliate of Wachovia Capital Markets, LLC. WSIL is a United Kingdom incorporated investment firm regulated by the Financial Services Authority. Wachovia Securities is the trade name for certain corporate and investment banking services of Wells Fargo & Company and its affiliates, including Wachovia Capital Markets, LLC and WSIL.

Notice to Certain European Residents

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a relevant member state), with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the relevant implementation date), an offer of shares of our common stock described in this prospectus supplement may not be made to the public in that relevant member state prior to the publication of a prospectus in relation to the shares of our common stock that has been approved by the competent authority in that relevant member state or, where appropriate, approved in another relevant member state and notified to the competent authority in that relevant member state, all in

Table of Contents

accordance with the Prospectus Directive, except that, with effect from and including the relevant implementation date, an offer to the public of securities may be offered in that relevant member state at any time:

to any legal entity that is authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

to any legal entity that has two or more of (a) an average of at least 250 employees during the last financial year; (b) a total balance sheet of more than 43,000,000; and (c) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts;

to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the underwriters; or

in any other circumstances that do not require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive.

Each purchaser of the shares of our common stock described in this prospectus supplement located within a relevant member state will be deemed to have represented, acknowledged and agreed that it is a qualified investor within the meaning of Article 2(1)(e) of the Prospectus Directive.

For purposes of this provision, the expression an offer to the public in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each relevant member state.

The sellers of the shares of our common stock have not authorized and do not authorize the making of any offer of the shares of our common stock through any financial intermediary on their behalf, other than offers made by the underwriters with a view to the final placement of the shares of our common stock as contemplated in this prospectus supplement. Accordingly, no purchaser of the shares of our common stock, other than the underwriters, is authorized to make any further offer of the shares of our common stock on behalf of the sellers or the underwriters.

In addition:

an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in connection with the issue or sale of our common stock described in this prospectus supplement in circumstances in which Section 21(1) of the FSMA does not apply to us; and

all applicable provisions of the FSMA have been complied with and will be complied with, with respect to anything done in relation to our common stock described in this prospectus supplement in, from or otherwise involving the United Kingdom.

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom, (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2) (a) to (d) of the Order (all such persons together being referred to as

relevant persons). Our shares of common stock are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such shares of common

S-14

Table of Contents

stock will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

This prospectus supplement and the accompanying prospectus (including any amendment, supplement or replacement thereto or hereto) have not been prepared in connection with an offering of shares of our common stock that has been approved by the Autorité des marchés financiers or by the competent authority of another State that is a contracting party to the Agreement on the European Economic Area and notified to the Autorité des marchés financiers; no shares of our common stock has been offered or sold and will be offered or sold, directly or indirectly, to the public in France except to permitted investors, or Permitted Investors, consisting of persons licensed to provide the investment service of portfolio management for the account of third parties, qualified investors (investisseurs qualifiés) acting for their own account and/or corporate investors meeting one of the four criteria provided in article D. 341-1 of the French Code Monétaire et Financier and belonging to a limited circle of investors (cercle restreint d investisseurs) acting for their own account, with qualified investors and limited circle of investors having the meaning ascribed to them in Article L. 411-2, D. 411-1, D. 411-2, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French Code Monétaire et Financier; neither this prospectus supplement or the accompanying prospectus nor any other materials related to the offer or information contained therein relating to shares of our common stock has been released, issued or distributed to the public in France except to Permitted Investors; and the direct or indirect resale to the public in France of any shares of our common stock acquired by any Permitted Investors may be made only as provided by articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Code Monétaire et Financier and applicable regulations thereunder.

Shares of our common stock may not and will not be publicly offered, distributed or re-distributed on a professional basis in or from Switzerland, and neither this prospectus supplement or the accompanying prospectus nor any other solicitation for investments in shares of our common stock may be communicated or distributed in Switzerland in any way that could constitute a public offering within the meaning of articles 652a or 1156 of the Swiss Federal Code of Obligations or of Article 2 of the Federal Act on Investment Funds of March 18, 1994. This prospectus supplement and the accompanying prospectus may not be copied, reproduced, distributed or passed on to others without the representatives prior written consent. This prospectus supplement and the accompanying prospectus are not a prospectus within the meaning of Articles 1156 and 652a of the Swiss Code of Obligations or a listing prospectus according to article 32 of the Listing Rules of the Swiss exchange and may not comply with the information standards required thereunder. We will not apply for a listing of our common stock on any Swiss stock exchange or other Swiss regulated market and this prospectus supplement and the accompanying prospectus may not comply with the information required under the relevant listing rules. Our common stock has not been and will not be approved by any Swiss regulatory authority. Our common stock has not been and will not be registered with or supervised by the Swiss Federal Banking Commission, and has not been and will not be authorized under the Federal Act on Investment Funds of March 18, 1994. The investor protection afforded to acquirers of investment fund certificates by the Federal Act on Investment Funds of March 18, 1994 does not extend to acquirers of shares of our common stock.

Notice to Prospective Investors in the Dubai International Financial Centre

This document relates to an exempt offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. This document is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with exempt offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The shares of our common stock which are the subject of the offering contemplated by this prospectus supplement may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on such shares. If you do not understand the contents of this document, you should consult an authorised financial adviser.

Table of Contents

LEGAL MATTERS

The validity of the shares of common stock offered by this prospectus supplement and certain federal income tax matters will be passed upon for us by Clifford Chance US LLP. Sidley Austin LLP, New York, New York will act as counsel to the underwriters.

EXPERTS

The consolidated financial statements of Equity LifeStyle Properties, Inc. appearing in Equity LifeStyle Properties, Inc.'s Annual Report (Form 10-K) for the year ended December 31, 2008 (including the schedules appearing therein), and the effectiveness of Equity LifeStyle Properties, Inc.'s internal control over financial reporting as of December 31, 2008 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and, in accordance therewith, we file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any reports, statement or other information we file at the SEC's public reference rooms located at 100 F Street, NE, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public from commercial document retrieval services and at the website maintained by the SEC at <http://www.sec.gov>. We maintain a website at www.equitylifestyle.com. Our reference to our website is intended to be an inactive textual reference only. Information contained on our website is not, and should not be interpreted to be, a part of this prospectus supplement or the accompanying prospectus. Our securities are listed on the New York Stock Exchange and all such material filed by us with the New York Stock Exchange also can be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

We have filed with the SEC a registration statement on Form S-3, of which this prospectus supplement and the accompanying prospectus is a part, under the Securities Act with respect to the common stock offered hereby. This prospectus supplement and the accompanying prospectus does not contain all of the information set forth in the registration statement, certain parts of which are omitted in accordance with the rules and regulations of the SEC. For further information concerning us and the securities, reference is made to the registration statement. Statements contained in this prospectus supplement and the accompanying prospectus as to the contents of any contract or other document are not necessarily complete, and, in each instance, reference is made to the copy of such contract or document filed as an exhibit to the registration statement, each such statement being qualified in all respects by such reference.

Table of Contents

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to incorporate by reference into this prospectus supplement and the accompanying prospectus, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus supplement and the accompanying prospectus. This prospectus supplement and the accompanying prospectus incorporate by reference the documents set forth below that we have previously filed with the SEC (File No. 001-11718). These documents contain important information about us and our prospects.

Document	Period
Annual Report on Form 10-K	Year ended December 31, 2008

Document	Period
Quarterly Report on Form 10-Q	Quarterly period ended March 31, 2009

Document	Filed
Current Reports on Form 8-K	March 2, 2009 (with respect to Item 8.01 only) May 13, 2009

Document	Filed
Definitive Proxy Statement on Schedule 14A	March 31, 2009

All documents that we file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, after the date of this prospectus supplement but before the end of the offering of securities made under this prospectus supplement will also be considered to be incorporated by reference into this prospectus supplement and the accompanying prospectus.

If you request, either orally or in writing, we will provide you with a copy of any or all documents that are incorporated herein by reference. Such documents will be provided to you free of charge, but will not contain any exhibits, unless those exhibits are incorporated by reference into the document. Requests should be addressed to Equity LifeStyle Properties, Inc., Attention: Investor Relations, Two North Riverside Plaza, Suite 800, Chicago, Illinois 60606, telephone number: 1-800-247-5279, email: investor_relations@mhchomes.com.

Table of Contents

PROSPECTUS

**Common Stock, Preferred Stock, Depositary Shares
Representing Preferred Stock, Warrants and Rights**

We may from time to time offer, in one or more series or classes, separately or together, and in amounts, at prices and on terms to be set forth in one or more supplements to this prospectus, the following securities:

shares of common stock, par value \$0.01 per share;

shares of preferred stock, par value \$0.01 per share;

depositary shares representing entitlement to all rights and preferences of fractions of shares of preferred stock of a specified series and represented by depositary receipts;

warrants to purchase shares of common stock, preferred stock or depositary shares; or

rights to purchase shares of common stock, preferred stock, depositary shares or other offered securities.

We refer to the common stock, preferred stock, depositary shares, warrants and rights collectively as the securities in this prospectus.

This prospectus describes some of the general terms that may apply to these securities and the general manner in which they may be offered. The specific terms of any securities to be offered, and the specific manner in which they may be offered, will be set forth in the applicable prospectus supplement. The prospectus supplement will also contain information, where applicable, about certain federal income tax considerations relating to, and any listing on a securities exchange of, the securities covered by such prospectus supplement. It is important that you read both this prospectus and the applicable prospectus supplement before you invest in the securities.

We may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. The prospectus supplement will describe the terms of the plan of distribution and set forth the names of any agents, dealers or underwriters involved in the sale of the securities. See Plan of Distribution beginning on page 56 for more information on this topic. No securities may be sold without delivery of a prospectus supplement describing the method and terms of the offering of those securities.

Our common stock is listed on the New York Stock Exchange, or the NYSE, under the symbol ELS. On May 4, 2009, the closing sale price of our common stock on the NYSE was \$39.43 per share.

Investing in our securities involves risks. You should read carefully the risk factors described in our Securities and Exchange Commission filings, including our Annual Report on Form 10-K for the year ended December 31, 2008, before investing in our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is May 6, 2009

TABLE OF CONTENTS

	Page
<u>ABOUT THIS PROSPECTUS</u>	ii
<u>INFORMATION ABOUT EQUITY LIFESTYLE PROPERTIES, INC.</u>	1
<u>RISK FACTORS</u>	3
<u>CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	4
<u>RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS</u>	5
<u>USE OF PROCEEDS</u>	5
<u>DESCRIPTION OF COMMON STOCK</u>	6
<u>DESCRIPTION OF PREFERRED STOCK</u>	9
<u>DESCRIPTION OF DEPOSITARY SHARES</u>	24
<u>DESCRIPTION OF WARRANTS</u>	27
<u>DESCRIPTION OF RIGHTS</u>	29
<u>CERTAIN PROVISIONS OF MARYLAND LAW AND OF OUR CHARTER AND BYLAWS</u>	30
<u>THE OPERATING PARTNERSHIP AGREEMENT</u>	34
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS</u>	37
<u>PLAN OF DISTRIBUTION</u>	55
<u>LEGAL MATTERS</u>	57
<u>EXPERTS</u>	57
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	57
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	58

You should rely only on the information contained or incorporated by reference in this prospectus and any accompanying prospectus supplement. We have not authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. The information appearing in this prospectus, any accompanying prospectus supplement and the documents incorporated by reference herein or therein is accurate only as of their respective dates or on other dates which are specified in those documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of an automatic shelf registration statement that we filed with the Securities and Exchange Commission, or the SEC, in accordance with General Instruction I.D. of Form S-3, using a shelf registration process for the delayed offering and sale of securities pursuant to Rule 415 under the Securities Act of 1933, as amended, or the Securities Act. Under the shelf process, we may, from time to time, sell the offered securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement containing specific information about the terms of the securities being offered and the specific manner in which they will be offered. The prospectus supplement may also add, update or change information contained in this prospectus.

