



Sun Communities, Inc. Reports 2015 First Quarter Results

April 23, 2015

NEWS RELEASE

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Southfield, MI, April 23, 2015 - Sun Communities, Inc. (NYSE: SUI) (the "Company"), a real estate investment trust ("REIT") that owns and operates manufactured housing and recreational vehicle communities, today reported its first quarter results.

Highlights: Three Months Ended March 31, 2015

- Funds from operations ("FFO")⁽¹⁾ excluding certain items was \$0.90 per diluted share and OP unit ("Share") for the three months ended March 31, 2015.
- Same site Net Operating Income ("NOI")⁽²⁾ increased by 8.6 percent as compared to the three months ended March 31, 2014.
- Revenue producing sites increased by 499 sites bringing total portfolio occupancy to 92.9 percent.
- Home sales increased by 47.2 percent as compared to the first quarter of 2014.
- Full year 2015 FFO⁽¹⁾ per Share guidance increased to \$3.55-\$3.65 per Share from \$3.53-\$3.63 per Share.
- Completed the purchase of one community for \$8.0 million in Michigan and the disposition of another for \$18.0 million in Indiana.
- Completed the second and final closing of the 59 community American Land Lease ("ALL") portfolio transaction.
- Subsequent to the quarter, on April 1, 2015, the Company acquired six communities in the Orlando, Florida area for \$256.2 million.

"We are pleased to report our first quarter earnings reflecting strong core operating results during the period in which our experienced Operations team on-boarded a significant number of new communities," said Gary A. Shiffman, Chairman and CEO. "Immediately after the end of the first quarter, we acquired six additional high quality MH communities located near Orlando, FL, further adding to our age-restricted asset holdings. With our current pipeline of quality acquisition opportunities, we are optimistic about the potential to continue to add best in class MH and RV properties to our portfolio," Shiffman added.

Funds from Operations ("FFO")⁽¹⁾

FFO ⁽¹⁾ excluding certain items was \$50.2 million and \$38.3 million, or \$0.90 and \$0.95 per Share, for the three months ended March 31, 2015 and 2014, respectively.

Net Income Attributable to Common Stockholders

Net income attributable to common stockholders for the first quarter of 2015 was \$6.9 million, or \$0.13 per diluted common share, as compared to net income of \$7.8 million, or \$0.21 per diluted common share for the first quarter of 2014.

Community Occupancy

Total portfolio occupancy increased to 92.9 percent at March 31, 2015 from 90.2 percent at March 31, 2014. During the first quarter of 2015, revenue producing sites increased by 499 sites as compared to 560 revenue producing sites gained in the first quarter of 2014.

Same Site Results

For the 177 communities owned throughout 2015 and 2014, first quarter 2015 total revenues increased 6.8 percent and total expenses increased 2.1 percent, resulting in an increase in NOI⁽²⁾ of 8.6 percent over the first quarter of 2014. Same site occupancy increased to 94.0 percent at March 31, 2015 from 92.5 percent at March 31, 2014.

Home Sales

During the first quarter of 2015, 543 homes were sold as compared to 369 homes sold during the first quarter of 2014. Home sales in the same site portfolio were 405 in the first quarter of 2015 as compared to 350 in the first quarter of 2014, an increase of 16 percent. Rental home sales, which are included in total home sales, were 181 and 134 for the first quarter of 2015 and 2014, respectively.

Acquisitions⁽³⁾

As previously announced, the Company completed the acquisition of the 59 ALL communities (and the associated manufactured homes and notes receivable) in multiple closings, with the final closing on January 6, 2015. Below is a summary of the consideration for the entire transaction, inclusive of the additional equity purchased by an affiliate of the sellers for \$12.5 million:

| Description of Consideration | Number of Shares/Units | Amount (in millions) |
|--|------------------------|----------------------|
| Assumption of mortgage debt (a) | - | \$332.2 |
| New mortgage debt (a) | - | 399.4 |
| Common stock (b) | 4,888,870 | 244.4 |
| Common OP units (b) | 501,130 | 25.1 |
| Series A-4 preferred OP units (c) | 869,449 | 21.7 |
| Series A-4 preferred shares (c) | 6,330,551 | 158.3 |
| Cash, net of excess proceeds on new mortgage | - | 162.6 |
| Total | | \$1,343.7 |

(a) The combined mortgage debt has a weighted average interest rate of 4.8% and a weighted average remaining term of 9.4 years.

