SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2003.

OR

[ ] Transition pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

COMMISSION FILE NUMBER 1-12616

SUN COMMUNITIES, INC.
(Exact Name of Registrant as Specified in its Charter)

Maryland	38-2730780
(State of Incorporation)	(I.R.S. Employer Identification No.)

27777 Franklin Road Suite 200 Southfield, Michigan	48034
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (248) 208-2500

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

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes [X] No [ ]

APPLICABLE ONLY TO CORPORATE ISSUERS:

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

Number of shares of Common Stock, $.01 par value per share, outstanding as of March 31, 2003: 18,107,275

SUN COMMUNITIES, INC.

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SUN COMMUNITIES, INC.
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2003 AND DECEMBER 31, 2002
(IN THOUSANDS)
(UNAUDITED)

ASSETS	2003	2002
Investment in rental property, net	$ 997,193	$ 999,360
Cash and cash equivalents	3,339	2,664
Notes and other receivables	56,768	56,329
Investment in and advances to affiliates	72,405	67,719
Other assets	37,336	37,904
Total assets	$ 1,167,041	$ 1,163,976
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Line of credit	$ 76,500	$ 63,000
Debt	595,833	604,373
Accounts payable and accrued expenses	13,809	16,120
Deposits and other liabilities	9,801	8,461
Total liabilities	695,943	691,954
Minority interests	155,857	152,490
Stockholders' equity:		
Preferred stock, $.01 par value, 10,000 shares authorized; no shares issued and outstanding	--	--
Common stock, $.01 par value, 100,000 shares authorized; 18,309 and 18,311 issued and outstanding for 2003 and 2002, respectively	183	183
Paid-in capital	420,599	420,683
Officers' notes	(10,632)	(10,703)
Unearned compensation	(8,301)	(8,622)
Accumulated other comprehensive loss	(2,290)	(1,851)
Distributions in excess of accumulated earnings	(77,934)	(73,774)
Treasury stock, at cost, 202 shares	(6,384)	(6,384)
Total stockholders' equity	315,241	319,532
Total liabilities and stockholders' equity	$ 1,167,041	$ 1,163,976

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

SUN COMMUNITIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2003 AND 2002
(IN THOUSANDS, EXCEPT FOR PER SHARE DATA)
(UNAUDITED)

	2003	2002
Revenues:		
Income from property	$ 41,755	$ 39,171
Other income	2,942	1,919
Total revenues	44,697	41,090
Expenses:		
Property operating and maintenance	10,217	8,351
Real estate taxes	3,026	2,552
Property management	754	758
General and administrative	1,619	1,319
Depreciation and amortization	10,769	9,113
Interest	8,760	7,846
Total expenses	35,145	29,939
Income before loss from equity affiliates, minority interests and discontinued operations	9,552	11,151
Loss from equity affiliates	(171)	(222)
Income before minority interests and discontinued operations	9,381	10,929
Less income allocated to minority interests:		
Preferred OP Units	2,128	1,919
Common OP Units and others	910	1,176
Income from continuing operations	6,343	7,834
Income from discontinued operations	--	280
Net income	$ 6,343	$ 8,114
Weighted average common shares outstanding:		
Basic	17,789	17,322
Diluted	17,915	17,538
Basic earnings per share:		
Continuing operations	$ 0.36	$ 0.45
Discontinued operations	--	0.02
Net income	$ 0.36	$ 0.47
Diluted earnings per share:		
Continuing operations	$ 0.35	$ 0.44
Discontinued operations	--	0.02
Net income	$ 0.35	$ 0.46

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

SUN COMMUNITIES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2003 AND 2002
(AMOUNTS IN THOUSANDS)
(UNAUDITED)

	2003	2002
Net income	$6,343	$8,114
Unrealized losses on interest rate swaps	(439)	--
Comprehensive income	$5,904	$8,114

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

SUN COMMUNITIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2003 AND 2002
(IN THOUSANDS)
(UNAUDITED)

	2003	2002
Cash flows from operating activities:		
Net income	$ 6,343	$ 8,114
Adjustments to reconcile net income to net cash provided by operating activities:		
Income allocated to minority interests	910	1,176
(Income) from discontinued operations	--	(280)
Operating income included in discontinued operations	--	11
Depreciation and amortization	10,769	9,113
Amortization of deferred financing costs	318	247
Increase in other assets	(1,745)	(1,271)
Increase (decrease) in accounts payable and other liabilities	(971)	1,775
Net cash provided by operating activities	15,624	18,885
Cash flows from investing activities:		
Investment in rental properties	(6,708)	(42,728)
Proceeds related to property dispositions	--	3,288
Investments in notes receivable, net	(439)	--
Investment in and advances to affiliates	(4,937)	7,380
Repayments of notes receivable, net	--	4,744
Officers' notes	71	--
Net cash used in investing activities	(12,013)	(27,316)
Cash flows from financing activities:		
Net proceeds from issuance of common stock and OP units, net	--	1,891
Borrowings on line of credit, net	13,500	32,000
Repayments on notes payable and other debt	(4,370)	(14,227)
Payments for deferred financing costs	(83)	--
Distributions	(11,983)	(11,095)
Net cash provided by (used in) financing activities	(2,936)	8,569
Net increase in cash and cash equivalents	675	138
Cash and cash equivalents, beginning of period	2,664	4,587
Cash and cash equivalents, end of period	$ 3,339	$ 4,725
Supplemental Information:		
Cash paid for interest including capitalized amounts of $664 and $675 for the three months ended March 31, 2003 and 2002, respectively	$ 7,371	$ 5,977
Noncash investing and financing activities:		
Debt assumed for rental properties	$ --	$ 6,813
Issuance of partnership units for rental properties	$ --	$ 4,500
Issuance of partnership units to retire capitalized lease obligations	$ 4,170	$ --

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

1. BASIS OF PRESENTATION:

These unaudited condensed consolidated financial statements of Sun Communities, Inc., a Maryland corporation, (the "Company"), have been prepared pursuant to the Securities and Exchange Commission ("SEC") rules and regulations and should be read in conjunction with the consolidated financial statements and notes thereto of the Company included in the Annual Report on Form 10-K for the year ended December 31, 2002. The following notes to consolidated financial statements present interim disclosures as required by the SEC. The accompanying consolidated financial statements reflect, in the opinion of management, all adjustments necessary for a fair presentation of the interim financial statements. All such adjustments are of a normal and recurring nature.

2. INVESTMENTS IN AND ADVANCES TO AFFILIATES:

Sun Home Services, Inc. ("SHS") sells and rents new and used homes in our communities, manages a golf course, and provides activities and other services and facilities for our residents. Through Sun Communities Operating Limited Partnership (the "Operating Partnership"), the Company owns one hundred percent (100%) of the outstanding preferred stock of SHS, is entitled to ninety-five percent (95%) of the operating cash flow, and accounts for its investment utilizing the equity method of accounting. The common stock is owned by one officer of the Company and the estate of a former officer of the Company who collectively are entitled to receive five percent (5%) of the operating cash flow.

Bingham Financial Services Corporation ("BFSC") was formed by Sun in 1997 in response to demand for financing from purchasers and residents in the Company's communities. As BFSC's business developed, its objectives and opportunities expanded and the Company concluded that its business could be operated and grown more effectively as a separate public entity. BFSC's initial public offering occurred in November 1997. The Company has continued to provide financial support to BFSC. In December 2001, the Company, through SHS, made a $15 million equity investment in a newly formed company Origen Financial, L.L.C., that was merged with Origen Financial, Inc., subsidiary of BFSC, as part of the recapitalization of BFSC. As a result of this equity investment, the Company owns approximately a thirty percent (30%) interest in the surviving company ("Origen"), which company holds all of the operating assets of BFSC and its subsidiaries. The Company wrote-off its remaining equity investment in Origen of $13.6 million in the fourth quarter of 2002.

Through Sun Home Services, the Company and two other participants (one unaffiliated and one affiliated with Gary A. Shiffman, the Company's Chief Executive Officer and President) continue to provide financing to Origen and are subject to the risks of being a lender. These risks include the risks relating to borrower delinquency and default and the adequacy of the collateral for such loans. This financing consists of a $48 million line of credit and a $10 million term loan of which the Company's commitment is $35.5 million ($35.2 million and $33.6 million was outstanding as of March 31, 2003 and December 31, 2002, respectively). The line bears interest at a per annum rate equal to 700 basis points over LIBOR, with a minimum interest rate of 11 percent and a maximum interest rate of 15 percent. Of the Company's $35.5 million participation, $18 million is subordinate in all respects to the first $40.0 million funded under the facility by the three participants. This line of credit is collateralized by a security interest in Origen's assets, which is subordinate in all respects to all institutional indebtedness of Origen, and a guaranty and pledge of assets by BFSC.

2. INVESTMENTS IN AND ADVANCES TO AFFILIATES (CONTINUED):

Summarized combined financial information of the Company's equity investments as of March 31, 2003, SHS and Origen, are presented below before elimination of intercompany transactions.