This prospectus and any accompanying prospectus supplement do not contain all of the information included in the registration statement. We have omitted parts of the registration statement in accordance with the rules and regulations of the SEC. For further information, we refer you to the registration statement on Form S-3 of which this prospectus is a part, including its exhibits. Statements contained in this prospectus and any accompanying prospectus supplement about the provisions or contents of any agreement or other document are not necessarily complete. If the SEC's rules and regulations require that an agreement or document be filed as an exhibit to the registration statement, please see that agreement or document for a complete description of these matters.

You should read this prospectus together with any additional information you may need to make your investment decision. You should also read and carefully consider the information in the documents we have referred you to in **Where You Can Find More Information** below. Information incorporated by reference after the date of this prospectus may add, update or change information contained in this prospectus. Any information in such subsequent filings that is inconsistent with this prospectus will supersede the information in this prospectus or any earlier prospectus supplement.

As used in this prospectus, unless the context otherwise requires, the terms **we**, **us**, **our** and **our company** refer to all entities owned or controlled by Equity LifeStyle Properties, Inc., including MHC Operating Limited Partnership, our operating partnership.

Table of Contents

INFORMATION ABOUT EQUITY LIFESTYLE PROPERTIES, INC.

We were formed in December 1992 as a Maryland corporation to continue the property operations, business objectives and acquisition strategies of an entity that had owned and operated properties since 1969. We have been a public company since 1993 and have elected to be taxed as a real estate investment trust, or a REIT, for U.S. federal income tax purposes commencing with our taxable year ended December 31, 1993.

We are a fully integrated owner and operator of lifestyle-oriented properties, or Properties. We lease individual developed areas, or sites, with access to utilities for placement of factory built homes, cottages, cabins or recreational vehicles, or RVs. Customers may lease individual sites or purchase right-to-use contracts providing the customer access to specific Properties for limited stays. As of December 31, 2008, we owned or had an ownership interest in a portfolio of 309 Properties located throughout the United States and Canada consisting of 112,074 residential sites. These Properties are located in 28 states and British Columbia (with the number of Properties in each state or province shown parenthetically) as follows: Florida (86), California (48), Arizona (35), Texas (15), Pennsylvania (13), Washington (14), Colorado (10), Oregon (9), North Carolina (8), Delaware (7), New York (6), Nevada (6), Virginia (6), Wisconsin (6), Indiana (5), Maine (5), Illinois (4), Massachusetts (4), New Jersey (4), Michigan (3), South Carolina (3), New Hampshire (2), Ohio (2), Tennessee (2), Utah (2), Alabama (1), Kentucky (1), Montana (1), and British Columbia (1).

Properties are designed and improved for several home options of various sizes and designs that are produced off-site, installed and set on designated sites, or Site Set, within the Properties. These homes can range from 400 to over 2,000 square feet. The smallest of these are referred to as Resort Cottages. Properties may also have sites that can accommodate a variety of RVs. Properties generally contain centralized entrances, internal road systems and designated sites. In addition, Properties often provide a clubhouse for social activities and recreation and other amenities, which may include restaurants, swimming pools, golf courses, lawn bowling, shuffleboard courts, tennis courts, laundry facilities and cable television service. In some cases, utilities are provided or arranged for by us; otherwise, the customer contracts for the utility directly. Some Properties provide water and sewer service through municipal or regulated utilities, while others provide these services to customers from on-site facilities. Properties generally are designed to attract retirees, empty-nesters, vacationers and second home owners; however, certain of our Properties focus on affordable housing for families. We focus on owning properties in or near large metropolitan markets and retirement and vacation destinations.

Our operations are conducted primarily through MHC Operating Limited Partnership, or our Operating Partnership. We contributed the proceeds from our initial public offering and subsequent offerings to our Operating Partnership for a general partnership interest. In 2004, the general partnership interest was contributed to MHC Trust, a private REIT subsidiary owned by us. The financial results of the Operating Partnership and the Subsidiaries are consolidated in our consolidated financial statements. In addition, since certain activities, if performed by us, may not be qualifying REIT activities under the Internal Revenue Code of 1986, as amended, or the Internal Revenue Code, we have formed taxable REIT subsidiaries, as defined in the Internal Revenue Code, to engage in such activities.

Our primary business objective is to seek to maximize both current income and long-term growth in income. We focus on properties that have strong cash flow and we expect to hold such properties for long-term investment and capital appreciation. In determining cash flow potential, we evaluate our ability to attract and retain high quality customers in our Properties who take pride in the Property and in their home.

Our operating strategy is to own and operate the highest quality properties in sought-after locations near urban areas, retirement and vacation destinations across the United States. We focus on creating an attractive residential

environment by providing a well-maintained, comfortable Property with a variety of organized recreational and social activities and superior amenities as well as offering a multitude of lifestyle housing choices. In addition, we regularly conduct evaluations of the cost of housing in the marketplaces in which our Properties are located and survey rental rates of competing properties. From time to time we also conduct satisfaction surveys of our customers to determine the factors they consider most important in choosing a

Table of Contents

property. We improve site utilization and efficiency by tracking types of customers and usage patterns and marketing to those specific customer groups.

Our principal executive offices are located at Two North Riverside Plaza, Chicago, Illinois, 60606 and our telephone number is (312) 279-1400. We maintain a website at www.equitylifestyle.com. Our reference to our website is intended to be an inactive textual reference only. Information contained on our website is not, and should not be interpreted to be, part of this prospectus.

Table of Contents

RISK FACTORS

Investment in our securities involves a high degree of risk. You should carefully consider the risks described in the section **Risk Factors** contained in our Annual Report on Form 10-K for the year ended December 31, 2008, which has been filed with the SEC, in addition to the other information contained in this prospectus, in an applicable prospectus supplement, or incorporated by reference herein, before purchasing any of our securities. The section **Risk Factors** contained in our Annual Report on Form 10-K for the year ended December 31, 2008 is incorporated herein by reference. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business operations. Any of these risks described could materially adversely affect our business, financial condition, results of operations, or ability to make distributions to our stockholders. In such case, you could lose a portion of your original investment. In connection with the forward-looking statements that appear in this prospectus, you should carefully review the risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2008 and the cautionary statements referred to in **Cautionary Note Regarding Forward-Looking Statements** beginning on page 4 of this prospectus.

Table of Contents

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents that are incorporated by reference herein contain 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 of such words or phrases, 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, credit and capital 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;

in the properties we recently started operating as a result of our acquisition of Privileged Access and all properties, our ability to control costs, property market conditions, the actual rate of decline in customers, the actual use of sites by customers and our success in acquiring new customers;

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;

the effect of accounting for the sale of agreements to customers representing a right-to-use the properties previously leased by Privileged Access under Staff Accounting Bulletin No. 104, *Revenue Recognition in Consolidated Financial Statements, Corrected*; and

other risks indicated from time to time in our filings with the SEC.

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.

Table of Contents**RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS**

The following table sets forth our ratios of earnings to combined fixed charges and preferred stock dividends for the periods indicated.

	Three Months Ended March 31, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007 (Unaudited)	Year Ended December 31, 2006	Year Ended December 31, 2005	Year Ended December 31, 2004
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends(1)	1.71	1.33	1.37	1.31	1.06	1.14

- (1) Earnings have been calculated by adding combined fixed charges to consolidated income from continuing operations. Combined fixed charges consist of interest expense, amortization of deferred financing costs and perpetual preferred OP Unit distributions. For all periods, we computed the ratio of earnings to combined fixed charges and preferred stock dividends by dividing earnings by combined fixed charges. We have not issued any preferred stock in any period, and therefore there were no preferred stock dividends included in our calculation of ratios of earnings to combined fixed charges and preferred stock dividends for these periods.

USE OF PROCEEDS

Unless otherwise specified in the applicable prospectus supplement, we intend to contribute the net proceeds from the sale of the securities offered hereby to our Operating Partnership, which would use such net proceeds for general corporate purposes, which may include the repayment of existing indebtedness, the development or acquisition of additional Properties (including through the acquisition of individual Properties, portfolios and companies) as suitable opportunities arise and the renovation, expansion and improvement of our existing Properties. Further details relating to the use of the net proceeds from the sale of a specific series or class of securities will be set forth in the applicable prospectus supplement.

Table of Contents

DESCRIPTION OF COMMON STOCK

The following description of the terms of our common stock is only a summary. This description is subject to, and qualified in its entirety by reference to, our charter and bylaws, each of which has previously been filed with the SEC and which we incorporate by reference as exhibits to the registration statement of which this prospectus is a part, and the Maryland General Corporation Law, or MGCL.

General

Our charter provides that we may issue up to 100,000,000 shares of common stock, \$0.01 par value per share. Subject to the provisions of our charter regarding excess stock (as described below), each outstanding share of common stock entitles the holder to one vote on all matters submitted to a vote of stockholders, including the election of directors, and, except as otherwise provided by law or except as provided with respect to any other class or series of stock, the holders of this stock will possess the exclusive voting power. There is no cumulative voting in the election of directors, which means that the holders of a majority of the outstanding shares of common stock can elect all of the directors then standing for election and the holders of the remaining shares, if any, will not be able to elect any directors. On May 4, 2009, there were 25,278,455 shares of common stock outstanding. Under Maryland law, our stockholders are generally not personally liable for any debt or obligation of our company solely as a result of their status as a stockholder of our company.

All shares of common stock offered hereby have been duly authorized, and will be fully paid and nonassessable. Subject to the preferential rights of any other class or series of stock and to the provisions of our charter regarding excess stock, holders of shares of our common stock are entitled to receive distributions on their stock if, as and when authorized and declared by our board of directors out of assets legally available therefor. The holders of shares of our common stock are also entitled to share ratably in our assets legally available for distribution to our stockholders in the event of our liquidation, dissolution or winding up, after payment of or adequate provision for all our known debts and liabilities.

Holders of shares of common stock have no preference, conversion, exchange, sinking fund, redemption or appraisal rights and have no preemptive rights to subscribe for any of our securities. Subject to the provisions of our charter regarding excess stock, shares of common stock will have equal dividend, distribution, liquidation and other rights, and have no preference, exchange or appraisal rights.

Restrictions on Ownership

Our charter, subject to certain exceptions, contains certain restrictions on the number of shares of our stock that a person may own. Our charter contains a stock ownership limit which prohibits any person from acquiring or holding, directly or indirectly, applying attribution rules under the Internal Revenue Code, shares of stock in excess of 5.0% of the total number of shares or value of our outstanding stock, subject to certain adjustments, whichever is more restrictive. Our charter further prohibits (1) any person from beneficially or constructively owning shares of our stock that would result in us being closely held under Section 856(h) of the Internal Revenue Code (without regard to whether the shares are owned during the last half of a taxable year), and (2) any person from transferring shares of our stock if such transfer would result in shares of our stock being owned by fewer than 100 persons (as determined without reference to the rules of attribution). Unless exempted by our board of directors, no person may own more than 5.0% of the aggregate value of the outstanding shares of our stock. However, our board of directors may not grant and has not granted such an exemption to any person whose ownership, direct or indirect, of in excess of 5.0% of the number or value of the outstanding shares of our stock (whichever is more restrictive) would result in us being

closely held within the meaning of Section 856(h) of the Internal Revenue Code or otherwise would result in us failing to qualify as a REIT.

The person seeking an exemption must represent to the satisfaction of our board of directors that the exemption will not result in us failing to qualify as a REIT. The person also must agree that any violation or attempted violation of any of the foregoing restrictions will result in the automatic transfer of the shares of stock causing such violation to the trust (as defined below). Our board of directors may require a ruling from the IRS or an opinion of counsel, in either case in form and substance satisfactory to our board of directors in its sole discretion, to determine or ensure our qualification as a REIT.

Table of Contents

Any person who acquires or attempts or intends to acquire beneficial or constructive ownership of shares of our stock that will or may violate any of the foregoing restrictions on transferability and ownership, or any person who would have owned shares of our stock that resulted in a transfer of shares to the trust in the manner described below, will be required to give notice immediately to us and provide us with such other information as we may request in order to determine the effect of such transfer on us.