(b) The common stock and common OP units were issued at \$50 per share.

(c) Series A-4 preferred OP units and shares of Series A-4 preferred stock are entitled to receive cumulative cash distributions on their \$25.00 liquidation preference per unit or share at a rate equal to 6.50% per year. Subject to certain limitations, at the holder's option, each Series A-4 preferred OP unit and each share of Series A-4 preferred stock is exchangeable into 0.4444 shares of the Company's common stock. The conversion price is subject to adjustment upon various events.

On March 19, 2015 the Company purchased Meadowlands, a manufactured home community in Gibraltar, Michigan at a purchase price of \$8.0 million, consisting of the assumption of \$5.5 million of debt, seller financing of \$2.3 million and \$0.2 million in cash. The community contains 321 sites.

Subsequent to quarter end, on April 1, 2015, the Company completed the previously announced acquisition of six manufactured home communities in the Orlando, Florida area for total consideration of \$256.2 million. The acquisition included over 3,130 developed sites (approximately 60% of which are in age-restricted communities) and expansion potential of approximately 380 sites. Below is a summary of the consideration:

| Description of Consideration | Number of Units | Amount (in millions) |
|---------------------------------|-----------------|----------------------|
| Assumption of mortgage debt (a) | - | \$157.3 |
| Series C preferred OP units (b) | 340,206 | 34.0 |
| Common OP units (c) | 371,808 | 22.7 |
| Cash | - | 42.2 |
| Total | | \$256.2 |

(a) The mortgage debt has a weighted average interest rate of 5.17% and a weighted average remaining term of 6.3 years.

(b) Series C preferred OP units are entitled to receive cumulative cash distributions on their \$100.00 liquidation preference per unit at a rate equal to 4.0% per year until April 1, 2016; 4.5% per year from April 1, 2016 to April 2, 2019; and 5.0% per year thereafter. At the holder's option, each Series C preferred OP unit is exchangeable into 1.111 shares of the Company's common stock. The conversion price is subject to adjustment upon various events.

(c) The common OP units were issued at \$61 per share.

Dispositions

As previously announced, during the quarter the Company completed the sale of one manufactured home community (containing 798 sites) located in Indiana for proceeds of \$18.0 million.

The Company continues to actively evaluate the portfolio for potential future dispositions in 2015, seeking to redeploy capital to geographic locations providing greater future returns to our stockholders.

Equity Transaction

As previously disclosed, during the quarter the Company sold 342,011 shares of its common stock through its at-the-market sales program at a weighted average price of \$63.94 per share. Net proceeds from the transactions were \$21.5 million.

2015 Guidance

The Company has increased its full-year 2015 FFO⁽¹⁾ per Share guidance to \$3.55-\$3.65, an increase of \$0.02 at the midpoint, and provides FFO⁽¹⁾ guidance for the second quarter of 2015 of \$0.82-\$0.84 per Share. While first quarter results outperformed the Company's internal estimates, certain community expenses budgeted but not incurred in the first quarter are expected to be incurred in subsequent quarters. This revised guidance is subject to the estimates and assumptions previously disclosed and the following: (a) includes all acquisitions and dispositions completed through April 23, 2015 but no prospective acquisitions or dispositions are included, and (b) the assumption that all transaction related expenses are added back in the computation of FFO⁽¹⁾.

The estimates and assumptions presented above represent the mid-point of a range of possible outcomes and may differ materially from actual results.

The estimates and assumptions presented above are forward looking based on the Company's current assessment of economic and market conditions, as well as other risks outlined below under the caption "Forward-Looking Statements."