Revenues	$ 14,393
Expenses	(16,364)
Net income (loss)	$ (1,971)
Sun's equity income (loss)	$ (171)

3. RENTAL PROPERTY:

The following summarizes rental property (in thousands):

	MARCH 31, 2003	DECEMBER 31, 2002
Land	$ 103,590	$ 101,926
Land improvements and buildings	1,006,500	999,540
Furniture, fixtures, equipment	26,517	26,277
Land held for future development	33,343	34,573
Property under development	11,595	12,521
	1,181,545	1,174,837
Accumulated depreciation	(184,352)	(175,477)
Rental property, net	$ 997,193	$ 999,360

During the three months ended March 31, 2003, the Company did not acquire any rental properties.

4. NOTES AND OTHER RECEIVABLES (AMOUNTS IN THOUSANDS):

	MARCH 31, 2003	DECEMBER 31, 2002
Mortgage and other notes receivable, primarily with minimum monthly interest payments at LIBOR based floating rates of approximately LIBOR + 3.0%, maturing at various dates through August 2008, substantially collateralized by manufactured home communities.	$ 39,386	$ 38,420
Installment loans on manufactured homes with interest payable monthly at a weighted average interest rate and maturity of 8.2% and 20 years, respectively.	11,431	11,633
Other receivables	5,951	6,276
	$ 56,768	$ 56,329

At March 31, 2003, the maturities of mortgages and other notes receivables are approximately as follows: 2003-$1.5 million; 2004-$19.4 million; 2006-$3.8 million; 2008 and after- $14.7 million.

Officers' notes, presented as a reduction to stockholders' equity in the balance sheet, are LIBOR + 1.75% notes, due in approximate equal amounts in 2008, 2009 and 2010, with a minimum and maximum interest rate of 6 percent and 9 percent, respectively, collateralized by 362,206 shares of the Company's common stock and 127,794 OP Units with substantial personal recourse.

5. DEBT:

The following table sets forth certain information regarding debt (in thousands):

	MARCH 31, 2003	DECEMBER 31, 2002
Bridge loan, at variable interest rate (2.617% at December 31, 2002), due April 30, 2003	$ 48,000	$ 48,000
Senior notes, interest at 7.625%, due May 1, 2003	85,000	85,000
Callable/redeemable notes, interest at 6.77%, due May 14, 2015, callable/redeemable May 16, 2005	65,000	65,000
Senior notes, interest at 6.97%, due December 3, 2007	35,000	35,000
Senior notes, interest at 8.20%, due August 15, 2008	100,000	100,000
Collateralized term loan, due to FNMA, at variable interest rate (2.17% at December 31, 2002) due May 2007, convertible to a 5 to 10 year fixed rate loan	152,363	152,363
Collateralized term loan, interest at 7.01%, due September 9, 2007	42,062	42,206
Capitalized lease obligations, interest at 6.1%, due January 1, 2004	9,804	16,438
Mortgage notes, other	58,604	60,366
	$ 595,833	$ 604,373

The collateralized term loans totaling $194,425 at March 31, 2003 are secured by 22 properties comprising approximately 10,600 sites. The capitalized lease obligations and mortgage notes are collateralized by 12 communities comprising approximately 3,900 sites. At the lease expiration date of the capitalized leases the Company has the right and intends to purchase the properties for the amount of the then outstanding lease obligation. One of the capitalized lease obligations matured on January 1, 2003 and was paid by the issuance of 41,700 Preferred OP Units, cash of approximately $860,000 and the assumption of approximately $1,570,000 of debt, which was immediately retired.

The initial term of the variable rate FNMA debt is five years. The Company has the option to extend such variable rate borrowings for an additional five years and/or convert them to fixed rate borrowings with a term of five or ten years, provided that in no event can the term of the borrowings exceed fifteen years.

The Company has a $105 million unsecured line of credit of which $28.5 million was available to be drawn at March 31, 2003. Borrowings under the line of credit bear interest at the rate of LIBOR plus 0.85% and mature July 2, 2005 with a one-year extension at the Company's option. The average interest rate of outstanding borrowings under the line of credit at March 31, 2003 was 2.14 percent.

5. DEBT, CONTINUED:

Subsequent to March 31, 2003 the Company issued $150 million of 5.75 percent senior notes, due April 15, 2010, in a private offering and used the proceeds from the offering to retire the bridge loan of $48 million and senior notes of $85 million due on April 30 and May 1, 2003, respectively. The remaining $17 million was used to pay down the Company's line of credit. Subsequent to May 15, 2003, the Company intends to file a registration statement to exchange the unregistered notes for registered notes with substantially identical terms.

The Company is the guarantor of $22.7 million in personal bank loans maturing in 2004, made to directors, employees and consultants to purchase Company common stock and OP units pursuant to the Company's Stock Purchase Plan. No compensation expense was recognized in respect to the guarantees as the fair value thereof was not material nor have there been any defaults.

6. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES:

The Company has entered into four derivative contracts consisting of three interest rate swap agreements and an interest rate cap agreement. The Company's primary strategy in entering into derivative contracts is to minimize the variability that changes in interest rates could have on its future cash flows. The Company generally employs derivative instruments that effectively convert a portion of its variable rate debt to fixed rate debt and to cap the maximum interest rate on its variable rate borrowings. The Company does not enter into derivative instruments for speculative purposes.

The swap agreements are effective April 2003, and have the effect of fixing interest rates relative to a collateralized term loan due to FNMA. One swap matures in July 2009, with an effective fixed rate of 4.93 percent. A second swap matures in July 2012, with an effective fixed rate of 5.37 percent. The third swap matures in July 2007, with an effective fixed rate of 3.97 percent. The third swap is effective as long as LIBOR is 7 percent or lower. The interest rate cap agreement is effective April 2003 at a cap rate of 9.49 percent. The notional increases over three months from $12.9 million to a final notional of $152.4 million and has a termination date of April 3, 2006.

The Company has designated the first two swaps and the interest rate cap as cash flow hedges for accounting purposes. These three hedges were highly effective and had minimal effect on income. The third swap does not qualify as a hedge for accounting purposes and, accordingly, the entire change in valuation of $0.21 million is reflected as a component of interest expense in the statements of income for the three months ended March 31, 2003.

In accordance with SFAS No. 133, the "Accounting for Derivative Instruments and Hedging Activities," which requires all derivative instruments to be carried at fair value on the balance sheet, the Company has recorded a liability of $3.0 million and $2.3 million as of March 31, 2003 and December 31, 2002, respectively.

These valuation adjustments will only be realized if the Company terminates the swaps prior to maturity. This is not the intent of the Company and, therefore, the net of valuation adjustments through the various maturity dates will approximate zero.

7. OTHER INCOME:

The components of other income are as follows for the three months ended March 31, 2003 and 2002 (in thousands):

	2003	2002
Interest income	$ 2,763	$ 1,258
Other income	179	661
	$ 2,942	$ 1,919

8. EARNINGS PER SHARE (IN THOUSANDS):

	For the Three Months Ended March 31,	
	2003	2002
Earnings used for basic and diluted earnings per share computation	$ 6,343	$ 8,114
Total shares used for basic earnings per share	17,789	17,322
Dilutive securities, principally stock options	126	216
Total weighted average shares used for diluted earnings per share computation	17,915	17,538

Diluted earnings per share reflect the potential dilution that would occur if dilutive securities were exercised or converted into common stock.

9. RECENT ACCOUNTING PRONOUNCEMENTS:

In April 2003, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." The statement amends and clarifies financial accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities under FASB Statements No. 133, "Accounting for Derivative Instruments and Hedging Activities." This Statement is effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. In addition, all provisions of this Statement should be applied prospectively. The provisions of this Statement that relate to Statement 133 Implementation Issues that have been effective for fiscal quarters that began prior to June 15, 2003, should continue to be applied in accordance with their respective effective dates. The adoption of this Statement is not expected to have a significant impact on the financial position or results of the operations of the Company.

In January 2003, the FASB issued FASB Interpretation No. 46 ("FIN 46"), "Consolidation of Variable Interest Entities." The objective of this interpretation is to provide guidance on how to identify a variable interest entity ("VIE") and determine when the assets, liabilities, non-controlling interests and results of operations of a VIE need to be included in a company's consolidated financial statements. A company that holds variable interests in an entity will need to consolidate the entity if the company's interest in the VIE is such that the company will absorb a majority of the VIE's expected losses and/or receive a majority of the VIE's expected residual returns, if they occur. FIN 46 also requires additional disclosures by primary beneficiaries and other significant variable interest holders. The provisions of this interpretation became effective upon issuance with respect to VIEs created after January 31, 2003 and to VIEs in which a company obtains an interest after that date. The provisions of this interpretation apply in the first interim period beginning after June 15, 2003 (i.e., third quarter of 2003) to VIEs in which a company holds a variable interest that it acquired before February 1, 2003. The Company is in the process of assessing whether it has an interest in any VIEs which may require consolidation in the third quarter of 2003 pursuant to FIN 46. Entities that may be identified as VIEs include SHS and Origen.

In December 2002, the FASB issued SFAS 148, "Accounting for Stock-Based Compensation-Transition and Disclosure," which provides guidance on how to transition from the intrinsic value method of accounting for stock-based employee compensation under APB 25 to SFAS 123's fair value method of accounting, if a company so elects, and adds interim and annual disclosure. The Company has elected not to adopt the fair value method of accounting for stock-based employee compensation but has adopted the disclosure requirements of SFAS 148.