If any transfer of shares of our stock occurs which, if effective, would result in any person beneficially or constructively owning shares of our stock in excess or in violation of the above transfer or ownership limitations, then that number of shares of our stock the beneficial or constructive ownership of which otherwise would cause such person to violate such limitations (rounded to the nearest whole share) shall be treated as excess stock and automatically transferred to a trust for the exclusive benefit of one or more beneficiaries, designated by the person so long as (i) the shares of excess stock held in the trust would not be excess stock in the hands of such designated beneficiary and (ii) the prohibited owner does not receive a price for designating the beneficiary that reflects a price per share for such excess stock that exceeds (x) the price per share the prohibited owner paid for the shares of stock in the purported transfer that resulted in the stock being treated as excess stock, or (y) if the prohibited owner did not give value for such excess stock (through a gift, devise or other transaction), a price per share equal to the market price (as the term is defined in our charter) for the shares of the excess stock on the date of the purported transfer that resulted in the excess stock. The prohibited owner shall not acquire any rights in such shares. Such automatic transfer shall be deemed to be effective as of the close of business on the business day prior to the date of the violative transfer. Shares of excess stock held in the trust shall be issued and outstanding shares of our stock. The prohibited owner shall not benefit economically from ownership of any shares of stock held in the trust, shall have no rights to distributions (except upon liquidation) and shall not possess any rights to vote or other rights attributable to the shares of excess stock held in the trust. Subject to the foregoing limitations, the excess stock may be retransferred by the prohibited owner to any person (if the excess stock would not be considered excess stock in the hands of the person) at a price not to exceed the price paid by the prohibited owner or, if the prohibited owner did not give value for the excess stock (e.g., a transfer by gift or devise), the fair market value (as described below) at the time of the proposed transfer that resulted in the excess stock, at which point the excess stock will automatically be exchanged for the stock to which the excess stock is attributable. In addition, the excess stock held in trust is subject to purchase by us at a purchase price equal to the lesser of the price paid for the stock by the Company (or, in the case of a devise or gift, the fair market value at the time of such devise or gift) and the fair market value of the excess stock on the date we exercise our right to purchase. Fair market value shall be the last reported sales price of the stock on the NYSE on the trading day immediately preceding the relevant date, or if not then traded on the NYSE, the last reported sales price of the stock on the trading day immediately preceding the relevant date as reported on any exchange or quotation system over which the stock may be traded, or if not then traded over any exchange or quotation system, then the fair market value of such stock on the relevant date as determined in good faith by the board of directors. Our right to purchase shall be effective for a period of 90 days after the later of the date of the purported transfer which resulted in the excess stock and the date the board of directors determines in good faith that such a transfer has occurred. From and after the intended transfer to the prohibited owner of the excess stock, the prohibited owner shall cease to be entitled to distributions (except upon liquidation), voting rights and other benefits with respect to the stock except the right to payment of the purchase price for the stock limited as described above or the retransfer of stock as provided above. Any dividend or distribution paid to a prohibited owner on excess stock prior to the discovery by us that the stock has been transferred in violation of the provisions of our charter shall be repaid to us upon demand. If the foregoing transfer restrictions are determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the prohibited owner of any excess stock may be deemed, at our option, to have acted as an agent on behalf of us in acquiring such excess stock and to hold the excess stock on behalf of us.

All certificates representing shares of our common stock and, to the extent issued, our preferred stock, will bear a legend referring to the restrictions described above.

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Every record holder of 0.5% or more (or such other percentage as required by the Internal Revenue Code and the related Treasury regulations) of all classes or series of our stock, including shares of our common stock on any distribution record date during each taxable year, within 30 days after the end of the taxable

Table of Contents

year, shall be required to give written notice to us stating the name and address of such record holder, the number of shares of each class and series of our stock which the record holder beneficially owns and a description of the manner in which such shares are held. Each such record holder shall provide to us such additional information as we may request in order to determine the effect, if any, of such beneficial ownership on our qualification as a REIT and to ensure compliance with the stock ownership limits. In addition, each record holder shall upon demand be required to provide to us such information as we may reasonably request in order to determine our qualification as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance. We may request such information after every sale, disposition or transfer of our common stock prior to the date a registration statement for such stock becomes effective. A record holder who fails to supply the required information will be required to file a supplemental statement with the Internal Revenue Service along with such holder's U.S. federal income tax returns.

These ownership limits could delay, defer or prevent a change in control or other transaction of us that might involve a premium price for the common stock or otherwise be in the best interest of the stockholders.

Transfer Agent and Registrar

The transfer agent and registrar for the common stock is American Stock Transfer and Trust Company, LLC.

Table of Contents

DESCRIPTION OF PREFERRED STOCK

The following description of the terms of our preferred stock is only a summary. For more detail regarding the Series D & F Units and the Series D & F Preferred Stock (both as defined below) you should refer to the applicable preference unit term sheet and joinder to the Partnership Agreement and the applicable articles supplementary. The specific terms of any series of preferred stock will be described in the applicable prospectus supplement. These descriptions and the description contained in any prospectus supplement are subject to and qualified in their entirety by reference to our charter, which includes the articles supplementary relating to each series of preferred stock, and our bylaws, each of which has previously been filed with the SEC and which we incorporate by reference as exhibits to the registration statement of which this prospectus is a part, and the MGCL.

General

Our charter provides that we may issue up to 10,000,000 shares of preferred stock, \$0.01 par value per share. As of May 4, 2009, there were no shares of preferred stock outstanding, but there were 7,000,000 authorized series D preferred shares and 2,000,000 authorized series F preferred shares. However, our Operating Partnership has issued (i) 6,000,000 8.0625% Series D Cumulative Redeemable Perpetual Preference Units, or the Series D 8% Units, which are convertible into shares of our 8.0625% Series D cumulative redeemable perpetual preferred stock under certain circumstances and (ii) 2,000,000 7.95% Series F Cumulative Redeemable Perpetual Preference Units, or the Series F Units, which are convertible into shares of our Series F cumulative redeemable perpetual preferred stock under certain circumstances (together, the Series D & F Unit(s)), each as described below. Following that is a general description of preferred stock as to which any prospectus supplement may relate.

8.0625% Series D Cumulative Redeemable Perpetual Preference Units and 7.95% Series F Cumulative Redeemable Perpetual Preference Units

On March 24, 2005, our Operating Partnership issued the Series D 8% Units to institutional investors, which are convertible into up to 6,000,000 Series D preferred shares of stock. Our Operating Partnership had previously issued 9.000% Series D Cumulative Redeemable Perpetual Preference Units on September 29, 1999, or the Series D 9% Units, which were convertible into up to 5,000,000 Series D preferred shares of stock. In connection with the issuance of the Series D 8% Units, the name of the Series D 9% Units was amended to be the Series D 8% Units, the number of shares authorized was increased from 5,000,000 to 7,000,000 and the institutional investors holding the Series D 9% Units agreed to lower the dividend rate on the units to 8.0625% per annum from 9.000% per annum. The Series D 8% Units are non-callable for five years and all of the units have no stated maturity or mandatory redemption. Net proceeds from our offering of the Series D 8% Units were used to pay down amounts outstanding under our lines of credit.

On June 30, 2005, our Operating Partnership issued the Series F Units to institutional investors, which are convertible into up to 2,000,000 Series F preferred shares of stock. The Series F Units are non-callable for five years and have no stated maturity or mandatory redemption. Net proceeds from our offering of the Series F Units were used to pay down amounts outstanding under our lines of credit.

We refer to the preferred stock issuable in exchange for the Series D 8% Units and the Series F Units as the Series D & F Preferred Stock, or separately as the Series D Preferred Stock and the Series F Preferred Stock.

The Series D 8% Units will be exchangeable in whole or in part at anytime on or after March 24, 2015, at the option of the holders, for authorized but previously unissued shares Series D Preferred Stock and the Series F Units will be

exchangeable in whole or in part at anytime on or after June 30, 2015, at the option of the holders, for authorized but previously unissued shares of Series F Preferred Stock, both under certain circumstances as set forth below.

The Series D & F Units are exchangeable at a rate of one share of Series D & F Preferred Stock, for one Series D & F Unit, subject to adjustment as described below, or the Exchange Price, provided that the

Table of Contents

Series D & F Units will become exchangeable at any time, in whole or in part, at the option of the holders of Series D & F Units for Series D & F Preferred Stock if (x) at any time full distributions shall not have been made on the applicable distribution date on any Series D & F Units with respect to six prior quarterly distribution periods, whether or not consecutive, unless the distribution is considered timely in accordance with the circumstances set forth in the applicable preference unit term sheet and joinder to the Partnership Agreement, or (y) upon receipt by a holder, or holders of Series D & F Units of (1) notice from the general partner that the general partner or our company or a subsidiary of the general partner or us has taken the position that the Operating Partnership is, or upon the occurrence of a defined event in the immediate future will be a publicly traded partnership within the meaning of Section 7704 of the Internal Revenue Code, or a PTP, and (2) an opinion rendered by independent counsel to the general partner or us familiar with such matters addressed to a holder or holders of Series D & F Units, that the Operating Partnership is or likely is, or upon the occurrence of a defined event in the immediate future will be or likely will be, a PTP.

In addition, the Series D 8% Units may be exchanged for Series D Preferred Stock, in whole or in part, at the option of any holder prior to March 24, 2015 and after March 24, 2008 and the Series F Units may be exchanged, in whole or in part, at the option of any holder prior to June 30, 2015 and after June 30, 2008, both if such holders of a Series D & F Units shall deliver to the general partner either (i) a private letter ruling addressed to the holder of the Series D & F Units or (ii) an opinion of independent counsel reasonably acceptable to the general partner and our company based on the enactment of temporary or final Treasury Regulations or the publication of a Revenue Ruling, in either case to the effect that an exchange of the Series D & F Units at such earlier time would not cause the Series D & F Units to be considered stock and securities within the meaning of Section 351(e) of the Internal Revenue Code for purposes of determining whether the holders of the Series D & F Units are an investment company under section 721(b) of the Internal Revenue Code if an exchange is permitted at such earlier date. Furthermore, the Series D & F Units may be exchanged in whole but not in part by any holder thereof which is a real estate investment trust within the meaning of Sections 856 through 859 of the Internal Revenue Code for Series D & F Preferred Stock (but only if the exchange in whole may be accomplished consistently with the ownership limitations set forth under Article VII of our charter (taking into account exceptions thereto)) if at any time, (i) the Operating Partnership reasonably determines that the assets and income of the Operating Partnership for a taxable year after 2005 would not satisfy the income and assets tests of Section 856 of the Internal Revenue Code for the taxable year if the Operating Partnership were a real estate investment trust within the meaning of the Internal Revenue Code or (ii) any such holder of Series D & F Units shall deliver to the Operating Partnership and the general partner and us an opinion of independent counsel reasonably acceptable to the general partner and us to the effect that, based on the assets and income of the Operating Partnership for a taxable year after 2005, the Operating Partnership would not satisfy the income and assets tests of Section 856 of the Internal Revenue Code for the taxable year if the Operating Partnership were a real estate investment trust within the meaning of the Internal Revenue Code and that the failure would create a meaningful risk that a holders of the Series D & F Units would fail to maintain qualification as a real estate investment trust.

In the event an exchange of all or a portion of Series D & F Units pursuant to the above paragraph would violate our provisions on ownership limitation set forth in Article VII of our charter, or the Ownership Limit, with respect to the Series D & F Preferred Stock, the general partner shall give written notice to each holder of record of Series D & F Units, within fifteen Business Days (as defined in the Partnership Agreement) following receipt of the exchange notice and each holder shall be entitled to exchange, a number of Series D & F Units which would comply with the provisions of the Ownership Limit and any Series D & F Units not so exchanged, or the Excess Units, shall be redeemed by the Operating Partnership for cash in an amount equal to the original Capital Contribution (as defined in the Partnership Agreement) per Excess Unit; plus any accrued and unpaid distributions thereon, whether or not declared, to the date of redemption, in each case in accordance with the applicable provisions set forth in the applicable preference unit term sheet and joinder to the Partnership Agreement.