Earnings Conference Call

A conference call to discuss first quarter operating results will be held on Thursday April 23, 2015 at 11:00 A.M. (ET). To participate, call toll-free 888-427-9411. Callers outside the U.S. or Canada can access the call at 719-457-2661. A replay will be available following the call through May 7, 2015, and can be accessed toll-free by calling 888-203-1112 or by calling 719-457-0820. The Conference ID number for the call and the replay is 9602950. The conference call will be available live on the Sun Communities website www.suncommunities.com. Replay will also be available on the website.

Sun Communities, Inc. is a REIT that currently owns and operates a portfolio of 249 communities comprising approximately 92,500 developed sites.

For more information about Sun Communities, Inc., please visit our website at www.suncommunities.com.

Contact

Please address all inquiries to our investor relations department, at our website www.suncommunities.com, by phone (248) 208-2500, by email investorrelations@suncommunities.com or by mail Sun Communities, Inc. Investor Relations, 27777 Franklin Road, Ste. 200, Southfield, MI 48034.

Forward-Looking Statements

This press release contains various "forward-looking statements" within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and the Company intends that such forward-looking statements will be subject to the safe harbors created thereby. Forward-looking statements can be identified by words such as "will," "may," "could," "expect," "anticipate," "believes," "intends," "should," "plans," "estimates," "approximate", "guidance" and similar expressions in this press release that predict or indicate future events and trends and that do not report historical matters.

These forward-looking statements reflect the Company's current views with respect to future events and financial performance, but involve known and unknown risks, uncertainties, and other factors, some of which are beyond our control. These risks, uncertainties, and other factors may cause the actual results of the Company to be materially different from any future results expressed or implied by such forward-looking statements. Such risks and uncertainties include national, regional and local economic climates, the ability to maintain rental rates and occupancy levels, competitive market forces, the performance of the recent acquisitions, the ability to integrate future acquisitions smoothly and efficiently, changes in market rates of interest, the ability of manufactured home buyers to obtain financing, the level of repossessions by manufactured home lenders and those risks and uncertainties referenced under the headings entitled "Risk Factors" contained in our 2014 Annual Report, and the Company's other periodic filings with the Securities and Exchange Commission.

The forward-looking statements contained in this press release speak only as of the date hereof and the Company expressly disclaims any obligation to provide public updates, revisions or amendments to any forward- looking statements made herein to reflect changes in the Company's assumptions, expectations of future events, or trends.

⁽¹⁾ Funds from operations ("FFO") is defined by the National Association of Real Estate Investment Trusts ("NAREIT") as net income (loss) (computed in accordance with generally accepted accounting principles "GAAP"), excluding gains (or losses) from sales of depreciable operating property, plus real estate-related depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. FFO is a non-GAAP financial measure that management believes is a useful supplemental measure of the Company's operating performance. Management generally considers FFO to be a useful measure for reviewing comparative operating and financial performance because, by excluding gains and losses related to sales of previously depreciated operating real estate assets, impairment and excluding real estate asset depreciation and amortization (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates and operating costs, providing perspective not readily apparent from net loss. Management believes that the use of FFO has been beneficial in improving the understanding of operating results of REITs among the investing public and making comparisons of REIT operating results more

meaningful. FFO is computed in accordance with the Company's interpretation of standards established by NAREIT, which may not be comparable to FFO reported by other REITs that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently than the Company.

Because FFO excludes significant economic components of net income (loss) including depreciation and amortization, FFO should be used as an adjunct to net income (loss) and not as an alternative to net income (loss). The principal limitation of FFO is that it does not represent cash flow from operations as defined by GAAP and is a supplemental measure of performance that does not replace net income (loss) as a measure of performance or net cash provided by operating activities as a measure of liquidity. In addition, FFO is not intended as a measure of a REIT's ability to meet debt principal repayments and other cash requirements, nor as a measure of working capital. FFO only provides investors with an additional performance measure.