In November 2002, the FASB issued FASB Interpretation No. 45 ("FIN 45"), "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." FIN 45 clarifies disclosures that are required to be made certain guarantees and establishes a requirement to record a liability at fair value for certain guarantees at the time of the guarantee's issuance. The disclosure requirements of FIN 45 have been applied in these financial statements. The requirement to record a liability applies to guarantees issues or modified after December 31, 2002. The adoption of this standard did not have a significant impact on the financial position or results of operations of the Company.

9. RECENT ACCOUNTING PRONOUNCEMENTS, CONTINUED:

In July 2002, the FASB issued SFAS 146, "Accounting for Costs Associated with Exit or Disposal Activities." The statement requires companies to recognize costs associated with exit or disposal activities when they are incurred rather than at the date of a commitment to an exit or disposal plan. Examples of costs covered by the statement include lease termination costs and certain employee severance costs that are associated with a restructuring, discontinued operation, plant closing or other exit or disposal activity. The statement is to be applied prospectively to exit or disposal activities initiated after December 31, 2002. The adoption of this statement did not have a significant impact on the financial position or results of operations of the Company.

10. CONTINGENCIES

On April 9, 2003, T.J. Holdings, LLC ("TJ Holdings"), a member of Sun/Forest, LLC ("Sun/Forest") (which, in turn, owns an equity interest in SunChamp LLC), filed a complaint against the Company, SunChamp LLC, certain other affiliates of the Company and two directors of Sun Communities, Inc. in the Superior Court of Guilford County, North Carolina. The complaint alleges that the defendants wrongfully deprived the plaintiff of economic opportunities that they took for themselves in contravention of duties allegedly owed to the plaintiff and purports to claim damages of $13.0 million plus an unspecified amount for punitive damages. The Company believes the complaint and the claims threatened therein have no merit and will defend it vigorously.

The Company is involved in various other legal proceedings arising in the ordinary course of business. All such proceedings, taken together, are not expected to have a material adverse impact in our results of operations or financial condition.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

The following discussion and analysis of the consolidated financial condition and results of operations should be read in conjunction with the consolidated financial statements and the notes thereto. Capitalized terms are used as defined elsewhere in this Form 10-Q.

SIGNIFICANT ACCOUNTING POLICIES

The Company had identified significant accounting policies that, as a result of the judgments, uncertainties, uniqueness and complexities of the underlying accounting standards and operations involved, could result in material changes to its financial condition or result of operations under different conditions or using different assumptions. Details regarding the Company's significant accounting policies are described fully in the Company's 2002 Annual Report filed with the Securities and Exchange Commission on Form 10-K. During the three months ended March 31, 2003, there have been no material changes to the Company's significant accounting policies that impacted the Company's financial condition or results of operations.

RESULTS OF OPERATIONS

Comparison of the three months ended March 31, 2003 and 2002

For the three months ended March 31, 2003, income before minority interests and discontinued operations decreased by 13.8 percent from $10.9 million to $9.4 million, when compared to the three months ended March 31, 2002. The decrease was due to increased revenues of $3.6 million and a $0.1 million reduction in loss from equity affiliates offset by increased expenses of $5.2 million as described in more detail below.

Income from property increased by $2.6 million from $39.2 million to $41.8 million, or 6.6 percent, due to acquisitions ($1.2 million) made during 2002 and rent increases and other community revenues ($1.4 million).

Property operating and maintenance expenses increased by $1.8 million from $8.4 million to $10.2 million, or 21.4 percent. The increase was due to the expansion of cable TV services ($0.1 million), increases in property and casualty insurance costs ($0.2 million), increases in employee benefits costs ($0.2 million), increases in utility costs ($0.3 million), and increase in repair and maintenance expense ($0.2 million) which resulted from the severe winter. Acquisitions and consolidation of development properties accounted for $0.6 million of the increase with the remainder, $0.2 million, representing a reasonable increase in expenses in correlation with the increase in revenues noted above.

Real estate taxes increased by $0.5 million from $2.5 million to $3.0 million, or 20.0 percent, due to fourth quarter 2002 acquisitions ($0.2 million) and due to increases in assessments and tax rates ($0.3 million).

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS, CONTINUED:

General and administrative expenses increased by $0.3 million from $1.3 million to $1.6 million, or 23.1 percent, due primarily to increased Michigan Single Business taxes ($0.2 million) and the timing of payroll taxes ($0.1 million).

Depreciation and amortization increased by $1.7 million from $9.1 million to $10.8 million, or 18.7 percent, due primarily to the net additional investment in rental properties.

Interest expense increased by $1.0 million from $7.8 million to $8.8 million, or 12.8 percent, due primarily to an increase in outstanding debt.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS, CONTINUED:

SAME PROPERTY INFORMATION

The following table reflects property-level financial information as of and for the three months ended March 31, 2003 and 2002. The "Same Property" data represents information regarding the operation of communities owned as of January 1, 2002 and March 31, 2003. Site, occupancy, and rent data for those communities is presented as of the last day of each period presented. The "Total Portfolio" column differentiates from the "Same Property" column by including financial information for new development and acquisition communities.

	SAME PROPERTY		TOTAL PORTFOLIO	
	2003	2002	2003	2002(2)
Income from property	$ 36,011	$ 34,799	$ 41,755	$ 39,171
Property operating expenses:				
Property operating and maintenance	6,781	6,467	10,217	8,351
Real estate taxes	2,733	2,495	3,026	2,552
Property operating expenses	9,514	8,962	13,243	10,903
Property net operating income(3)	$ 26,497	$ 25,837	$ 28,512	$ 28,268
Number of operating properties	109	109	129	116
Developed sites	38,984	38,905	44,125	41,228
Occupied sites	34,986	35,729	38,839	37,770
Occupancy %	91.4%(1)	93.9%(1)	89.3%(1)	93.5%(1)
Weighted average monthly rent per site	$ 322(1)	$ 308(1)	$ 321(1)	$ 306(1)
Sites available for development	2,015	2,056	7,463	4,375
Sites planned for development in current year	96	87	172	609

(1) Occupancy % and weighted average rent relates to manufactured housing sites, excluding recreational vehicle sites.

(2) Excludes financial information related to properties sold in 2002.

(3) Investors in and analysts following the real estate industry utilize net operating income ("NOI") as a supplemental performance measure. The Company considers NOI, given its wide use by and relevance to investors and analysts, an appropriate supplemental measure to net income because NOI provides a measure of rental operations and does not factor in depreciation/amortization and non-property specific expenses such as general and administrative expenses.

On a same property basis, property net operating income increased by $0.7 million from $25.8 million to $26.5 million, or 2.7 percent. Property revenues increased by $1.2 million from $34.8 million to $36.0 million, or 3.4 percent, due primarily to increases in rents including water and property tax pass through. Property operating expenses increased by $0.5 million from $9.0 million to $9.5 million, or 5.6 percent, due primarily to increases in real estate taxes, repair and maintenance and payroll.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES

The Company's principal liquidity demands have historically been, and are expected to continue to be, distributions to the Company's stockholders and the Operating Partnership's unitholders, property acquisitions, development and expansion of properties, capital improvements of properties and debt repayment.

The Company expects to meet its short-term liquidity requirements through its working capital provided by operating activities and its line of credit, as described below. The Company considers its ability to generate cash from operations (anticipated to be approximately $70 million annually) to be adequate to meet all operating requirements, including recurring capital improvements, routinely amortizing debt and other normally recurring expenditures of a capital nature, pay dividends to its stockholders to maintain qualification as a REIT in accordance with the Internal Revenue Code and make distributions to the Operating Partnership's unitholders.

The Company plans to invest approximately $5 million to $10 million annually in developments consisting of expansions to existing communities and the development of new communities. The Company expects to finance these investments by using net cash flows provided by operating activities and by drawing upon its line of credit.

Furthermore, the Company expects to invest in the range of $40 million to $60 million in the acquisition of properties in 2003, depending upon market conditions. The Company plans to finance these investments by using net cash flows provided by operating activities and by drawing upon its line of credit.

Cash and cash equivalents increased by $0.7 million to $3.3 million at March 31, 2003 compared to $2.6 million at December 31, 2002 because cash provided by operating activities exceeded cash used in investing and financing activities. Net cash provided by operating activities decreased by $3.3 million to $15.6 million for the three months ended March 31, 2003 compared to $18.9 million for the three months ended March 31, 2002. This decrease was primarily due to changes in accounts payable and other liabilities decreasing by $2.8 million and changes in other assets increasing by $0.5 million.

The Company's net cash flows provided by operating activities may be adversely impacted by, among other things: (a) the market and economic conditions in the Company's current markets generally, and specifically in metropolitan areas of the Company's current markets; (b) lower occupancy and rental rates of the Company's properties (the "Properties"); (c) increased operating costs, including insurance premiums, real estate taxes and utilities, that cannot be passed on to the Company's tenants; and (d) decreased sales of manufactured homes. See "Factors That May Affect Future Results" in the Company's Annual Report on Form 10-K for the year ended December 31, 2002.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES, CONTINUED:

In 2003, the Company increased its existing line of credit to an $105 million facility, which matures in July 2005, with a one-year optional extension. At March 31, 2003, the average interest rate of outstanding borrowings under the line of credit was 2.14 percent with $76.5 million outstanding and $28.5 million available to be drawn under the facility. The line of credit facility contains various leverage, debt service coverage, net worth maintenance and other customary covenants all of which the Company was in compliance with at March 31, 2003.