Notwithstanding anything to the contrary set forth in the applicable preference unit term sheet and joinder to the Partnership Agreement, if an exchange notice has been delivered to the general partner, then the general partner may

(in accordance with the applicable notice provisions in the applicable preference unit term sheet

Table of Contents

and joinder to the Partnership Agreement) at its option, elect to redeem or cause the Operating Partnership to redeem all or a portion of the outstanding Series D & F Units for cash in an amount equal to the original Capital Contribution (as defined in the Partnership Agreement) per Series D & F Unit plus all accrued and unpaid distributions thereon to the date of redemption.

Any exchange shall be exercised pursuant to an exchange notice delivered to our general partner by the holder who is exercising the exchange right. The exchange of Series D & F Units, or a specified portion thereof, may be effected after the fifteenth Business Day (as defined in the Partnership Agreement) following receipt by our general partner of the exchange notice by delivering certificates, if any, representing the Series D & F Units to be exchanged together with, if applicable, written notice of exchange and a proper assignment of the Series D & F Preference Units to the office of our general partner maintained for such purpose.

In the event of an exchange of Series D & F Units for shares of Series D & F Preferred Stock, an amount equal to the accrued and unpaid distributions, whether or not declared, to the date of exchange on any Series D & F Units tendered for exchange shall (A) accrue on the shares of the Series D & F Preferred Stock into which such Series D & F Units are exchanged, and (B) continue to accrue on the Series D & F Preference Units, which shall remain outstanding following the exchange, with the general partner as the holder of the Series D & F Units. Notwithstanding anything to the contrary set forth herein, in no event shall holders of a Series D & F Units that were validly exchanged into Series D & F Preferred Stock pursuant to the applicable section of the applicable preference unit term sheet and joinder to the Partnership Agreement (other than our general partner now holding the Series D & F Units), receive a cash distribution out of Available Cash (as defined in the applicable preference unit term sheet and joinder to the Partnership Agreement) of the Operating Partnership, if such holder, after exchange, is entitled to receive a distribution out of Available Cash with respect to the shares of Series D & F Preferred Stock for which the Series D & F Units were exchanged or redeemed.

We will pay a cash adjustment based upon the fair market value of the Series D & F Preferred Stock on the day prior to the exchange date as determined in good faith by our board of directors in lieu of issuing fractional shares. The exchange price is subject to adjustment upon subdivisions, stock splits, stock dividends, combinations and reclassification of the Series D & F Preferred Stock.

In case that we shall be a party to any transaction (including, without limitation, a merger, consolidation, statutory share exchange, tender offer for all or substantially all of our capital stock or sale of all or substantially all of our assets), in each case as a result of which the Series D & F Preferred Stock will be converted into the right to receive shares of capital stock, other securities or other property (including cash or any combination thereof), each Series D & F Unit will thereafter be exchangeable into the kind and amount of shares of capital stock and other securities and property receivable (including cash or any combination thereof) upon the consummation of such transaction by a holder of that number of shares of Series D & F Preferred Stock or fraction thereof into which one Series D & F Unit was exchangeable immediately prior to the transaction. We may not become a party to any such transaction unless the terms are consistent with the foregoing.

Description of Series D & F Preferred Stock

Rank

The Series D & F Preferred Stock will, with respect to distributions and rights upon voluntary or involuntary liquidation, winding-up or dissolution of our company, rank senior to all classes or series of common stock (as defined in our charter) and to all classes or series of our equity securities now or hereafter authorized, issued or outstanding, other than any class or series of our equity securities expressly designated as ranking on a parity with or senior to the Series D & F Preferred Stock as to distributions and rights upon voluntary or involuntary liquidation, winding-up or

dissolution of our company.

Table of Contents***Distributions***

Subject to the rights of holders of any claim or series of equity securities designated by our company to rank on parity with the Series D & F Preferred Stock with respect to distributions, winding up or dissolution of our company, or the Parity Preferred Stock, as to the payment of distributions and holders of equity securities ranking senior to the Series D & F Preferred Stock as to payment of distributions, holders of Series D & F Preferred Stock will be entitled to receive, when, as and if declared by our company, out of funds legally available for the payment of distributions, cumulative preferential cash distributions at the rate per annum of 8.0625% or 7.95% of the \$25 liquidation preference per share of Series D Preferred Stock and the Series F Preferred Stock, respectively. All distributions shall be cumulative, shall accrue (a) for the Series D Preferred Stock from September 29, 1999 (or, with respect to the Series D Preferred Stock registered for conversion of the 1,000,000 additional series D preference units issued in March 2005, from the date of issuance of the additional series D preference units) or (b) for the Series F Preferred Stock from the original date of issuance and shall be payable (i) quarterly (such quarterly periods for purposes of payment and accrual will be the quarterly periods ending on the dates specified in this sentence and not calendar quarters) in arrears, on March 31, June 30, September 30 and December 31 of each year, commencing on the first of the dates to occur after (a) for the Series D Preferred Stock, September 29, 1999 (or, with respect to the Series D Preferred Stock registered for conversion of the 1,000,000 additional series D preference units issued in March 2005, from the date of issuance of the additional series D preference units) or (b) for the Series F Preferred Stock from the original date of issuance and, (ii) in the event of a redemption, on the redemption date (each such payment or redemption date, or a Preferred Shares Distribution Payment Date). The amount of the distribution payable for any period will be computed based on the ratio of a 360-day year of twelve 30-day months and for any period shorter than a full quarterly period for which distributions are computed, the amount of the distribution payable will be computed on the basis of the actual number of days elapsed in such a period to ninety days. Distributions on the Series D & F Preferred Stock will be made to the holders of record of the Series D & F Preferred Stock on the relevant record dates, which, unless otherwise provided by our company with respect to any distribution, will be fifteen Business Days (as defined in the Partnership Agreement) prior to the relevant Preferred Stock Distribution Payment Date, each a Distribution Record Date. Notwithstanding anything to the contrary set forth herein, each share of Series D & F Preferred Stock shall also continue to accrue all accrued and unpaid distributions up to the exchange date on any series D or F Preference Units (as defined in the Second Amended and Restated MHC Operating Limited Partnership Agreement of Limited Partnership, dated as of March 15, 1996, as amended, or the Partnership Agreement), validly exchanged into such shares of Series D & F Preferred Stock in accordance with the provisions of the Partnership Agreement.

No distributions on the Series D & F Preferred Stock shall be declared or paid or set apart for payment by our company at such time as the terms and provisions of any agreement of our company, including any agreement relating to our indebtedness, prohibits such declaration, payment or setting apart for payment or provides that such declaration, payment or setting apart for payment would constitute a breach thereof or a default thereunder, or if such declaration, payment or setting apart for payment shall be restricted or prohibited by law.

Notwithstanding the foregoing, distributions on the Series D & F Preferred Stock will accrue whether or not declared, whether or not the terms and provisions set forth in the applicable section of the relevant articles supplementary at any time prohibit the current payment of distributions, whether or not our company has earnings, whether or not there are funds legally available for the payment of such distributions and whether or not such distributions are authorized or declared. Accrued but unpaid distributions on the Series D & F Preferred Stock will accumulate as of the Preferred Stock Distribution Payment Date on which they first become payable. Accumulated and unpaid distributions will not bear interest.

So long as any Series D & F Preferred Stock is outstanding, no distribution of cash or other property shall be authorized, declared, paid or set apart for payment on or with respect to any class or series of common stock or any class or series of other stock of our company ranking junior to the Series D & F Preferred Stock as to the payment of

distributions or rights upon voluntary or involuntary dissolution, liquidation or winding-up, or the Junior Stock, nor shall any cash or other property be set aside for or applied

Table of Contents

to the purchase, redemption or other acquisition for consideration of any Series D & F Preferred Stock, any Parity Preferred Stock or any Junior Stock, unless, in each case, all distributions accumulated on all Series D & F Preferred Stock and all classes and series of outstanding Parity Preferred Stock have been paid in full (or a sum sufficient for the full payment is not irrevocably deposited in trust for immediate payment). The foregoing sentence will not prohibit (i) distributions payable solely in Junior Stock, (ii) the conversion of Junior Stock or Parity Preferred Stock into stock of our company ranking junior to the Series D Preferred Stock as to distributions and upon liquidation, winding-up or dissolution, (iii) purchase by our company of the Series D & F Preferred Stock, Parity Preferred Stock or Junior Stock pursuant to Article VII of our charter to the extent required to preserve our status as a REIT, (iv) any distributions to us necessary for us to maintain our status as a REIT under the Internal Revenue Code, or (v) the redemption, purchase or other acquisition of Junior Stock made for purposes of and in compliance with requirements of an employee incentive or benefit plan of our company or any subsidiary of the Operating Partnership or us.

So long as distributions have not been paid in full (or a sum sufficient for such full payment is not irrevocably deposited in trust for immediate payment) upon the Series D & F Preferred Stock, all distributions authorized and declared on the Series D & F Preferred Stock and all classes or series of outstanding Parity Preferred Stock shall be authorized and declared so that the amount of distributions authorized and declared per share of Series D & F Preferred Stock and such other classes or series of Parity Preferred Stock shall in all cases bear to each other the same ratio that accrued distributions per share on the Series D & F Preferred Stock and such other classes or series of Parity Preferred Stock (which shall not include any accumulation in respect of unpaid distributions for prior distribution periods if such class or series of Parity Preferred Stock does not have cumulative distribution rights) bear to each other.

Holders of Series D & F Preferred Stock shall not be entitled to any distributions, whether payable in cash, other property or otherwise, in excess of the full cumulative distributions described herein.

Liquidation Preference

Subject to the rights of holders of Parity Preferred Stock with respect to rights upon any voluntary or involuntary liquidation, dissolution or winding-up of our company and subject to equity securities ranking senior to the Series D & F Preferred Stock with respect to rights upon any voluntary or involuntary liquidation, dissolution or winding-up of our company, the holders of Series D & F Preferred Stock shall be entitled to receive out of the assets of our company legally available for distribution or the proceeds thereof, after payment or provision for debts and other liabilities of our company, but before any payment or distributions of the assets shall be made to holders of common stock or any other class or series of shares of our company that ranks junior to the Series D & F Preferred Stock as to rights upon liquidation, dissolution or winding-up of our company, an amount equal to the sum of (i) a liquidation preference of \$25 per share of Series D & F Preferred Stock, and (ii) an amount equal to any accumulated and unpaid distributions thereon, whether or not declared, to the date of payment. In the event that, upon such voluntary or involuntary liquidation, dissolution or winding-up, there are insufficient assets to permit full payment of liquidating distributions to the holders of Series D & F Preferred Stock and any Parity Preferred Stock as to rights upon liquidation, dissolution or winding-up of our company, all payments of liquidating distributions on the Series D & F Preferred Stock and such Parity Preferred Stock shall be made so that the payments on the Series D & F Preferred Stock and such Parity Preferred Stock shall in all cases bear to each other the same ratio that the respective rights of the Series D & F Preferred Stock and such other Parity Preferred Stock (which shall not include any accumulation in respect of unpaid distributions for prior distribution periods if such Parity Preferred Stock does not have cumulative distribution rights) upon liquidation, dissolution or winding-up of our company bear to each other.

After payment of the full amount of the liquidating distributions to which they are entitled, the holders of Series D & F Preferred Stock will have no right or claim to any of the remaining assets of our company.

The voluntary sale, conveyance, lease, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of the property or assets of our company to, or the consolidation or merger or other business combination of our company with or into any corporation, trust or other entity (or of

Table of Contents

any corporation, trust or other entity with or into our company) shall not be deemed to constitute a liquidation, dissolution, or winding-up of our company.