(2) Investors in and analysts following the real estate industry utilize NOI as a supplemental performance measure. NOI is derived from revenues minus property operating expenses and real estate taxes. NOI does not represent cash generated from operating activities in accordance with GAAP and should not be considered to be an alternative to net income (loss) (determined in accordance with GAAP) as an indication of the Company's financial performance or to be an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of the Company's liquidity; nor is it indicative of funds available for the Company's cash needs, including its ability to make cash distributions. The Company believes that net income (loss) is the most directly comparable GAAP measurement to NOI. Net income (loss) includes interest and depreciation and amortization which often have no effect on the market value of a property and therefore limit its use as a performance measure. In addition, such expenses are often incurred at a parent company level and therefore are not necessarily linked to the performance of a real estate asset. The Company believes that NOI is helpful to investors as a measure of operating performance because it is an indicator of the return on property investment, and provides a method of comparing property performance over time. The Company uses NOI as a key management tool when evaluating performance and growth of particular properties and/or groups of properties. The principal limitation of NOI is that it excludes depreciation, amortization, interest expense, and non-property specific expenses such as general and administrative expenses, all of which are significant costs, and therefore, NOI is a measure of the operating performance of the properties of the Company rather than of the Company overall.

(3) The consideration amounts presented with respect to acquired communities represent the economic transaction and do not contemplate the fair value purchase accounting required by GAAP.

Consolidated Balance Sheets
(in thousands, except per share amounts)

| | (unaudited) March 31, 2015 | December 31, 2014 |
|---|----------------------------------|----------------------|
| ASSETS | | |
| Investment property, net (including \$93,476 and \$94,230 for consolidated variable interest entities at March 31, 2015 and December 31, 2014) | \$ 3,375,773 | \$ 2,568,164 |
| Cash and cash equivalents | 124,881 | 83,459 |
| Inventory of manufactured homes | 13,878 | 8,860 |
| Notes and other receivables, net | 216,119 | 174,857 |
| Other assets, net | 113,990 | 102,352 |
| TOTAL ASSETS | \$ 3,844,641 | \$ 2,937,692 |
| LIABILITIES | | |
| Debt (including \$65,401 and \$65,849 for consolidated variable interest entities at March 31, 2015 and December 31, 2014) | \$ 2,248,463 | \$ 1,826,293 |
| Lines of credit | 144 | 5,794 |
| Other liabilities | 214,712 | 165,453 |
| TOTAL LIABILITIES | \$ 2,463,319 | \$ 1,997,540 |
| Commitments and contingencies | | |
| Series A-4 Preferred Stock, \$0.01 par value. Issued and outstanding: 6,331 shares at March 31, 2015 and 483 shares at December 31, 2014 | \$ 189,027 | \$ 13,610 |
| Series A-4 preferred OP units | \$ 24,419 | \$ 18,722 |
| STOCKHOLDERS' EQUITY | | |
| Series A Preferred Stock, \$0.01 par value. Issued and outstanding: 3,400 shares at March 31, 2015 and December 31, 2014 | \$ 34 | \$ 34 |
| Common stock, \$0.01 par value. Authorized: 90,000 shares; Issued and outstanding: 53,498 shares at March 31, 2015 and 48,573 shares at December 31, 2014 | 535 | 486 |
| Additional paid-in capital | 2,031,042 | 1,741,154 |
| Distributions in excess of accumulated earnings | (890,374) | (863,545) |
| Total Sun Communities, Inc. stockholders' equity | 1,141,237 | 878,129 |
| Noncontrolling interests: | | |
| Common and preferred OP units | 27,291 | 30,107 |
| Consolidated variable interest entities | (652) | (416) |
| Total noncontrolling interest | 26,639 | 29,691 |
| TOTAL STOCKHOLDERS' EQUITY | 1,167,876 | 907,820 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 3,844,641 | \$ 2,937,692 |