In 1998, certain directors, employees and consultants of the Company purchased approximately $25.5 million of newly issued shares of common stock of the Company and common OP Units in Sun Communities Operating Limited Partnership in accordance with the Company's 1998 Stock Purchase Plan (the "Purchase Plan"). The participants in the Purchase Plan financed these purchases by obtaining personal loans from Bank One, N.A. (the "Bank") and the Company guaranteed the repayment of all such loans. The participants have agreed to fully indemnify the Company against all liabilities arising under such guaranty (the "Guaranty") (the principal balance of which was approximately $22.7 million at March 31, 2003).

Among other usual commercial provisions, the Guaranty requires that the Company comply with certain financial covenants. These covenants were initially designed to be identical in all material respects with the financial covenants imposed on the Company under its line of credit facility. Since 1998, as the covenants in the Company's then applicable line of credit facility changed, the Guaranty has also been similarly amended to remain consistent. In July 2002, the Company entered into a replacement line of credit facility; however, conforming amendments to the Guaranty were not made, resulting in differing and inconsistent financial covenants in the line of credit facility as compared to the Guaranty. As a consequence, as of September 30, 2002, the Company was not in compliance with certain of the financial covenants contained in the Guaranty (the "Differing Financial Covenants"). Because it was not the intention of the parties to impose disparate requirements on the Guaranty and the Company's line of credit, the Bank waived any breach of the Guaranty arising solely as a result of the Company's non-compliance with the Differing Financial Covenants so long as the Company remains in compliance with all of the terms and conditions of its line of credit facility. As of March 31, 2003, the Company was in compliance with the terms and conditions of its line of credit facility and, as a result, the Company was in compliance with the terms and conditions of the Guaranty.

Section 402 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") states that it is "unlawful for any issuer...directly or indirectly, including through any subsidiary, to extend or maintain credit, to arrange for the extension of credit, or to renew an extension of credit, in the form of a personal loan to or for any director or executive officer (or equivalent thereof) of that issuer." Section 402 of the Sarbanes-Oxley Act provides an exception for certain extensions of credit which are "maintained by the issuer on the date of enactment of the Sarbanes-Oxley Act [July 30, 2002]..., provided that there is no material modification to any term of any such extension of credit or any renewal of any such extension of credit on or after that date of enactment." Jaffe, Raitt, Heuer & Weiss, P.C. has delivered a reasoned opinion to the Company to the effect that, based on various assumptions and qualifications set forth in the opinion, a court could reasonably find that Section 402 of the Sarbanes-Oxley Act does not apply to the waiver letter issued by the Bank and that, even if a court determines that Section 402 applies to the Bank's waiver letter, a court could reasonably conclude that the Guaranty fits within the exception under Section 402 for extensions of credit maintained by the issuer prior to July 30, 2002. Arthur A. Weiss, a stockholder of Jaffe, Raitt, Heuer & Weiss, P.C., the Company's regular outside counsel, is a director of the Company and received a personal loan to purchase common OP Units under the Purchase Plan.

There is no case law directly on point, and we cannot assure you that a court would not decide differently from the views expressed in counsel's opinion and such opinion represents only the best judgment of counsel and is not binding in the courts. It is unclear what the consequences to the Company would be if a court determined the Bank's waiver letter constituted a material modification of the terms of the Guaranty in violation of Section 402 of the Sarbanes-Oxley Act and the Securities Exchange Act of 1934, as amended.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES, CONTINUED:

The Company's primary long-term liquidity needs are principal payments on outstanding indebtedness. At March 31, 2003, the Company's outstanding contractual obligations were as follows:

		PAYMENTS DUE BY PERIOD (IN THOUSANDS)			
CONTRACTUAL CASH OBLIGATIONS(1)	TOTAL DUE	1 YEAR	2-3 YEARS	4-5 YEARS	AFTER 5 YEARS
Bridge loan	$ 48,000	$ 48,000			
Line of credit	76,500			$ 76,500	
Collateralized term loan	42,062	670	$ 1,489	39,903	
Collateralized term loan - FNMA	152,363				$152,363
Senior notes(2)	285,000	85,000	65,000	35,000	100,000
Mortgage notes, other	58,604	1,162	22,899	13,274	21,269
Capitalized lease obligations	9,804	9,804			
Redeemable Preferred OP Units	58,148	3,564	35,782	18,802	
	$730,481	$148,200	$125,170	$183,479	$273,632

(1) As noted above, the Company is the guarantor of $22.7 million in personal bank loans, maturing in 2004, made to the Company's directors, employees and consultants for the purpose of purchasing shares of Company common stock or Operating Partnership OP Units pursuant to the Purchase Plan. The Company is obligated under the Guaranty only in the event that one or more of the borrowers cannot repay their loan when due. This contingent liability is not reflected on the Company's balance sheet.

(2) The provisions of the callable/redeemable $65 million notes are such that the maturity date will likely be 2005 if the 10 year Treasury rate is greater than 5.7 percent on May 16, 2005. The maturity is reflected in the above table based on that assumption.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES, CONTINUED:

The Company anticipates meeting its long-term liquidity requirements, such as scheduled debt maturities, large property acquisitions, Operating Partnership unit redemptions and potential additional capital contributions to affiliates (see Note 2 Investments in and Advances to Affiliates), through the issuance of debt or equity securities, including equity units in the Operating Partnership, or from selective asset sales. The Company has maintained investment grade ratings with Moody's Investor Service and Standard & Poor's, which facilitates access to the senior unsecured debt market. Since 1993, the Company has raised, in the aggregate, nearly $1.0 billion from the sale of its common stock, the sale of OP units in the Operating Partnership and the issuance of secured and unsecured debt securities. In addition, at March 31, 2003, ninety-four of the Properties were unencumbered by debt, therefore, providing substantial financial flexibility. The ability of the Company to finance its long-term liquidity requirements in such manner will be affected by numerous economic factors affecting the manufactured housing community industry at the time, including the availability and cost of mortgage debt, the financial condition of the Company, the operating history of the Properties, the state of the debt and equity markets, and the general national, regional and local economic conditions. See "Factors That May Affect Future Results" in the Company's Annual Report on Form 10-K for the year ended December 31, 2002. If the Company is unable to obtain additional equity or debt financing on acceptable terms, the Company's business, results of operations and financial condition will be harmed.

At March 31, 2003, the Company's debt to total market capitalization approximated 44.1 percent (assuming conversion of all Common OP Units to shares of common stock). The debt has a weighted average maturity of approximately 4.4 years and a weighted average interest rate of 5.3 percent.

Capital expenditures for the three months ended March 31, 2003 and 2002 included recurring capital expenditures of $1.0 million and $1.0 million, respectively.

Net cash used in investing activities decreased by $15.3 million to $12.0 million compared to $27.3 million used in investing activities for the three months ended March 31, 2002. This decrease was due to a $36.0 million decrease in rental property acquisition activities, offset by a $3.3 million decrease in proceeds related to property dispositions, a decrease of $12.3 million in investment in and advances to affiliates (primarily due to the write-off of the investment in Origen in December 2002) and a $5.1 million decrease in repayments of and investment in notes receivable, net.

Net cash provided by financing activities decreased by $11.5 million to $2.9 million used in financing activities from $8.6 million provided by financing activities for the three months ended March 31, 2002. This decrease was primarily due to reduction of borrowings on line of credit by $18.5 million, proceeds from issuance of common stock decreasing by $1.9 million and a $0.9 million increase in distributions, offset by a $9.8 million reduction of repayments on notes payable and other debt.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SUPPLEMENTAL MEASURE

Investors in and analysts following the real estate industry utilize funds from operations ("FFO") as a supplemental performance measure. While the Company believes net income (as defined by generally accepted accounting principles) is the most appropriate measure, it considers FFO, given its wide use by and relevance to investors and analysts, an appropriate supplemental measure. FFO is defined by the National Association of Real Estate Investment Trusts ("NAREIT") as net income (computed in accordance with generally accepted accounting principles) excluding gains (or losses) from sales of property, plus rental property depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Industry analysts consider FFO to be an appropriate supplemental measure of the operating performance of an equity REIT primarily because the computation of FFO excludes historical cost depreciation as an expense and thereby facilitates the comparison of REITs which have different cost bases in their assets. Historical cost accounting for real estate assets implicitly assumes that the value of real estate assets diminishes predictably over time, whereas real estate values have instead historically risen or fallen based upon market conditions. FFO does not represent cash flow from operations as defined by generally accepted accounting principles and is a supplemental measure of performance that does not replace net income 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. The following table reconciles net income to FFO for the periods ended March 31, 2003 and 2002 (in thousands):

	2003	2002
Net income	$ 6,343	$ 8,114
Adjustments:		
Depreciation of rental property	10,509	9,041
Valuation adjustment (1)	214	--
Allocation of SunChamp losses (2)	850	--
Income allocated to Common OP units	910	1,176
(Gain) on sale of properties	--	(269)
FFO	$ 18,826	$ 18,062
Weighted average common shares/OP units outstanding:		
Basic	20,342	19,921
Diluted	20,468	20,137

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SUPPLEMENTAL MEASURE, CONTINUED:

(1) The Company entered into three interest rate swaps and an interest rate cap agreement. The valuation adjustment reflects the theoretical noncash profit and loss were those hedging transactions terminated at the balance sheet date. As the Company has no expectation of terminating the transactions prior to maturity, the net of these noncash valuation adjustments will be zero at the various maturities. As any imperfections related to hedging correlation in these swaps is reflected currently in cash as interest, the valuation adjustments are excluded from Funds From Operations. The valuation adjustment is included in interest expense.