Optional Redemption

The Series D Preferred Stock may not be redeemed at the election of the Operating Partnership prior to March 24, 2010 and the Series F Preferred Stock may not be redeemed prior to June 30, 2010. On or after such dates, we shall have the right to redeem the Series D & F Preferred Stock, in whole or in part, at any time or from time to time, upon not less than thirty nor more than sixty days written notice, at a redemption price, or the Redemption Price, payable in cash, equal to \$25 per share of Series D & F Preferred Stock plus accumulated and unpaid distributions, whether or not declared, to the date of redemption. If fewer than all of the outstanding shares of Series D & F Preferred Stock are to be redeemed, the shares of Series D & F Preferred Stock to be redeemed shall be selected pro rata (as nearly as practicable without creating fractional units). Further, in order to ensure that we remain a qualified REIT for federal income tax purposes, the Series D & F Preferred Stock will also be subject to the provisions of Article VII of our charter.

We may not redeem fewer than all of the outstanding shares of Series D & F Preferred Stock unless all accumulated and unpaid distributions have been paid on all outstanding Series D & F Preferred Stock for all quarterly distribution periods terminating on or prior to the date of redemption; provided, however, that the foregoing shall not prevent the purchase or acquisition of Series D & F Preferred Stock or Parity Preferred Stock pursuant to a purchase or exchange offer made on the same terms to holders of all Series D & F Preferred Stock or Parity Preferred Stock, as the case may be, which offer may be accepted by such holders in such holders sole discretion.

Notice of redemption will be (i) faxed, and (ii) mailed by us, postage prepaid, not less than thirty nor more than sixty days prior to the redemption date, addressed to the respective holders of record of the Series D & F Preferred Stock to be redeemed at their respective addresses as they appear on our transfer records. No failure to give or defect in such notice shall affect the validity of the proceedings for the redemption of any Series D & F Preferred Stock except as to the holder to whom such notice was defective or not given. In addition to any information required by law or by the applicable rules of any exchange upon which the Series D & F Preferred Stock may be listed or admitted to trading, each such notice shall state: (i) the redemption date, (ii) the redemption price, (iii) the number of shares of Series D & F Preferred Stock to be redeemed, (iv) the place or places where such shares of Series D & F Preferred Stock are to be surrendered for payment of the redemption price, (v) that distributions on the Series D & F Preferred Stock to be redeemed will cease to accumulate on such redemption date and (vi) that payment of the redemption price and any accumulated and unpaid distributions will be made upon presentation and surrender of such Series D & F Preferred Stock. If fewer than all of the shares of Series D & F Preferred Stock held by any holder are to be redeemed, the notice mailed to such holder shall also specify the number of shares of Series D & F Preferred Stock held by such holder to be redeemed.

If we give a notice of redemption in respect of Series D & F Preferred Stock (which notice will be irrevocable) then, by 12:00 noon, New York City time, on the redemption date, we will deposit irrevocably in trust for the benefit of the Series D & F Preferred Stock being redeemed funds sufficient to pay the applicable redemption price, plus any accumulated and unpaid distributions, if any, on such shares to the date fixed for redemption, without interest, and will give irrevocable instructions and authority to pay such redemption price and any accumulated and unpaid distributions, whether or not declared, if any, on the shares to the holders of the Series D & F Preferred Stock upon surrender of the Series D & F Preferred Stock by the holders at the place designated in the notice of redemption. If fewer than all Series D & F Preferred Stock evidenced by any certificate is being redeemed, a new certificate shall be issued upon surrender of the certificate evidencing all Series D & F Preferred Stock, evidencing the unredeemed Series D & F Preferred Stock without cost to the holder thereof. On and after the date of redemption, distributions will cease to accumulate on the Series D & F Preferred Stock or portions thereof called for redemption, unless we default

in the payment of the distributions. If payment of the redemption price or any accumulated or unpaid distributions in respect of the Series D & F Preferred Stock is improperly withheld or otherwise not paid by us, distributions on the Series D & F Preferred Stock will continue to accumulate from the original redemption date to the date of

Table of Contents

payment, in which case the actual payment date will be considered the date fixed for redemption for purposes of calculating the applicable redemption price and any accumulated and unpaid distributions.

Any Series D & F Preferred Stock that shall at any time have been redeemed shall, after such redemption, have the status of authorized but unissued preferred stock, without designation as to class or series until such shares are once more designated as part of a particular class or series by our board of directors.

Mandatory Redemption at Holders Election

Notwithstanding any provision to the contrary, so long as any shares of Series D & F Preferred Stock remain outstanding, in the event of the occurrence of a Covered Transaction (as defined below), we shall redeem, on the date the Covered Transaction is completed or occurs, all of the Series D & F Preferred Stock outstanding at the Redemption Price, if redemption of the Series D Preferred Stock was elected in writing by the holders of not less than a majority of the then outstanding Series D & F Preferred Stock in accordance with the applicable section of the articles supplementary. We shall give written notice of a Covered Transaction to each of the respective holders of record of the Series D & F Preferred Stock, at their respective addresses as they appear on our transfer records, not less than thirty days prior to the completion or occurrence of a Covered Transaction. Each of the holders of record of the Series D & F Preferred Stock shall have until 5:00 p.m. New York Time on the 15th day following receipt of such notice from us to give us notice of the holder's election that the Series D & F Preferred Stock be redeemed.

Notwithstanding any provision to the contrary, with respect to a Covered Transaction that arises under clause (iii) of the definition of Covered Transaction set forth below, in the event that we fail to qualify as a REIT for any reason other than an affirmative election by us not to qualify, (i) we shall give notice of the occurrence of a Covered Transaction to each of the holders of record of the Series D & F Preferred Stock within 15 days of discovery of such failure to qualify, (ii) each of the holders of record of the Series D & F Preferred Stock shall have until 5:00 p.m. New York Time on the 15th day following receipt of such notice from us to give us notice of such holder's election that the Series D & F Preferred Stock be redeemed and (iii) if the holders of not less than a majority of the then outstanding Series D & F Preferred Stock have elected to have the Series D & F Preferred Stock redeemed, the Series D & F Preferred Stock shall be redeemed on a date not later than 45 days following the date of discovery of our failure to qualify.

On or before the date of redemption, we shall give notice of redemption to the respective holders of record of the Series D & F Preferred Stock, at their respective addresses as they appear on our transfer records and the provisions of the applicable articles supplementary, shall apply to the notice of redemption.

The term "Covered Transaction" shall mean (i) our completion of a "Rule 13e-3 transaction" (as defined in Rule 13e-3 under the Securities Exchange Act of 1934, as amended), or the Exchange Act), in which, as a result of such transaction, our common stock is no longer registered under Section 12 of the Exchange Act, except that this clause (i) shall not apply to any delisting of our common stock from the New York Stock Exchange or any national securities exchange (as defined in the Exchange Act), (ii) the completion of any transaction or series of transactions that would result in a Reorganization Event (defined below) of our company or (iii) our company's failure (or election not) to qualify as a REIT as defined in Section 856 (or any successor section) of the Internal Revenue Code of (it being understood that a failure of our company to satisfy a requirement specified in the Internal Revenue Code for such treatment will not in and of itself constitute a "Covered Transaction" if we are permitted to and do in fact take mitigating actions which allow us to retain our status as a REIT).

The term "Reorganization Event" shall mean (x) any sale or other disposition of all or substantially all of the assets of our company, as the case may be, to an entity that is not an affiliate of ours; or (y) any consolidation, amalgamation, merger, business combination, share exchange, reorganization or similar transaction involving our company, as the case may be, pursuant to which our stockholders immediately prior to the consummation of such transaction will own

less than a majority of the equity interests in the entity surviving the transaction; provided, however, that a Reorganization Event shall not include any transaction contemplated by clauses (x) or (y) of this definition if the surviving entity has unsecured debt outstanding which is rated at least the lowest credit rating level established as investment grade by at least two of Standard & Poor's,

Table of Contents

Moody's Investor Service and Fitch Ratings (it being understood that as of the date of the applicable articles supplementary the lowest investment grade rating of Standard & Poor's is BBB-, the lowest investment grade rating of Moody's Investor Service is Baa3 and the lowest investment grade rating of Fitch Ratings is BBB-) and such rating has been reaffirmed in light of the contemplated transaction.

Voting Rights

Holders of the Series D & F Preferred Stock will not have any voting rights, except as set forth below.

If at any time full distributions shall not have been timely made on any Series D & F Preferred Stock with respect to any six (6) prior quarterly distribution periods, whether or not consecutive, a Preferred Distribution Default, the holders the Series D & F Preferred Stock, voting together as a single class with the holders of each class or series of Parity Preferred Stock upon which like voting rights have been conferred and are exercisable, will have the right to elect two additional directors to serve on our board of directors, or the Preferred Stock Directors, at a special meeting called by the holders of record of at least 10% of the outstanding shares of Series D & F Preferred Stock or any such class or series of Parity Preferred Stock or at the next annual meeting of stockholders, and at each subsequent annual meeting of stockholders or special meeting held in place thereof, until all such distributions in arrears and distributions for the current quarterly period on the Series D & F Preferred Stock and each class or series of Parity Preferred Stock have been paid in full.

At any time when the voting rights shall have vested, a proper officer of our company shall call or cause to be called, upon written request of holders of record of at least 10% of the outstanding shares of Series D & F Preferred Stock, a special meeting of the holders of Series D & F Preferred Stock and all the series of Parity Preferred Stock upon which like voting rights have been conferred and are exercisable, or, collectively, the Parity Securities, by mailing or causing to be mailed to the holders a notice of such special meeting to be held not less than ten and not more than forty-five days after the date such notice is given. The record date for determining holders of the Parity Securities entitled to notice of and to vote at the special meeting will be the close of business on the third Business Day (as defined in the Partnership Agreement) preceding the day on which the notice is mailed. At any the special meeting, all of the holders of the Parity Securities, by plurality vote, voting together as a single class without regard to series will be entitled to elect two directors on the basis of one vote per \$25 of liquidation preference to which such Parity Securities are entitled by their terms (excluding amounts in respect of accumulated and unpaid dividends) and not cumulatively. The holder or holders of one-third of the Parity Securities then outstanding, present in person or by proxy, will constitute a quorum for the election of the Preferred Stock Directors except as otherwise provided by law. Notice of all meetings at which holders of the Series D & F Preferred Stock shall be entitled to vote will be given to the holders at their addresses as they appear in our transfer records. At any such meeting or adjournment thereof in the absence of a quorum, subject to the provisions of any applicable law, the holders of a majority in interest of the Parity Securities present in person or by proxy shall have the power to adjourn the meeting for the election of the Preferred Stock Directors, without notice other than an announcement at the meeting, until a quorum is present. If a Preferred Distribution Default shall terminate after the notice of a special meeting has been given but before the special meeting has been held, we shall, as soon as practicable after such termination, mail or cause to be mailed notice of the termination to holders of the Series D & F Preferred Stock that would have been entitled to vote at the special meeting.

If and when all accumulated distributions and the distribution for the current distribution period on the Series D & F Preferred Stock shall have been paid in full or a sum sufficient for the payment is irrevocably deposited in trust for payment, the holders of the Series D & F Preferred Stock shall be divested of the voting rights as described in this section (subject to re-vesting in the event of each and every Preferred Distribution Default) and, if all distributions in arrears and the distributions for the current distribution period have been paid in full or set aside for payment in full on all other classes or series of Parity Preferred Stock upon which like voting rights have been conferred and are

exercisable, the term and office of each Preferred Stock Director so elected shall terminate. Any Preferred Stock Director may be removed at any time with or without cause by the vote of, and shall not be removed otherwise than by the vote of, the holders of record of a majority of the outstanding Series D & F Preferred Stock when they have the voting rights set forth as described in this

Table of Contents

section (voting separately as a single class with all other classes or series of Parity Preferred Stock upon which like voting rights have been conferred and are exercisable). So long as a Preferred Distribution Default shall continue, any vacancy in the office of a Preferred Stock Director may be filled by written consent of the Preferred Stock Director remaining in office, or if none remains in office, by a vote of the holders of record of a majority of the outstanding Series D & F Preferred Stock when they have the voting rights set forth in this section (voting separately as a single class with all other classes or series of Parity Preferred Stock upon which like voting rights have been conferred and are exercisable). The Preferred Stock Directors shall each be entitled to one vote per director on any matter.