Consolidated Statements of Operations
(in thousands, except per share amounts)

| | Three Months Ended March 31, | |
|--|-------------------------------------|-----------------|
| | 2015 | 2014 |
| REVENUES | | |
| Income from real property | \$ 119,525 | \$ 87,497 |
| Revenue from home sales | 16,834 | 10,123 |
| Rental home revenue | 11,129 | 9,402 |
| Ancillary revenues, net | 645 | 518 |
| Interest | 3,984 | 3,354 |
| Brokerage commissions and other income, net | 537 | 287 |
| Total revenues | <u>152,654</u> | <u>111,181</u> |
| COSTS AND EXPENSES | | |
| Property operating and maintenance | 29,214 | 23,189 |
| Real estate taxes | 8,715 | 6,009 |
| Cost of home sales | 12,557 | 7,848 |
| Rental home operating and maintenance | 5,605 | 5,251 |
| General and administrative - real property | 9,830 | 7,813 |
| General and administrative - home sales and rentals | 3,514 | 2,499 |
| Transaction costs | 9,449 | 760 |
| Depreciation and amortization | 44,001 | 28,889 |
| Interest | 25,389 | 17,590 |
| Interest on mandatorily redeemable debt | 852 | 803 |
| Total expenses | <u>149,126</u> | <u>100,651</u> |
| Income before other gains (losses) | 3,528 | 10,530 |
| Gain on disposition of properties, net | 8,769 | - |
| Provision for state income taxes | (49) | (69) |
| Distributions from affiliate | - | 400 |
| Net income | 12,248 | 10,861 |
| Less: Preferred return to Series A-1 preferred OP units | 631 | 672 |
| Less: Preferred return to Series A-3 preferred OP units | 45 | 45 |
| Less: Preferred return to Series A-4 preferred OP units | 353 | - |
| Less: Amounts attributable to noncontrolling interests | 264 | 784 |
| Net income attributable to Sun Communities, Inc. | 10,955 | 9,360 |
| Less: Preferred stock distributions | 4,086 | 1,514 |
| Net income attributable to Sun Communities, Inc. common stockholders | <u>\$ 6,869</u> | <u>\$ 7,846</u> |
| Weighted average common shares outstanding: | | |
| Basic | 52,498 | 36,495 |
| Diluted | 52,892 | 36,704 |
| Earnings per share: | | |
| Basic | \$ 0.13 | \$ 0.21 |
| Diluted | \$ 0.13 | \$ 0.21 |
| Distributions per common share: | \$ 0.65 | \$ 0.65 |

Reconciliation of Net Income to FFO⁽¹⁾
(in thousands, except per share amounts)

| | Three Months Ended March 31, | |
|--|-------------------------------------|------------------|
| | 2015 | 2014 |
| Net income attributable to Sun Communities, Inc. common stockholders | \$ 6,869 | \$ 7,846 |
| Adjustments: | | |
| Preferred return to Series A-1 preferred OP units | - | 672 |
| Preferred return to Series A-3 preferred OP units | 45 | 45 |
| Amounts attributable to noncontrolling interests | 78 | 784 |
| Depreciation and amortization | 44,264 | 29,168 |
| Gain on disposition of properties, net | (8,769) | - |
| Gain on disposition of assets, net | (1,702) | (1,014) |
| Funds from operations ("FFO") ⁽¹⁾ | <u>40,785</u> | <u>37,501</u> |
| Adjustments: | | |
| Transaction costs | 9,449 | 760 |
| Funds from operations excluding certain items | <u>\$ 50,234</u> | <u>\$ 38,261</u> |

| | | |
|--|---------------|---------------|
| Weighted average common shares outstanding: | 52,498 | 36,495 |
| Add: | | |
| Common stock issuable upon conversion of stock options | 16 | 14 |
| Restricted stock | 378 | 195 |
| Common OP Units | 2,560 | 2,069 |
| Common stock issuable upon conversion of Series A-1 preferred OP units | - | 1,107 |
| Common stock issuable upon conversion of Series A-3 preferred OP units | 75 | 75 |
| Weighted average common shares outstanding - fully diluted | <u>55,527</u> | <u>39,955</u> |
| FFO ⁽¹⁾ per Share - fully diluted | \$ 0.73 | \$ 0.93 |
| FFO ⁽¹⁾ per Share excluding certain items - fully diluted | \$ 0.90 | \$ 0.95 |