(2) The Company acquired the equity interest of another investor in SunChamp in December 2002. Consideration consisted of a long-term note payable at net book value. Although the adjustment for the allocation of the SunChamp losses is not reflected in the accompanying financial statements, management believes that it is appropriate to provide for this adjustment because the Company's payment obligations with respect to the note are subordinate in all respects to the return of the members' equity (including the gross book value of the acquired equity) plus a preferred return. As a result, the losses that are allocated to the Company under generally accepted accounting principles are effectively reallocated to the note for purposes of calculating Funds from Operations.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Form 10-Q contains various "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, and the Company intends that such forward-looking statements be subject to the safe harbors created thereby. The words "may", "will", "expect", "believe", "anticipate", "should", "estimate", and similar expressions identify forward-looking statements. These forward-looking statements reflect the Company's current views with respect to future events and financial performance, but are based upon current assumptions regarding the Company's operations, future results and prospects, and are subject to many uncertainties and factors relating to the Company's operations and business environment which may cause the actual results of the Company to be materially different from any future results expressed or implied by such forward-looking statements. Please see the section entitled "Factors That May Affect Future Results" in the Company's Annual Report on Form 10-K for the year ended December 31, 2002 for a list of uncertainties and factors.

Such factors include, but are not limited to, the following: (i) changes in the general economic climate; (ii) increased competition in the geographic areas in which the Company owns and operates manufactured housing communities; (iii) changes in government laws and regulations affecting manufactured housing communities; and (iv) the ability of the Company to continue to identify, negotiate and acquire manufactured housing communities and/or vacant land which may be developed into manufactured housing communities on terms favorable to the Company. The Company undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company's principal market risk exposure is interest rate risk. The Company mitigates this risk by maintaining prudent amounts of leverage, minimizing capital costs and interest expense while continuously evaluating all available debt and equity resources and following established risk management policies and procedures, which include the periodic use of derivatives. The Company's primary strategy in entering into derivative contracts is to minimize the variability that changes in interest rates could have on its future cash flows. The Company generally employs derivative instruments that effectively convert a portion of its variable rate debt to fixed rate debt. The Company does not enter into derivative instruments for speculative purposes.

The Company's variable rate debt totals $297.4 million and $131.8 million as of March 31, 2003 and 2002, respectively, which bears interest at various LIBOR/DMBS rates. If LIBOR/DMBS increased or decreased by 1.00 percent during the three months ended March 31, 2003 and 2002, the Company believes its interest expense would have increased or decreased by approximately $3.0 million and $1.2 million based on the $300.3 million and $116.1 million average balance outstanding under the Company's variable rate debt facilities for the three months ended March 31, 2003 and 2002, respectively.

Additionally, the Company had $28.1 million and $35.2 million LIBOR based variable rate mortgage and other notes receivables as of March 31, 2003 and 2002, respectively. If LIBOR increased or decreased by 1.0 percent during the three months ended March 31, 2003 and 2002, the Company believes interest income would have increased or decreased by approximately $0.3 million and $0.3 million based on the $27.8 million and $34.7 million average balance outstanding on all variable rate notes receivables for the three months ended March 31, 2003 and 2002, respectively.

The Company has entered into three separate interest rate swap agreements and an interest rate cap agreement. One of these swap agreements fixes $25 million of variable rate borrowings at 4.93 percent for the period April 2003 through July 2009, another of these swap agreements fixes $25 million of variable rate borrowings at 5.37 percent for the period April 2003 through July 2012 and the third swap agreement, which is only effective for so long as LIBOR is 7 percent or less, fixes $25 million of variable rate borrowings at 3.97 percent for the period April 2003 through July 2007. The interest rate cap agreement is effective April 2003 at a cap rate of 9.49 percent. The notional increases over three months from $12.9 million to a final notional of $152.4 million and has a termination date of April 3, 2006.

ITEM 4. CONTROLS AND PROCEDURES

(a) The Chief Executive Officer, Gary A. Shiffman, and Chief Financial Officer, Jeffrey P. Jorissen, evaluated the effectiveness of the Company's disclosure controls and procedures as of a date within 90 days of filing this quarterly report (the "Evaluation Date"), and concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective to ensure that information the Company is required to disclose in its filings with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and to ensure that information required to be disclosed by the Company in the reports that it files under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

(b) There were no significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the Evaluation Date, including any corrective actions with regard to significant deficiencies and material weaknesses.

PART II

ITEM 6.(a) -- EXHIBITS REQUIRED BY ITEM 601 OF REGULATION S-K

See the attached Exhibit Index.

ITEM 6.(b) -- REPORTS ON FORM 8-K

The Company did not file any reports on Form 8-K during the period covered by this Form 10-Q.

SIGNATURES

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

Dated: May 15, 2003

SUN COMMUNITIES, INC.

BY: /s/ Jeffrey P. Jorissen

Jeffrey P. Jorissen, Chief Financial Officer and Secretary
(Duly authorized officer and principal financial officer)

CERTIFICATIONS
(As Adopted Under Section 302 of the Sarbanes-Oxley Act of 2002)

I, Gary A. Shiffman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Sun Communities, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: May 15, 2003

/s/ Gary A. Shiffman

Gary A. Shiffman, Chief Executive Officer

CERTIFICATIONS

(As Adopted Under Section 302 of the Sarbanes-Oxley Act of 2002)

I, Jeffrey P. Jorissen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Sun Communities, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

    a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

    c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: May 15, 2003

/s/ Jeffrey P. Jorissen

Jeffrey P. Jorissen, Chief Financial Officer

SUN COMMUNITIES, INC.
EXHIBIT INDEX

Exhibit No.	Description
10.1	Registration Rights Agreement between Sun Communities Operating Limited Partnership, Sun Communities, Inc., Lehman Brothers Inc. and A.G. Edwards & Sons, Inc. dated April 11, 2003
10.2	Purchase Agreement between Sun Communities Operating Limited Partnership and Lehman Brothers Inc., on behalf of the Initial Purchasers, dated April 8, 2003
99.1	Certification pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

EXHIBIT 10.63

SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP

$150,000,000 5.75% SENIOR NOTES DUE APRIL 15, 2010

REGISTRATION RIGHTS AGREEMENT

DATED AS OF APRIL 11,2003

LEHMAN BROTHERS INC.

A.G. EDWARDS & SONS, INC.

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (the "AGREEMENT") is made and entered into as of April 11, 2003, between Sun Communities Operating Limited Partnership, a Michigan limited partnership (the "PARTNERSHIP"), Sun Communities, Inc., a Maryland corporation and the general partner of the Partnership (the "GENERAL PARTNER") and Lehman Brothers Inc. and A.G. Edwards & Sons, Inc. (the "INITIAL PURCHASERS").

This Agreement is made pursuant to the Purchase Agreement dated April 8, 2003 between the Partnership and Lehman Brothers, Inc., on behalf of itself and the Initial Purchasers (the "PURCHASE AGREEMENT"), which provides for the sale by the Partnership to the Initial Purchasers of an aggregate of $150,000,000 principal amount of the 5.75% Senior Notes due April 15, 2010 (the "NOTES") to be issued by the Partnership. In order to induce the Initial Purchasers to enter into the Purchase Agreement, the Partnership has agreed to provide to the Initial Purchasers and each of its direct and indirect transferees the registration rights set forth in this Agreement. The execution of this Agreement is a condition to the closing under the Purchase Agreement.

In consideration of the foregoing, the parties hereto agree as follows:

1. DEFINITIONS.

As used in this Agreement, the following capitalized defined terms shall have the following meanings:

"1933 ACT" shall mean the Securities Act of 1933, as amended from time to time.

"1934 ACT" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"ADDITIONAL INTEREST" shall have the meaning assigned to it in Section 2(e).

"AGREEMENT" shall have the meaning set forth in the preamble to this Agreement.

"BUSINESS DAY" shall mean any day other than a Saturday or Sunday or a day on which banking institutions in The City of New York are authorized or required by law or executive order to remain closed.

"CLOSING DATE" shall have the meaning assigned to it in the Purchase Agreement.

"EFFECTIVENESS DEADLINE" shall have the meaning set forth in Section 2(a) hereof.

"EXCHANGE DATES" shall have the meaning set forth in Section 2(ii) hereof.

"EXCHANGE OFFER" shall mean the exchange offer by the Partnership of Exchange Notes for Registrable Notes pursuant to Section 2(a) hereof.

"EXCHANGE OFFER REGISTRATION" shall mean a registration under the 1933 Act effected pursuant to Section 2(a) hereof.

"EXCHANGE OFFER REGISTRATION STATEMENT" shall mean an exchange offer registration statement on Form S-4 (or, if applicable, on another appropriate form) and all amendments and supplements to such registration statement, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated or deemed to be incorporated by reference therein covering the Exchange Offer.