So long as any Series D & F Preferred Stock remains outstanding, we shall not, without the affirmative vote of the holders of at least two-thirds of the Series D & F Preferred Stock outstanding at the time (i) designate or create, or increase the authorized or issued amount of, any class or series of shares ranking senior to the Series D & F Preferred Stock with respect to payment of distributions or rights upon liquidation, dissolution or winding-up or reclassify any authorized shares of our company into any such shares, or create, authorize or issue any obligations or security convertible into or evidencing the right to purchase any such shares, (ii) designate or create, or increase the authorized or issued amount of, any Parity Preferred Stock or any stock which purport to be on parity with the Series D & F Preferred Stock as to either (but not both) distributions or rights upon dissolution, liquidation or winding up, or reclassify any authorized shares of our company into any such shares, or create, authorize or issue any obligations or security convertible into or evidencing the right to purchase any such shares, but only to the extent such Parity Preferred Stock or any stock which purport to be on parity with the Series D & F Preferred Stock as to either (but not both) distributions or rights upon dissolution, liquidation or winding up is issued to an affiliate of our company, or (iii) either (A) consolidate, merge into or with, or convey, transfer or lease its assets substantially as an entirety, to any corporation or other entity, or (B) amend, alter or repeal the provisions of our charter (including the applicable articles supplementary) or by-laws, whether by merger, consolidation or otherwise, in each case in such a way that would materially and adversely affect the powers, special rights, preferences, privileges or voting power of the Series D & F Preferred Stock or the holders thereof; provided, however, that with respect to the occurrence of a merger, consolidation or a sale or lease of all of our assets as an entirety, so long as (a) we are the surviving entity and the Series D & F Preferred Stock remains outstanding with the terms thereof unchanged, or (b) the resulting, surviving or transferee entity is a corporation organized under the laws of any state and substitutes for the Series D & F Preferred Stock other preferred stock having substantially the same terms and same rights as the Series D & F Preferred Stock, including with respect to distributions, voting rights and rights upon liquidation, dissolution or winding-up, then the occurrence of any such event shall not be deemed to materially and adversely affect the rights, privileges or voting powers of the holders of the Series D & F Preferred Stock. Notwithstanding anything to the contrary contained in clause (ii) above, we may (x) create additional classes and series of Parity Preferred Stock and stock junior to the Series D & F Preferred Stock with respect to payment of distributions or the distribution of assets upon liquidation, dissolution or winding-up, or both, (y) increase the authorized number of shares of Parity Preferred Stock and stock junior to the Series D & F Preferred Stock with respect to payment of distributions or the distribution of assets upon liquidation, dissolution or winding-up, or both, and (z) issue additional classes and series of Parity Preferred Stock and stock junior to the Series D & F Preferred Stock with respect to payment of distributions or the distribution of assets upon liquidation, dissolution or winding-up, without the consent of any holders of Series D & F Preferred Stock, to any affiliate of ours (as such term is defined in Rule 144 of the General Rules and Regulations under the Securities Act), provided that any such Parity Preferred Stock or any stock which purport to be on parity with the Series D & F Preferred Stock as to either (but not both) distributions or rights upon dissolution, liquidation or winding up is issued with the consent of the majority of our independent directors.

Transfer Restrictions

The Series D & F Preferred Stock shall be subject to the provisions of Article VII of our charter.

Table of Contents

Conversion Rights

The holders of the Series D & F Preferred Stock shall not have any rights to convert the shares into shares of any other class or series of stock or into any other securities of, or interest in, our company.

Sinking Fund

No sinking fund shall be established for the retirement or redemption of Series D & F Preferred Stock.

Preemptive Rights

No holders of the Series D & F Preferred Stock shall, as the holders, have any preemptive rights to purchase or subscribe for additional shares of stock of our Company or any other security of ours which it may issue or sell.

General Description of Preferred Stock

The following description of the preferred stock sets forth general terms and provisions of the preferred stock to which any prospectus supplement may relate. The statements below describing the preferred stock are in all respects subject to and qualified in their entirety by reference to the applicable provisions of our charter and bylaws and any applicable articles supplementary to the charter designating terms of a series of preferred stock. The issuance of preferred stock could adversely affect the voting power, dividend rights and other rights of holders of common stock. Although our board of directors does not have this intention at this present time, it could establish another series of preferred stock, that could, depending on the terms of the series, delay, defer or prevent a transaction or a change in control of our company that might involve a premium price for the common stock or otherwise be in the best interest of the holders thereof. Management believes that the availability of preferred stock will provide us with increased flexibility in structuring possible future financing and acquisitions and in meeting other needs that might arise.

Terms

Subject to the limitations prescribed by our charter, our board of directors is authorized to classify any unissued shares of preferred stock and to reclassify any previously classified but unissued share of any series of preferred stock previously authorized by our board of directors. Prior to issuance of shares of each class or series of preferred stock, our board of directors is required by the MGCL and our charter to fix the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each series.

Reference is made to the applicable prospectus supplement relating to the series of preferred stock offered thereby for the specific terms thereof, including:

The title and stated value of the preferred stock;

The number of shares of the preferred stock, the liquidation preference per share of the preferred stock and the offering price of the preferred stock;

The dividend rate(s), period(s) and/or payment day(s) or method(s) of calculation thereof applicable to the preferred stock;

The date from which dividends on the preferred stock shall accumulate, if applicable;

The procedures for any auction and remarketing, if any, for the preferred stock;

The provision for a sinking fund, if any, for the preferred stock;

The provision for redemption, if applicable, of the preferred stock;

Any listing of the preferred stock on any securities exchange;

Table of Contents

The terms and conditions, if applicable, upon which the preferred stock may or will be convertible into our common stock, including the conversion price or manner of calculation thereof;

The relative ranking and preferences of the preferred stock as to dividend rights and rights upon liquidation, dissolution or winding up of our affairs;

Any limitations on direct or beneficial ownership and restrictions on transfer, in each case as may be appropriate to preserve the qualification of our company as a REIT;

A discussion of U.S. federal income tax considerations applicable to the preferred stock; and

Any other specific terms, preferences, rights, limitations or restrictions of the preferred stock.

Rank

Unless otherwise specified in the applicable prospectus supplement, the preferred stock will, with respect to dividend rights and rights upon liquidation, dissolution or winding up of our company, rank:

(a) senior to all classes or series of common stock and to all equity securities issued by us the terms of which provide that the equity securities shall rank junior to the preferred stock;

(b) on a parity with all equity securities issued by us other than those referred to in clauses (a) and (c); and

(c) junior to all equity securities issued by us which the terms of the preferred stock provide will rank senior to it. The term equity securities does not include convertible debt securities.

Dividends

Unless otherwise specified in the applicable prospectus supplement, the preferred stock will have the rights with respect to payment of dividends set forth below.

Holders of the preferred stock of each series will be entitled to receive, when, as and if declared by our board of directors, out of our assets legally available for payment, cash dividends in the amounts and on the dates as will be set forth in, or pursuant to, the applicable prospectus supplement. Each dividend shall be payable to holders of record as they appear on our share transfer books on the record dates as shall be fixed by our board of directors.

Dividends on any series of preferred stock may be cumulative or non-cumulative, as provided in the applicable prospectus supplement. Dividends, if cumulative, will be cumulative from and after the date set forth in the applicable prospectus supplement. If the board of directors fails to declare a dividend payable on a dividend payment date on any series of preferred stock for which dividends are non-cumulative, then the holders of this series of preferred stock will have no right to receive a dividend in respect of the related dividend period and we will have no obligation to pay the dividend accrued for the period, whether or not dividends on this series of preferred stock are declared payable on any future dividend payment date.

If preferred stock of any series is outstanding, no full dividends will be declared or paid or set apart for payment on any of our capital stock of any other series ranking, as to dividends, on a parity with or junior to the preferred stock of this series for any period unless:

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if this series of preferred stock has a cumulative dividend, full cumulative dividends have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for the payment for all past dividend periods and the then current dividend period; or

if this series of preferred stock does not have a cumulative dividend, full dividends for the then current dividend period have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for the payment on the preferred stock of this series.

When dividends are not paid in full or a sum sufficient for the full payment is not so set apart upon preferred stock of any series and the shares of any other series of preferred stock ranking on a parity as to

Table of Contents

dividends with the preferred stock of this series, all dividends declared upon the preferred stock of this series and any other series of preferred stock ranking on a parity as to dividends with the preferred stock shall be declared *pro rata* so that the amount of dividends declared per share of preferred stock of this series and the other series of preferred stock shall in all cases bear to each other the same ratio that accrued dividends per share on the preferred stock of this series and the other series of preferred stock which shall not include any accumulation in respect of unpaid dividends for prior dividend periods if the preferred stock, does not have a cumulative dividend, bear to each other. No interest, or sum of money in lieu of interest, shall be payable in respect of any dividend payment or payments on preferred stock of this series which may be in arrears.

Except as provided in the immediately preceding paragraph, unless (a) if this series of preferred stock has a cumulative dividend, full cumulative dividends on the preferred stock of this series have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods and the then current dividend period, and (b) if this series of preferred stock does not have a cumulative dividend, full dividends on the preferred stock of this series have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for the then current dividend period, no dividends, other than in shares of common stock or other capital stock ranking junior to the preferred stock of this series as to dividends and upon liquidation, shall be declared or paid or set aside for payment or other distribution shall be declared or made upon the common stock, or any of our other capital stock ranking junior to or on a parity with the preferred stock of this series as to dividends or upon liquidation, nor shall any shares of common stock, or any other of our capital stock ranking junior to or on a parity with the preferred stock of this series as to dividends or upon liquidation, be redeemed, purchased or otherwise acquired for any consideration or any moneys be paid to or made available for a sinking fund for the redemption of any of the shares by us except:

by conversion into or exchange for other of our capital stock ranking junior to the preferred stock of this series as to dividends and upon liquidation; or

redemptions for the purpose of preserving our qualification as a REIT.

Redemption

If so provided in the applicable prospectus supplement, the preferred stock will be subject to mandatory redemption or redemption at our option, as a whole or in part, in each case upon the terms, at the times and at the redemption prices set forth in the prospectus supplement.

The prospectus supplement relating to a series of preferred stock that is subject to mandatory redemption will specify the number of shares of the preferred stock that shall be redeemed by us in each year commencing after a date to be specified, at a redemption price per share to be specified, together with an amount equal to all accumulated and unpaid dividends thereon which shall not, if the preferred stock does not have a cumulative dividend, include any accumulation in respect of unpaid dividends for prior dividend periods, to the date of redemption. The redemption price may be payable in cash or other property, as specified in the applicable prospectus supplement. If the redemption price for preferred stock of any series is payable only from the net proceeds of the issuance of our capital stock, the terms of the preferred stock may provide that, if no capital stock shall have been issued or to the extent the net proceeds from any issuance are insufficient to pay in full the aggregate redemption price then due, the preferred stock shall automatically and mandatorily be converted into the applicable capital stock of our company pursuant to conversion provisions specified in the applicable prospectus supplement.