Statement of Operations - Same Site
(in thousands except for Other Information)

| | <u>Three Months Ended March 31,</u> | | | |
|---|-------------------------------------|-----------------|-----------------|-----------------|
| | <u>2015</u> | <u>2014</u> | <u>Change</u> | <u>% Change</u> |
| REVENUES: | | | | |
| Income from real property | \$83,883 | \$78,573 | \$ 5,310 | 6.8 % |
| PROPERTY OPERATING EXPENSES: | | | | |
| Payroll and benefits | 6,673 | 6,111 | 562 | 9.2 % |
| Legal, taxes, & insurance | 1,385 | 1,265 | 120 | 9.5 % |
| Utilities | 5,152 | 5,081 | 71 | 1.4 % |
| Supplies and repair | 1,849 | 2,182 | (333) | (15.3) % |
| Other | 2,112 | 2,199 | (87) | (4.0) % |
| Real estate taxes | 5,795 | 5,645 | 150 | 2.7 % |
| Property operating expenses | <u>22,966</u> | <u>22,483</u> | <u>483</u> | <u>2.1 %</u> |
| NET OPERATING INCOME ("NOI")⁽²⁾ | <u>\$60,917</u> | <u>\$56,090</u> | <u>\$ 4,827</u> | <u>8.6 %</u> |

| | <u>As of March 31,</u> | | |
|--|------------------------|-------------|---------------|
| | <u>2015</u> | <u>2014</u> | <u>Change</u> |
| OTHER INFORMATION | | | |
| Number of properties | 177 | 177 | - |
| Developed sites | 66,516 | 66,048 | 468 |
| Occupied sites ⁽³⁾ | 55,640 | 53,942 | 1,698 |
| Occupancy % ^{(3) (4)} | 94.0% | 92.5% | 1.5% |
| Weighted average monthly rent per site - MH | \$ 466 | \$ 451 | \$ 15 |
| Weighted average monthly rent per site - RV ⁽⁵⁾ | \$ 398 | \$ 379 | \$ 19 |
| Weighted average monthly rent per site - Total | \$ 456 | \$ 441 | \$ 15 |
| Sites available for development | 6,197 | 6,166 | 31 |

⁽³⁾ Includes manufactured housing and annual/seasonal recreational vehicle sites, and excludes transient recreational vehicle sites, which are included in total developed sites.

⁽⁴⁾ Occupancy % excludes recently completed but vacant expansion sites.

⁽⁵⁾ Weighted average rent pertains to annual/seasonal RV sites and excludes transient RV sites.

Rental Program Summary
(amounts in thousands except for *)

| | <u>Three Months Ended March 31,</u> | | | |
|--|-------------------------------------|------------------|-----------------|-----------------|
| | <u>2015</u> | <u>2014</u> | <u>Change</u> | <u>% Change</u> |
| REVENUES: | | | | |
| Rental home revenue | \$ 11,129 | \$ 9,402 | \$ 1,727 | 18.4 % |
| Site rent included in Income from real property | <u>15,127</u> | <u>13,102</u> | <u>2,025</u> | <u>15.5 %</u> |
| Rental Program revenue | <u>26,256</u> | <u>22,504</u> | <u>3,752</u> | <u>16.7 %</u> |
| EXPENSES: | | | | |
| Commissions | 834 | 601 | 233 | 38.8 % |
| Repairs and refurbishment | 2,416 | 2,405 | 11 | 0.5 % |
| Taxes and insurance | 1,476 | 1,368 | 108 | 7.9 % |
| Marketing and other | <u>879</u> | <u>877</u> | <u>2</u> | <u>0.2 %</u> |
| Rental Program operating and maintenance | <u>5,605</u> | <u>5,251</u> | <u>354</u> | <u>6.7 %</u> |
| NET OPERATING INCOME ("NOI") ⁽³⁾ | <u>\$ 20,651</u> | <u>\$ 17,253</u> | <u>\$ 3,398</u> | <u>19.7 %</u> |