"EXCHANGE NOTES" shall mean securities issued by the Partnership under the Indenture containing terms identical to the Notes (except that (i) interest thereon shall accrue from the last date on which interest was paid on the Notes or, if no such interest has been paid, from April 11, 2003 and (ii) the Exchange Notes will not contain restrictions on transfer or bear a restrictive legend) and to be offered to Holders of Notes in exchange for Notes pursuant to the Exchange Offer.

"GENERAL PARTNER" shall have the meaning set forth in the preamble to this Agreement.

"HOLDER" shall mean each owner of any Registrable Notes.

"INDEMNIFIED PARTY" shall have the meaning set forth in Section 5(c) hereof.

"INDEMNIFYING PARTY" shall have the meaning set forth in Section 5(c) hereof.

"INDENTURE" shall mean the Indenture dated as of April 24, 1996 and supplemented August 20, 1997, among the Partnership, the General Partner and Deutsche Bank Trust Company Americas (f/k/a Bankers Trust Company), as Trustee, relating to the Notes, as the same may be further amended or supplemented from time to time in accordance with the terms thereof.

"INITIAL PURCHASERS" shall have the meaning set forth in the preamble to this Agreement.

"MAJORITY HOLDERS" shall mean the Holders of a majority of the aggregate principal amount of outstanding Registrable Notes; provided that whenever the

consent or approval of Holders of a specified percentage of Registrable Notes is required hereunder, Registrable Notes held by the Partnership or any of its "affiliates" (as such term is defined in Rule 144 under the 1933 Act) (other than the Initial Purchasers, it being understood and agreed that none of the Initial Purchasers nor any of its respective subsidiaries, parents or affiliates shall be deemed affiliates of the Partnership for purposes of this definition, and other than subsequent holders of Registrable Notes if such subsequent holders are deemed to be such affiliates solely by reason of their holding of such Registrable Notes) shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage or amount. In cases where this Agreement shall permit or require any action or determination to be made by, for example, a majority in principal amount of Registrable Notes being sold or included in a Shelf Registration or offering or affected by an amendment, the procedures specified in the proviso to the foregoing sentence shall be applied.

"NOTES" shall have the meaning set forth in the preamble to this Agreement.

"PARTICIPATING BROKER-DEALER" shall have the meaning specified in Section 4(a) of this Agreement.

"PARTNERSHIP" shall have the meaning set forth in the preamble to this Agreement and shall also include the Partnership's successors.

"PERSON" shall mean an individual, partnership, limited liability company, corporation, trust or unincorporated organization or other entity, or a government or agency or political subdivision thereof.

"PROSPECTUS" shall mean the prospectus included in a Registration Statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any prospectus supplement, including a prospectus supplement with respect to the terms of the offering of any portion of the Registrable Notes covered by a Shelf Registration Statement, and by all other amendments and supplements to such prospectus, and in each case including all material incorporated or deemed to be incorporated by reference therein.

"PURCHASE AGREEMENT" shall have the meaning set forth in the preamble to this Agreement.

"REGISTRABLE NOTES" shall mean the Notes; provided, however, that the Notes shall cease to be Registrable Notes (i) when a Registration Statement with respect to such Notes shall have been declared effective under the 1933 Act and such Notes shall have been disposed of pursuant to such Registration Statement, (ii) when such Notes are eligible for sale to the public pursuant to Rule 144(k) (or any similar provision then in force, but not Rule 144A) under the 1933 Act, (iii)

when such Notes are distributed to the public with no restrictive legend pursuant to Rule 144 of the Act or (iv) when such Notes shall have ceased to be outstanding.

"REGISTRATION EXPENSES" shall mean all expenses incident to performance of or compliance by the Partnership with this Agreement, including without limitation: (i) all SEC, stock exchange or National Association of Securities Dealers, Inc. registration and filing fees, (ii) all fees and expenses incurred in connection with compliance with state securities or blue sky laws (including reasonable fees and disbursements of counsel for any underwriters or Holders in connection with blue sky qualification of any of the Exchange Notes or Registrable Notes), (iii) all expenses of the Partnership and the General Partner in preparing or assisting in preparing, word processing, printing and distributing any Registration Statement, any Prospectus, any amendments or supplements thereto, any underwriting agreements, securities sales agreements and other documents relating to the performance of and compliance with this Agreement, (iv) all rating agency fees, (v) all fees and disbursements relating to the qualification of the Indenture under applicable securities laws, (vi) the fees and disbursements of the Trustee and its counsel, (vii) the fees and disbursements of counsel for the Partnership and the reasonable fees and disbursements (not to exceed $25,000 in the aggregate in the event that neither the Exchange Offer Registration Statement nor the Shelf Registration Statement shall be reviewed or subject to comments by the SEC) of one counsel for the Holders (which counsel shall be Hogan & Hartson L.L.P. unless another firm shall be chosen by the Majority Holders) and (viii) the fees and disbursements of the independent public accountants of the Partnership and of any other Person or business whose financial statements are included or incorporated or deemed to be incorporated by reference in a Registration Statement, including the expenses of any special audits or "cold comfort" or similar letters required by or incident to such performance and compliance. Notwithstanding the foregoing, Holders shall be responsible for fees and expenses of counsel to the underwriters (other than fees and expenses set forth in clauses (ii) and (vii) above) or the Holders and underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of Registrable Notes by a Holder.

"REGISTRATION STATEMENT" shall mean any registration statement of the Partnership that covers any of the Exchange Notes or Registrable Notes pursuant to the provisions of this Agreement and all amendments and supplements to any such Registration Statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated or deemed to be incorporated by reference therein.

"SEC" shall mean the Securities and Exchange Commission.

"SHELF REGISTRATION" shall mean a registration effected pursuant to Section 2(b) hereof.

"SHELF REGISTRATION STATEMENT" shall mean a "shelf" registration statement of the Partnership pursuant to the provisions of Section 2(b) of this Agreement which covers all of the Registrable Notes (but no other securities unless approved by the Holders whose Registrable Notes are covered by such Shelf Registration Statement) on an appropriate form under Rule 415 under the 1933 Act, or any similar rule that may be adopted by the SEC, and all amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated or deemed to be incorporated by reference therein.

"TIA" shall have the meaning set forth in Section 3(l) hereof.

"TRUSTEE" shall mean the trustee with respect to the Notes under the Indenture.

"UNDERWRITER" shall have the meaning set forth in the last paragraph of Section 3 of this Agreement.

"UNDERWRITTEN REGISTRATION" or "UNDERWRITTEN OFFERING" shall mean a registration in which Registrable Notes are sold to an Underwriter or Underwriters for reoffering to the public.

"VOLUNTARY SUSPENSION NOTICE" shall have the meaning set forth in Section 2(b) hereof.

2. REGISTRATION UNDER THE 1933 ACT.

(a) To the extent not prohibited by any applicable law or applicable interpretation of the Staff of the SEC, the Partnership shall (A) use its best efforts to cause the Exchange Offer Registration Statement to be filed and declared effective under the 1933 Act not later than 180 days after the Closing Date (the "EFFECTIVENESS DEADLINE"), (B) use its best efforts to keep the Exchange Offer Registration Statement effective until the closing of the Exchange Offer and (C) use its best efforts to cause the Exchange Offer to be consummated as promptly as practicable, but in any event not later than the date that is 45 days after the Effectiveness Deadline. The Partnership shall commence the Exchange Offer by mailing the related Exchange Offer Prospectus and Partnership documents to each Holder stating, in addition to such other disclosures as are required by applicable law:

(i) that the Exchange Offer is being made pursuant to this Registration Rights Agreement and that all Registrable Notes validly tendered and not withdrawn will be accepted for exchange;

(ii) the dates of acceptance for exchange (which shall be a period of at least 20 Business Days from the date such notice is mailed) (the "EXCHANGE DATES");

(iii) that any Registrable Security not tendered will remain outstanding and continue to accrue interest, but will not thereafter be entitled to receive any Additional Interest or be entitled to any registration rights under this Agreement;

(iv) that Holders electing to have a Registrable Security exchanged pursuant to the Exchange Offer will be required to surrender such Registrable Security, together with the enclosed letter of transmittal, to the institution and at the address (located in the Borough of Manhattan, The City of New York) specified in the Exchange Offer Prospectus or the accompanying documents prior to the time the Exchange Offer terminates (which shall not be earlier than 500 p.m., New York City time) on the last Exchange Date; and

(v) that Holders will be entitled to withdraw their election, not later than the time the Exchange Offer terminates (which shall not be earlier than 5:00 p.m., New York City time) on the last Exchange Date, by sending to the institution and at the address (located in the Borough of Manhattan, The City of New York) specified in the Exchange Offer Prospectus or the accompanying documents a telegram, telex, facsimile transmission or letter setting forth the name of such Holder, the principal amount of Registrable Notes delivered for exchange and a statement that such Holder is withdrawing his election to have such Notes exchanged.

As soon as reasonably practicable after the last Exchange Date, the Partnership shall:

(i) accept for exchange all Registrable Notes or portions thereof validly tendered and not withdrawn pursuant to the Exchange Offer; and

(ii) deliver, or cause to be delivered, to the Trustee for cancellation all Registrable Notes or portions thereof so accepted for exchange by the Partnership and issue, and cause the Trustee to promptly authenticate and mail to each Holder, an Exchange Note equal in principal amount to the principal amount of the Registrable Notes surrendered by such Holder.