Notwithstanding the foregoing, unless (a) if this series of preferred stock has a cumulative dividend, full cumulative dividends on all shares of any series of preferred stock shall have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods and the then

current dividend period, and (b) if this series of preferred stock does not have a cumulative dividend, full dividends on the preferred stock of any series have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for the then current dividend period, no shares of any series of preferred stock shall be redeemed unless all outstanding

Table of Contents

preferred stock of this series is simultaneously redeemed; *provided, however*, that the foregoing shall not prevent the purchase or acquisition of preferred stock of this series to preserve our REIT qualification or pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding preferred stock of this series. In addition, unless (a) if this series of preferred stock has a cumulative dividend, full cumulative dividends on all outstanding shares of any series of preferred stock have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods and the then current dividend period, and (b) if this series of preferred stock does not have a cumulative dividend, full dividends on the preferred stock of any series have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for the then current dividend period, we shall not purchase or otherwise acquire, directly or indirectly, any shares of preferred stock of this series except by conversion into or exchange for our capital stock ranking junior to the preferred stock of this series as to dividends and upon liquidation; *provided, however*, that the foregoing shall not prevent the purchase or acquisition of preferred stock of this series to preserve our REIT qualification or pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding preferred stock of this series.

If fewer than all of the outstanding shares of preferred stock of any series are to be redeemed, the number of shares to be redeemed will be determined by us and the shares may be redeemed *pro rata* from the holders of record of the shares in proportion to the number of the shares held or for which redemption is requested by the holder, with adjustments to avoid redemption of fractional shares, or by lot in a manner determined by us.

Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each holder of record of preferred stock of any series to be redeemed at the address shown on our share transfer books. Each notice shall state:

the redemption date;

the number of shares and series of the preferred stock to be redeemed;

the redemption price;

the place or places where certificates for the preferred stock are to be surrendered for payment of the redemption price;

that dividends on the shares to be redeemed will cease to accumulate on the redemption date; and

the date upon which the holder's conversion rights, if any, as to the shares shall terminate.

If fewer than all the shares of preferred stock of any series are to be redeemed, the notice mailed to each holder thereof shall also specify the number of shares of preferred stock to be redeemed from each holder. If notice of redemption of any preferred stock has been given and if the funds necessary for the redemption have been set aside by us in trust for the benefit of the holders of any preferred stock so called for redemption, then from and after the redemption date dividends will cease to accumulate on the preferred stock, and all rights of the holders of the preferred stock will terminate, except the right to receive the redemption price.

Liquidation Preference

Upon any voluntary or involuntary liquidation, dissolution or winding up of our affairs, then, before any distribution or payment shall be made to the holders of any common stock or any other class or series of our capital stock ranking junior to the preferred stock of this series in the distribution of assets upon any liquidation, dissolution or winding up

of our company, the holders of the preferred stock shall be entitled to receive out of our assets of our company legally available for distribution to stockholders liquidating distributions in the amount of the liquidation preference per share that is set forth in the applicable prospectus supplement, plus an amount equal to all dividends accumulated and unpaid thereon, which shall not include any accumulation in respect of unpaid dividends for prior dividend periods if the preferred stock does not have a cumulative dividend. After payment of the full amount of the liquidating distributions to which they are entitled, the holders of preferred stock will have no rights or claim to any of our remaining assets. In the event that, upon any voluntary or involuntary liquidation, dissolution or winding up, our available assets are

Table of Contents

insufficient to pay the amount of the liquidating distributions on all outstanding preferred stock of this series and the corresponding amounts payable on all shares of other classes or series of capital stock of our company ranking on a parity with the preferred stock in the distribution of assets, then the holders of the preferred stock and all other classes or series of capital stock shall share ratably in any distribution of assets in proportion to the full liquidating distributions to which they would otherwise be respectively entitled.

Our consolidation or merger with or into any other entity, or the merger of another entity with or into our company, or a statutory share exchange by us, or the sale, lease or conveyance of all or substantially all of our property or business, shall not be deemed to constitute a liquidation, dissolution or winding up of our company.

Voting Rights

Holders of the preferred stock will not have any voting rights, except as set forth below or as otherwise from time to time required by law or as indicated in the applicable prospectus supplement.

Whenever dividends on any series of preferred stock shall be in arrears for six or more quarterly periods, the holders of the preferred stock, voting separately as a class with all other series of preferred stock upon which like voting rights have been conferred and are exercisable, will be entitled to vote for the election of two additional directors of our company at a special meeting called by the holders of record of at least ten percent of any series of preferred stock so in arrears, unless the request is received less than 90 days before the date fixed for the next annual or special meeting of the stockholders, or at the next annual meeting of stockholders, and at each subsequent annual meeting until (a) if this series of preferred stock has a cumulative dividend, all dividends accumulated on these shares of preferred stock for the past dividend periods and the then current dividend period shall have been fully paid or declared and a sum sufficient for the payment thereof set aside for payment or (b) if this series of preferred stock does not have a cumulative dividend, four quarterly dividends shall have been fully paid or declared and a sum sufficient for the payment thereof set aside for payment. In these cases, the entire board of directors will be increased by two directors.

Unless provided otherwise for any series of preferred stock, so long as any shares of the preferred stock remain outstanding, we will not, without the affirmative vote or consent of the holders of at least two-thirds of the shares of this series of preferred stock outstanding at the time, given in person or by proxy, either in writing or at a meeting with this series voting separately as a class:

(a) authorize or create, or increase the authorized or issued amount of, any class or series of capital stock ranking senior to the preferred stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up of our company, or reclassify any of our authorized capital stock into this series of preferred stock, or create, authorize or issue any obligation or security convertible into or evidencing the right to purchase any of this series of preferred stock; or

(b) amend, alter or repeal the provisions of the charter or the designating amendment for this series of preferred stock, whether by merger, consolidation or otherwise, so as to materially and adversely affect any right, preference, privilege or voting power of this series of preferred stock or the holders thereof;

provided, however, with respect to the occurrence of any of the events set forth in (b) above, so long as this series of preferred stock remains outstanding with the terms thereof materially unchanged, taking into account that upon the occurrence of an event we may not be the surviving entity, the occurrence of any similar event shall not be deemed to materially and adversely affect the rights, preferences, privileges or voting powers of holders of this series of preferred stock; and *provided, further*, that (x) any increase in the amount of the authorized preferred stock or the creation or issuance of any other series of preferred stock, or (y) any increase in the amount of authorized shares of this series of preferred stock or any other series of preferred stock, in each case ranking on a parity with or junior to the preferred

stock of this series with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up of our company, shall not be deemed to materially and adversely affect the rights, preferences, privileges or voting powers.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which the vote or consent would otherwise be required shall be effected, all outstanding shares of this series

Table of Contents

of preferred stock shall have been converted, redeemed or called for redemption and sufficient funds shall have been deposited in trust to effect the redemption.

Conversion Rights

The terms and conditions, if any, upon which any series of preferred stock is convertible into shares of common stock will be set forth in the applicable prospectus supplement. The terms will include the number of shares of common stock into which the shares of preferred stock are convertible, the conversion price, or manner of calculation thereof, the conversion period, provisions as to whether conversion will be at the option of the holders of our preferred stock or us, the events requiring an adjustment of the conversion price and provisions affecting conversion in the event of the redemption of the preferred stock.

Stockholder Liability

Maryland law provides that no stockholder, including holders of preferred stock, shall be personally liable for our acts and obligations and that our funds and property shall be the only recourse for these acts or obligations.

Restrictions on Ownership

To qualify as a REIT under the Internal Revenue Code, not more than 50% in value of our outstanding capital stock may be owned, directly or indirectly, by five or fewer individuals at any time during the last half of a taxable year. An individual for these purposes is defined by the U.S. federal income tax laws pertaining to REITs and is very complex. Therefore, the designating amendment for each series of preferred stock may contain provisions restricting the ownership and transfer of the preferred stock. The applicable prospectus supplement will specify any additional ownership limitation relating to a series of preferred stock.

Registrar and Transfer Agent

The company currently has no preferred stock outstanding and therefore does not currently have a Registrar and Transfer Agent for the preferred stock.

Table of Contents

DESCRIPTION OF DEPOSITARY SHARES

The following description of the terms of the depositary shares is only a summary. This description is subject to, and qualified in its entirety by reference to, the provisions of the deposit agreement, our charter and the form of articles supplementary for the applicable series of preferred stock.

General

We may, at our option, elect to offer depositary shares rather than full shares of preferred stock. In the event such option is exercised, each of the depositary shares will represent ownership of and entitlement to all rights and preferences of a fraction of a share of preferred stock of a specified series (including dividend, voting, redemption and liquidation rights). The applicable fraction will be specified in a prospectus supplement. The shares of preferred stock represented by the depositary shares will be deposited with a depositary named in the applicable prospectus supplement, under a deposit agreement, among our company, the depositary and the holders of the certificates evidencing depositary shares, or depositary receipts. Depositary receipts will be delivered to those persons purchasing depositary shares in the offering. The depositary will be the transfer agent, registrar and dividend disbursing agent for the depositary shares. Holders of depositary receipts agree to be bound by the deposit agreement, which requires holders to take certain actions such as filing proof of residence and paying certain charges.

The summary of terms of the depositary shares contained in this prospectus does not purport to be complete and is subject to, and qualified in its entirety by, the provisions of the deposit agreement and the form of designating amendment for the applicable series of preferred stock.

Dividends

The depositary will distribute all cash dividends or other cash distributions received in respect of the series of preferred stock represented by the depositary shares to the record holders of depositary receipts in proportion to the number of depositary shares owned by such holders on the relevant record date, which will be the same date as the record date fixed by our company for the applicable series of preferred stock. The depositary, however, will distribute only such amount as can be distributed without attributing to any depositary share a fraction of one cent, and any balance not so distributed will be added to and treated as part of the next sum received by the depositary for distribution to record holders of depositary receipts then outstanding.

In the event of a distribution other than in cash, the depositary will distribute property received by it to the record holders of depositary receipts entitled thereto, in proportion, as nearly as may be practicable, to the number of depositary shares owned by such holders on the relevant record date, unless the depositary determines (after consultation with our company) that it is not feasible to make such distribution, in which case the depositary may (with the approval of our company) adopt any other method for such distribution as it deems equitable and appropriate, including the sale of such property (at such place or places and upon such terms as it may deem equitable and appropriate) and distribution of the net proceeds from such sale to such holders.

No distribution will be made in respect of any depositary share to the extent that it represents any preferred stock converted into excess stock.

Liquidation Preference

In the event of the liquidation, dissolution or winding up of the affairs of our company, whether voluntary or involuntary, the holders of each depositary share will be entitled to the fraction of the liquidation preference accorded each share of the applicable series of preferred stock as set forth in the prospectus supplement.

Redemption

If the series of preferred stock represented by the applicable series of depositary shares is redeemable, such depositary shares will be redeemed from the proceeds received by the depositary resulting from the redemption, in whole or in part, of preferred stock held by the depositary. Whenever we redeem any preferred stock held by the depositary, the depositary will redeem as of the same redemption date the number of depositary shares

Table of Contents

representing the preferred stock so redeemed. The depositary will mail the notice of redemption promptly upon receipt of such notice from us and not less than 30 nor more than 60 days prior to the date fixed for redemption of the preferred stock and the depositary shares to the record holders of the depositary receipts.

Voting

Promptly upon receipt of notice of any meeting at which the holders of the series of preferred stock represented by the applicable series of depositary shares are entitled to vote, the depositary will mail the information contained in such notice of meeting to the record holders of the depositary receipts as of the record date for such meeting. Each such record holder of depositary receipts will be entitled to instruct the depositary as to the exercise of the voting rights pertaining to the number of shares of preferred stock represented by such record holder's depositary shares. The depositary will endeavor, insofar as practicable, to vote such preferred stock represented by such depositary shares in accordance with such instructions, and we will agree to take all action which may be deemed necessary by the depositary in order to enable the depositary to do so. The depositary will abstain from voting any of the preferred stock to the extent that it does not receive specific instructions from the holders of depositary receipts.

Withdrawal of Preferred Stock

Upon surrender of depositary receipts at the principal office of the depositary, upon payment of any unpaid amount due the depositary, and subject to the terms of the deposit agreement, the owner of the depositary shares evidenced thereby is entitled to delivery of the number of whole shares of preferred stock and all money and other property, if any, represented by such depositary shares. Partial shares of preferred stock will not be issued. If the depositary receipts delivered by the holder evidence a number of depositary shares in excess of the number of depositary shares representing the number of whole shares of preferred stock to be withdrawn, the depositary will deliver to such holder at the same time a new depositary receipt evidencing such excess number of depositary shares. Holders of preferred stock thus withdrawn will not thereafter be entitled to deposit such shares under the deposit agreement or to receive depositary receipts evidencing depositary shares therefor.