Occupied rental home information as of March 31, 2015 and 2014:

| | | | | |
|--|------------|-----------|----------|--------|
| Number of occupied rentals, end of period* | 11,157 | 10,073 | 1,084 | 10.8 % |
| Investment in occupied rental homes | \$ 431,421 | \$371,360 | \$60,061 | 16.2 % |
| Number of sold rental homes* | 181 | 134 | 47 | 35.1 % |
| Weighted average monthly rental rate* | \$ 834 | \$ 801 | \$ 33 | 4.1 % |

**Homes Sales Summary
(amounts in thousands except for *)**

| | Three Months Ended March 31, | | | |
|--|-------------------------------------|-----------------|----------------|-----------------|
| | 2015 | 2014 | Change | % Change |
| New home sales | \$ 5,246 | \$ 2,163 | \$3,083 | 142.5 % |
| Pre-owned home sales | 11,588 | 7,960 | 3,628 | 45.6 % |
| Revenue from home sales | 16,834 | 10,123 | 6,711 | 66.3 % |
| New home cost of sales | 4,191 | 1,834 | 2,357 | 128.5 % |
| Pre-owned home cost of sales | 8,366 | 6,014 | 2,352 | 39.1 % |
| Cost of home sales | 12,557 | 7,848 | 4,709 | 60.0 % |
| NOI / Gross Profit (2) | \$ 4,277 | \$ 2,275 | \$2,002 | 88.0 % |
| Gross profit - new homes | \$ 1,055 | \$ 329 | \$ 726 | 220.7 % |
| Gross margin % - new homes | 20.1% | 15.2% | 4.9% | |
| Average selling price - new homes* | \$79,484 | \$80,129 | \$ (645) | (0.8)% |
| Gross profit - pre-owned homes | \$ 3,222 | \$ 1,946 | \$1,276 | 65.6 % |
| Gross margin % - pre-owned homes | 27.8% | 24.4% | 3.4% | |
| Average selling price - pre-owned homes* | \$24,294 | \$23,273 | \$1,021 | 4.4 % |
| Home sales volume: | | | | |
| New home sales* | 66 | 27 | 39 | 144.4 % |
| Pre-owned home sales* | 477 | 342 | 135 | 39.5 % |
| Total homes sold* | 543 | 369 | 174 | 47.2 % |

**Acquisition Summary - Properties Acquired in 2014 and 2015
(amounts in thousands except for statistical data)**

| | Three Months Ended March 31, 2015 | |
|---|--|---------------|
| REVENUES: | | |
| Income from real property | \$ | 30,023 |
| Revenue from home sales | | 4,679 |
| Rental home revenue | | 723 |
| Ancillary revenues, net | | 143 |
| Total revenues | | 35,568 |
| COSTS AND EXPENSES: | | |
| Property operating and maintenance | | 6,510 |
| Real estate taxes | | 2,921 |
| Cost of home sales | | 3,636 |
| Rental home operating and maintenance | | 82 |
| Total expenses | | 13,149 |
| NET OPERATING INCOME ("NOI") (2) | \$ | 22,419 |

As of March 31, 2015

| | |
|---|--------|
| Other information: | |
| Number of properties | 66 |
| Developed sites | 22,804 |
| Occupied sites (3) | 19,159 |
| Occupancy % (3) | 90.9 % |
| Weighted average monthly rent per site - MH \$ | 469 |
| Weighted average monthly rent per site - RV (5)\$ | 434 |
| Weighted average monthly rent per site - Total \$ | 467 |

Home sales volume :

| | |
|-----------------|----|
| New homes | 43 |
| Pre-owned homes | 95 |

Occupied rental home information :

| | |
|--|-----------|
| Number of occupied rentals, end of period | 436 |
| Investment in rental homes (<i>in thousands</i>) | \$ 10,732 |
| Weighted average monthly rental rate | \$ 1,056 |

(3) Includes manufactured housing and annual/seasonal recreational vehicle sites, and excludes transient recreational vehicle sites, which are included in total developed sites.

(5) Weighted average rent pertains to annual/seasonal RV sites and excludes transient RV sites.

[1st Qtr 2015 Earnings Release](#)

[1st Qtr 2015 Supplemental Information](#)

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