The Partnership shall use its best efforts to complete the Exchange Offer as provided above and shall comply with the applicable requirements of the 1933 Act,

the 1934 Act and other applicable laws and regulations in connection with the Exchange Offer. The Exchange Offer shall not be subject to any conditions, other than that the Exchange Offer does not violate applicable law or any applicable interpretation of the Staff of the SEC. The Partnership shall inform the Initial Purchasers of the names and addresses of the Holders to whom the Exchange Offer is made, and the Initial Purchasers shall have the right, subject to applicable law, to contact such Holders and otherwise facilitate the tender of Registrable Notes in the Exchange Offer.

Each Holder participating in the Exchange Offer shall be required to represent to the Partnership that at the time of the consummation of the Exchange Offer (i) any Exchange Notes received by such Holder will be acquired in the ordinary course of business, (ii) such Holder has no arrangement or understanding with any person to participate in the distribution of the Notes or the Exchange Notes within the meaning of the 1933 Act, (iii) such Holder is not an "affiliate," as defined in Rule 405 of the 1933 Act, of the Partnership or, if it is such an affiliate, such Holder will comply with the registration and prospectus delivery requirements of the 1933 Act to the extent applicable, (iv) if such Holder is not a broker-dealer, that it is not engaged in, and does not intend to engage in, the distribution of the Exchange Notes within the meaning of the 1933 Act, and (v) if such Holder is a broker-dealer, that it will receive Exchange Notes in exchange for Registrable Notes that were acquired for its own account as a result of market-making activities or other trading activities and that it will be required to acknowledge that it will deliver a Prospectus in connection with any resale of such Exchange Notes.

Upon consummation of the Exchange Offer in accordance with this Section 2(a), the provisions of this Agreement shall continue to apply, mutatis mutandis, solely with respect to Exchange Notes held by the Initial Purchasers and Participating Broker-Dealers, and the Partnership shall have no further obligation to register the Registrable Notes held by any Holder other than the Initial Purchasers and Participating Broker-Dealers.

(b) In the event that (i) the Partnership determines that the Exchange Offer Registration provided for in Section 2(a) above is not available or the Exchange Offer may not be consummated as soon as practicable after the last Exchange Date because it would violate applicable law or the applicable interpretations of the Staff of the SEC, (ii) the Exchange Offer is for any other reason not consummated within 45 days following the Effectiveness Deadline, or (iii) the Exchange Offer has been completed and the Initial Purchasers have determined, based upon the opinion of legal counsel, that a Registration Statement must be filed or a Prospectus must be delivered by the Initial Purchasers in connection with any offering or sale of Registrable Notes (and that the Prospectus contained in the Exchange Offer Registration Statement is not appropriate or available for such resales), the Partnership shall use its best efforts to cause to be

filed as soon as reasonably practicable after such determination date or date that notice of such determination by the Initial Purchasers is given to the Partnership, as the case may be, a Shelf Registration Statement providing for the sale by the Holders of all of the Registrable Notes and to use its best efforts to have such Shelf Registration Statement declared effective by the SEC as soon as reasonably practicable. In the event the Partnership is required to file a Shelf Registration Statement solely as a result of the matters referred to in clause (iii) of the preceding sentence, the Partnership shall use its best efforts to file and have declared effective by the SEC both an Exchange Offer Registration Statement pursuant to Section 2(a) with respect to all Registrable Notes and a Shelf Registration Statement (which may be a combined Registration Statement with the Exchange Offer Registration Statement) with respect to offers and sales of Registrable Notes held by the Initial Purchasers after completion of the Exchange Offer. The Partnership agrees to use its best efforts to keep the Shelf Registration Statement continuously effective and to keep the related Prospectus current until the expiration of the period referred to in Rule 144(k) with respect to the Registrable Notes or such shorter period that will terminate when all of the Registrable Notes covered by the Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement or shall be eligible for sale to the public pursuant to Rule 144(k) (or similar provision then in force, but not Rule 144A) under the 1933 Act or shall have ceased to be outstanding; provided, however, that if there is a possible acquisition or business combination or other transaction, business development or event involving the Partnership or the General Partner that would require disclosure in the Shelf Registration Statement or the documents incorporated or deemed to be incorporated by reference therein or the related Prospectus and the Partnership determines in the exercise of its reasonable judgment that such disclosure is not in the best interests of the Partnership, the General Partner or its stockholders or obtaining any financial statements relating to an acquisition or business combination required to be included in the Shelf Registration Statement or the documents incorporated or deemed to be incorporated by reference therein or the related Prospectus would be impracticable, the Partnership shall give the Holders notice (a "VOLUNTARY SUSPENSION NOTICE") to suspend use of the Prospectus relating to the Shelf Registration Statement, and the Holders hereby agree to suspend use of such Prospectus until the Partnership has amended or supplemented such Prospectus or has notified the Holders that use of the then current Prospectus may be resumed as provided in the penultimate paragraph of Section 3. In the case of any Voluntary Suspension Notice, the Partnership shall not be required to disclose in such notice the possible acquisition or business combination or other transaction, business development or event as a result of which such notice shall have been given if the Partnership determines in good faith that such acquisition or business combination or other transaction, business development or event should remain confidential and, while such Voluntary Suspension Notice is in effect, the Partnership shall not be required to amend or supplement the Shelf Registration Statement, the documents incorporated or deemed to be incorporated by reference therein or the related

Prospectus to reflect such possible acquisition or business combination or other transaction, business development or event, but shall use its best efforts to maintain the effectiveness of such Shelf Registration Statement. Upon the abandonment, consummation, termination or public announcement or other public disclosure of the possible acquisition or business combination or other transaction, or if the applicable business development or event shall cease to exist or shall be publicly disclosed, then the Partnership shall promptly comply with this Section 2(b) and Sections 3(b), 3(e)(iv) (if applicable), 3(i) (if applicable) and the penultimate paragraph in Section 3 hereof and notify the Holders that disposition of Registrable Notes may resume; provided that, if Section 3(i) shall require an amendment or supplement to the Shelf Registration Statement or the related Prospectus, then such resumption shall not occur until the Partnership shall have delivered copies of the supplemented or amended Prospectus contemplated by Section 3(i) to the applicable Holders. Notwithstanding anything contained herein to the contrary, the right of the Partnership to suspend use of the Prospectus pursuant to this paragraph shall be subject to the limitation set forth in the last sentence of the penultimate paragraph of Section 3. The Partnership further agrees to supplement or amend the Shelf Registration Statement and/or the related Prospectus if required by the rules, regulations or instructions applicable to the registration form used by the Partnership for such Shelf Registration Statement or by the 1933 Act or by any other rules and regulations thereunder for shelf registration or if reasonably requested by a Holder with respect to information relating to such Holder, and to use its best efforts to cause any such amendment to become effective and such Shelf Registration Statement and/or the related Prospectus to become usable as soon as thereafter reasonably practicable, subject to the right of the Partnership, on the terms and subject to the conditions described elsewhere in this Section 2(b), to suspend its obligation to amend or supplement the Shelf Registration Statement and/or the related Prospectus by giving a Voluntary Suspension Notice. The Partnership agrees to furnish to the Holders of Registrable Notes copies of any such supplement or amendment promptly after its being used or filed with the SEC.

(c) The Partnership shall pay all Registration Expenses in connection with the registration pursuant to Section 2(a) and Section 2(b) including, but not limited to, the reasonable fees and expenses of one counsel to the Initial Purchasers (which shall be Hogan & Hartson L.L.P. unless another firm shall be chosen by the Majority Holders) incurred in connection with the Exchange Offer (not to exceed $25,000 in the aggregate in the event that neither the Exchange Offer Registration Statement nor the Shelf Registration Statement shall be reviewed or subject to comments by the SEC). Except as otherwise provided herein, each Holder shall pay all fees and expenses of its counsel, underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of such Holder's Registrable Notes pursuant to the Shelf Registration Statement.

(d) An Exchange Offer Registration Statement pursuant to Section 2(a) hereof or a Shelf Registration Statement pursuant to Section 2(b) hereof will not be deemed to have become effective unless it has been declared effective by the SEC; provided, however, that, if, after it has been declared effective, the offering of Registrable Notes pursuant to a Shelf Registration Statement is interfered with by any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court, such Registration Statement will be deemed not to have become effective during the period of such interference until the offering of Registrable Notes pursuant to such Registration Statement may legally resume.

(e) Additional cash interest (the "ADDITIONAL INTEREST") shall be payable by the Partnership in respect of the Notes as follows:

(i) If neither an Exchange Offer Registration Statement nor a Shelf Registration Statement is declared effective within 180 days following the Closing Date, then commencing on and including the 181st day after the Closing Date, in addition to the interest otherwise payable on the Notes, Additional Interest will accrue and be payable on the Notes at the rate of 0.50% per annum; or

(ii) If either (A) the Partnership has not exchanged Exchange Notes for all Registrable Notes validly tendered and not withdrawn in accordance with the terms of the Exchange Offer on or prior to the date that is 45 days after the Effectiveness Deadline, or (B) if applicable, the Shelf Registration Statement has been declared effective but such Shelf Registration Statement ceases to be effective at any time prior to the expiration of the holding period referred to in Rule 144(k) or, if earlier, such time as all of the Registrable Notes covered by the Shelf Registration Statement have been disposed of pursuant to such Shelf Registration Statement or sold to the public pursuant to Rule 144(k) (or any similar provision then in force, but not Rule 144A) under the 1933 Act or shall have ceased to be outstanding, then, in addition to the interest otherwise payable on the Notes, Additional Interest will accrue and be payable on the Notes at the rate of 0.50% per annum from and including (x) the day (whether or not a Business Day) immediately succeeding the 45th day after the Effectiveness Deadline, in the case of (A) above, or (y) the day such Shelf Registration Statement ceases to be effective, in the case of (B) above.