Amendment and Termination of Deposit Agreement

The form of depositary receipt evidencing the depositary shares and any provision of the deposit agreement may at any time and from time to time be amended by agreement between our company and the depositary. However, any amendment which materially and adversely alters the rights of the holders (other than any change in fees) of depositary shares will not be effective unless such amendment has been approved by at least a majority of the depositary shares then outstanding. No such amendment may impair the right, subject to the terms of the deposit agreement, of any owner of any depositary shares to surrender the depositary receipt evidencing such depositary shares with instructions to the depositary to deliver to the holder of the preferred stock and all money and other property, if any, represented thereby, except in order to comply with mandatory provisions of applicable law.

The deposit agreement will be permitted to be terminated by our company upon not less than 30 days prior written notice to the applicable depositary if (i) such termination is necessary to preserve our qualification as a REIT or (ii) a majority of each series of preferred stock affected by such termination consents to such termination, whereupon such depositary will be required to deliver or make available to each holder of depositary receipts, upon surrender of the depositary receipts held by such holder, such number of whole or fractional shares of preferred stock as are represented by the depositary shares evidenced by such depositary receipts together with any other property held by such depositary with respect to such depositary receipts. We will agree that if the deposit agreement is terminated to preserve our qualification as a REIT, then we will use our best efforts to list the preferred stock issued upon surrender of the related depositary shares on a national securities exchange. In addition, the deposit agreement will automatically terminate if (i) all outstanding depositary shares thereunder shall have been redeemed, (ii) there shall

have been a final distribution in respect of the related preferred stock in connection with any liquidation, dissolution or winding-up of our company and such distribution shall have been distributed to the holders of depositary

Table of Contents

receipts evidencing the depositary shares representing such preferred stock or (iii) each share of the related preferred stock shall have been converted into stock of our company not so represented by depositary shares.

Charges of Depositary

We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will pay charges of the depositary in connection with the initial deposit of the preferred stock and initial issuance of the depositary shares, and redemption of the preferred stock and all withdrawals of preferred stock by owners of depositary shares. Holders of depositary receipts will pay transfer, income and other taxes and governmental charges and certain other charges as are provided in the deposit agreement to be for their accounts. In certain circumstances, the depositary may refuse to transfer depositary shares, may withhold dividends and distributions and sell the depositary shares evidenced by such depositary receipt if such charges are not paid.

Miscellaneous

The depositary will forward to the holders of depositary receipts all reports and communications from us which are delivered to the depositary and which we are required to furnish to the holders of the preferred stock. In addition, the depositary will make available for inspection by holders of depositary receipts at the principal office of the depositary, and at such other places as it may from time to time deem advisable, any reports and communications received from us which are received by the depositary as the holder of preferred stock.

Neither the depositary nor our company assumes any obligation or will be subject to any liability under the deposit agreement to holders of depositary receipts other than for its negligence or willful misconduct. Neither the depositary nor our company will be liable if it is prevented or delayed by law or any circumstance beyond its control in performing its obligations under the deposit agreement. The obligations of our company and the depositary under the deposit agreement will be limited to performance in good faith of their duties thereunder, and they will not be obligated to prosecute or defend any legal proceeding in respect of any depositary shares or preferred stock unless satisfactory indemnity is furnished. Our company and the depositary may rely on written advice of counsel or accountants, on information provided by holders of the depositary receipts or other persons believed in good faith to be competent to give such information and on documents believed to be genuine and to have been signed or presented by the proper party or parties.

In the event the depositary shall receive conflicting claims, requests or instructions from any holders of depositary receipts, on the one hand, and our company, on the other hand, the depositary shall be entitled to act on such claims, requests or instructions received from our company.

Resignation and Removal of Depositary

The depositary may resign at any time by delivering to us notice of its election to do so, and we may at any time remove the depositary, any such resignation or removal to take effect upon the appointment of a successor depositary and its acceptance of such appointment. Such successor depositary must be appointed within 60 days after delivery of the notice for resignation or removal and must be a bank or trust company having its principal office in the United States of America and having a combined capital and surplus of at least \$150,000,000.

U.S. Federal Income Tax Consequences

Owners of depositary shares will be treated for U.S. federal income tax purposes as if they were owners of the preferred stock represented by such depositary shares. Accordingly, such owners will be entitled to take into account, for U.S. federal income tax purposes, income and deductions to which they would be entitled if they were holders of

such preferred stock. In addition, (i) no gain or loss will be recognized for U.S. federal income tax purposes upon the withdrawal of preferred stock to an exchange owner of depositary shares, (ii) the tax basis of each share of preferred stock to an exchanging owner of depositary shares will, upon such exchange, be the same as the aggregate tax basis of the depositary shares exchanged therefor, and (iii) the holding period for preferred stock in the hands of an exchanging owner of depositary shares will include the period during which such person owned such depositary shares.

Table of Contents

DESCRIPTION OF WARRANTS

The following description of the terms of the warrants is only a summary. This description is subject to, and qualified in its entirety by reference to, the provisions of the warrant agreement.

We may issue warrants for the purchase of common stock, preferred stock or depositary shares and may issue warrants independently or together with common stock, preferred stock, depositary shares or attached to or separate from such securities. We will issue each series of warrants under a separate warrant agreement between us and a bank or trust company as warrant agent, as specified in the applicable prospectus supplement.

The warrant agent will act solely as our agent in connection with the warrants and will not act for or on behalf of warrant holders. The following sets forth certain general terms and provisions of the warrants that may be offered under this registration statement. Further terms of the warrants and the applicable warrant agreement will be set forth in the applicable prospectus supplement.

The applicable prospectus supplement will describe the terms of the warrants in respect of which this prospectus is being delivered, including, where applicable, the following:

the title of such warrants;

the aggregate number of such warrants;

the price or prices at which such warrants will be issued;

the type and number of securities purchasable upon exercise of such warrants;

the designation and terms of the other securities, if any, with which such warrants are issued and the number of such warrants issued with each such offered security;

the date, if any, on and after which such warrants and the related securities will be separately transferable;

the price at which each security purchasable upon exercise of such warrants may be purchased;

the date on which the right to exercise such warrants shall commence and the date on which such right shall expire;

the minimum or maximum amount of such warrants that may be exercised at any one time;

information with respect to book-entry procedures, if any;

any anti-dilution protection;

a discussion of certain U.S. federal income tax considerations; and

any other terms of such warrants, including terms, procedures and limitations relating to the transferability, exercise and exchange of such warrants.

Warrant certificates will be exchangeable for new warrant certificates of different denominations and warrants may be exercised at the corporate trust office of the warrant agent or any other office indicated in the applicable prospectus supplement. Prior to the exercise of their warrants, holders of warrants will not have any of the rights of holders of the securities purchasable upon such exercise or to any dividend payments or voting rights as to which holders of the shares of common stock or preferred stock purchasable upon such exercise may be entitled.

Each warrant will entitle the holder to purchase for cash such number of shares of common stock or preferred stock, at such exercise price as shall, in each case, be set forth in, or be determinable as set forth in, the applicable prospectus supplement relating to the warrants offered thereby. Unless otherwise specified in the applicable prospectus supplement, warrants may be exercised at any time up to 5:00 p.m. New York City time on the expiration date set forth in applicable prospectus supplement. After 5:00 p.m. New York City time on the expiration date, unexercised warrants will be void.

Table of Contents

Warrants may be exercised as set forth in the applicable prospectus supplement relating to the warrants. Upon receipt of payment and the warrant certificate properly completed and duly executed at the corporate trust office of the warrant agent or any other office indicated in the applicable prospectus supplement, we will, as soon as practicable, forward the securities purchasable upon such exercise. If less than all of the warrants are presented by such warrant certificate of exercise, a new warrant certificate will be issued for the remaining amount of warrants.

Table of Contents

DESCRIPTION OF RIGHTS

We may issue rights to purchase our common stock, preferred stock, depositary shares or other offered securities independently or together with any other offered securities. Any rights that we may issue may or may not be transferable by the person purchasing or receiving the rights. In connection with any rights offering to our stockholders, we may enter into a standby underwriting or other arrangement with one or more underwriters or other persons pursuant to which such underwriters or other person would purchase any offered securities remaining unsubscribed for after such rights offering. Each series of rights will be issued under a separate rights agent agreement to be entered into between us and a bank or trust company, as rights agent, that we will name in the applicable prospectus supplement. The rights agent will act solely as our agent in connection with the certificates relating to the rights and will not assume any obligation or relationship of agency or trust for or with any holders of rights certificates or beneficial owners of rights.

The applicable prospectus supplement or other offering material will describe the specific terms of any offering of rights for which this prospectus is being delivered, including the following to the extent applicable:

the number of rights issued or to be issued to each stockholder;

the exercise price payable for each share of common stock, preferred stock, depositary shares or other offered security upon the exercise of the rights;

the number and terms of the shares of common stock, preferred stock, depositary shares or other offered securities which may be purchased per each right;

the extent to which the rights are transferable;

the date on which the holder's ability to exercise the rights shall commence, and the date on which the rights shall expire;

the extent to which the rights may include an over-subscription privilege with respect to unsubscribed securities;

if applicable, the material terms of any standby underwriting or other arrangement entered into by us in connection with the offering of such rights; and

any other terms of the rights, including the terms, procedures, conditions and limitations relating to the exchange and exercise of the rights.

The description in the applicable prospectus supplement or other offering material of any rights that we may offer will not necessarily be complete and will be qualified in its entirety by reference to the applicable rights certificate, which will be filed with the SEC.

Table of Contents

CERTAIN PROVISIONS OF MARYLAND LAW AND OF OUR CHARTER AND BYLAWS

The following summary of certain provisions of Maryland law and our charter and bylaws contains the material terms of our charter and our bylaws and is subject to, and qualified in its entirety by, reference to Maryland law and to our charter and our bylaws.

Classification of Board of Directors

Our bylaws provide that the number of directors may be established, increased or decreased by our board of directors but may not be fewer than the minimum number required by the MGCL (which currently is one) nor more than 15. All directors are elected to serve until the next annual meeting of our stockholders and until their successors are duly elected and qualify. Any vacancy on our board may be filled by a majority of the remaining directors, even if such a majority constitutes less than a quorum, except that a vacancy resulting from an increase in the number of directors must be filled by a majority of the entire board of directors. Our stockholders may elect a successor to fill a vacancy on our board which results from the removal of a director. Our bylaws provide that a majority of our board of directors must be independent directors.

Removal of Directors

Our charter provides that a director may be removed only for cause and only by the affirmative vote of two-thirds of all the votes entitled to be cast for the election of our directors. This provision, when coupled with the provision in our bylaws authorizing our board of directors to fill vacant directorships, will preclude stockholders from removing incumbent directors and filling the vacancies created by such removal with their own nominees except upon a substantial affirmative vote.

Limitation of Liability and Indemnification

The MGCL permits a Maryland corporation to include in its charter a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from (1) actual receipt of an improper benefit or profit in money, property or services, or (2) active and deliberate dishonesty established by a final judgment as being material to the cause of action. Article IX of our charter contains such a provision which eliminates such liability to the maximum extent permitted by the MGCL.

Our bylaws obligate us, to the maximum extent permitted by Maryland law, to indemnify any person who is or was a party to, or is threatened to be made a party to, any threatened or pending proceeding by reason of the fact that such person is or was a director or officer of our company, or while a director or officer of our company is or was serving, at our request, as a director, officer, agent, partner, employee or trustee of any other corporation, partnership, joint venture, employee benefit plan or other enterprise, or whether conducted for profit or not. To the maximum extent permitted by Maryland law, the indemnification provided for in our charter and bylaws shall include reasonable expenses (including attorney's fees),