Notwithstanding the foregoing, the Additional Interest on the Notes may in no event exceed 0.50% per annum. In addition, Additional Interest shall cease to accrue: (1) upon the effectiveness of the Exchange Offer Registration Statement or the Shelf Registration Statement (in the case of (i) above), or (2) upon the exchange of Exchange Notes for all Registrable Notes validly tendered and not withdrawn in

the Exchange Offer or upon the effectiveness of the Shelf Registration Statement that had ceased to remain effective prior to the expiration of the holding period referred to in Rule 144(k) or, if earlier, such time as all of the Registrable Notes covered by the Shelf Registration Statement have been disposed of pursuant to such Shelf Registration Statement or are eligible to be sold to the public pursuant to Rule 144(k) (or any similar provision then in force, but not Rule 144A) under the 1933 Act or shall have ceased to be outstanding (in the case of (ii) above).

Any amount of Additional Interest due pursuant to clauses (i) or (ii) of the preceding paragraph will be payable in cash and will be payable on the same dates on which interest is otherwise payable on the Notes and to the same Persons who are entitled to receive those payments of interest on the Notes. The amount of Additional Interest payable for any period will be determined by multiplying the Additional Interest rate, which will be 0.50% per annum, by the principal amount of the Notes and then multiplying the product by a fraction, the numerator of which is the number of days that the Additional Interest rate was applicable during such period (determined on the basis of a 360-day year comprised of twelve 30-day months) and the denominator of which is 360.

(f) Without limiting the remedies available to the Initial Purchasers and the Holders, the Partnership acknowledges that any failure by the Partnership to comply with its obligations under Section 2(a) and Section 2(b) hereof may result in material irreparable injury to the Initial Purchasers or the Holders for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of any such failure, the Initial Purchasers or any Holder may obtain such relief as may be required to specifically enforce the Partnership's obligations under Section 2(a) and Section 2(b) hereof, provided that, without limiting the ability of the Initial Purchasers or any Holder to specifically enforce such obligations, in the case of any terms of this Agreement for which Additional Interest pursuant to 2(e) is expressly provided as a remedy for a violation of such terms, such Additional Interest shall be the sole and exclusive monetary damages for such a violation.

3. REGISTRATION PROCEDURES.

In connection with the obligations of the Partnership with respect to the Registration Statements pursuant to Section 2(a) and Section 2(b) hereof, the Partnership shall as expeditiously as possible:

(a) prepare and file with the SEC a Registration Statement on the appropriate form under the 1933 Act, which form (x) shall be selected by the Partnership and (y) shall, in the case of a Shelf Registration, be available for the sale of the Registrable Notes by the selling Holders thereof and (z) shall comply as to form in all material respects with the requirements of the applicable form and include all financial statements required by the SEC to be filed therewith, and use

its best efforts to cause such Registration Statement to become effective and remain effective in accordance with Section 2 hereof;

(b) prepare and file with the SEC such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement effective for the applicable period and, subject to the Partnership's rights to suspend the use of the Prospectus relating to the Shelf Registration Statement pursuant to Section 2(b) of this Agreement on the terms and subject to the conditions set forth in such Section 2(b), cause each Prospectus to be supplemented by any required prospectus supplement and, as so supplemented, to be filed pursuant to Rule 424 under the 1933 Act if required by such Rule and to keep each Prospectus current during the period described under Section 4(3) and Rule 174 under the 1933 Act that is applicable to transactions by brokers or dealers with respect to the Registrable Notes or Exchange Notes;

(c) in the case of a Shelf Registration, furnish to each Holder of Registrable Notes, to counsel for the Initial Purchasers, to counsel for the Holders and to each Underwriter of an Underwritten Offering of Registrable Notes, if any, without charge, as many copies of each Prospectus, including each preliminary prospectus, and any amendment or supplement thereto and such other documents as such Holder, counsel or Underwriter may reasonably request, in order to facilitate the public sale or other disposition of the Registrable Notes; and the Partnership consents to the use of such Prospectus and any amendment or supplement thereto in accordance with applicable law by each of the selling Holders of Registrable Notes and any such Underwriter in connection with the offering and sale of the Registrable Notes covered by and in the manner described in such Prospectus or any amendment or supplement thereto in accordance with applicable law;

(d) use its best efforts to register or qualify the Registrable Notes under all applicable state securities or "blue sky" laws of such jurisdictions as any Holder of Registrable Notes covered by a Registration Statement shall reasonably request in writing by the time the applicable Registration Statement is declared effective by the SEC, to cooperate with such Holders in connection with any filings required to be made with the National Association of Securities Dealers, Inc. and do any and all other acts and things which may be reasonably necessary or advisable to enable such Holder to consummate the disposition in each such jurisdiction of such Registrable Notes owned by such Holder; provided, however, that the Partnership shall not be required to (i) qualify as a foreign Person or as a dealer in securities in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(d), (ii) file any general consent to service of process or (iii) subject itself to taxation in any such jurisdiction if it is not so subject;

(e) in the case of a Shelf Registration, notify each Holder of Registrable Notes, counsel for the Holders and counsel for the Initial Purchasers promptly and, if requested by any such Holder or counsel, confirm such advice in writing (i) when a Registration Statement has become effective and when any post-effective amendment thereto has been filed and becomes effective, (ii) of any request by the SEC or any state securities authority for amendments and supplements to a Registration Statement and Prospectus or for additional information after the Registration Statement has become effective, (iii) of the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of a Registration Statement or the initiation of any proceedings for that purpose, (iv) of the happening of any event during the period a Shelf Registration Statement is effective which makes any material statement made in such Registration Statement or the related Prospectus untrue in any material respect or as a result of which the Shelf Registration Statement or the related Prospectus contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or which requires the making of any changes in such Registration Statement or Prospectus in order to make the statements therein not misleading (but subject to the right of the Partnership, under the circumstances set forth in Section 2(b) of this Agreement, not to disclose the nature of such event) and (v) of any determination by the Partnership that a post-effective amendment to a Registration Statement would be appropriate;

(f) use best efforts to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement as soon as reasonably possible and provide notice as promptly as practicable to each Holder of the withdrawal of any such order;

(g) in the case of a Shelf Registration, furnish to each Holder of Registrable Notes, without charge, one conformed copy of each Registration Statement and any post-effective amendment thereto (without documents incorporated therein by reference or exhibits thereto, unless requested);

(h) in the case of a Shelf Registration, cooperate with the selling Holders of Registrable Notes to facilitate the timely preparation and delivery of certificates representing Registrable Notes to be sold and not bearing any restrictive legends and enable such Registrable Notes to be in such denominations (consistent with the provisions of the Indenture) and registered in such names as the selling Holders may reasonably request at least two Business Days prior to the closing of any sale of Registrable Notes;

(i) in the case of a Shelf Registration, upon the occurrence of any event contemplated by Section 3(e)(iv) hereof but subject to the Partnership's right to

suspend the use of the related Prospectus pursuant to Section 2(b) on the terms and subject to the conditions set forth in such Section 2(b), use its best efforts to prepare and file with the SEC a supplement or post-effective amendment to a Registration Statement or the related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Notes, such Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Partnership agrees to notify the Holders to suspend use of the Prospectus as promptly as practicable after the occurrence of such an event, and the Holders hereby agree to suspend use of the Prospectus until the Partnership has amended or supplemented the Prospectus to correct such misstatement or omission;

(j) a reasonable time prior to the filing of any Registration Statement, any Prospectus, any amendment to a Registration Statement or amendment or supplement to a Prospectus, provide copies of such document to the Initial Purchasers and their counsel (and, in the case of a Shelf Registration Statement, the Holders and their counsel), and the Partnership shall not at any time file or make any amendment to the Registration Statement, any Prospectus or any amendment of or supplement to a Registration Statement or a Prospectus, except for an amendment of the Registration Statement or any Prospectus by a filing of the Partnership required under the 1934 Act, of which the Initial Purchasers and their counsel (and, in the case of a Shelf Registration Statement, the Holders and their counsel) shall not have previously been advised and furnished a copy or to which the Initial Purchasers or their counsel (and, in the case of a Shelf Registration Statement, the Holders of a majority of aggregate principal amount of outstanding Registrable Notes or their counsel) shall reasonably object in a timely manner.

(k) obtain a CUSIP, and any other appropriate security identification number, for all Exchange Notes or Registrable Notes, as the case may be, not later than the effective date of a Registration Statement;

(l) cause the Indenture to be qualified under the Trust Indenture Act of 1939, as amended (the "TIA"), in connection with the registration of the Exchange Notes or Registrable Notes, as the case may be, cooperate with the Trustee and the Holders to effect such changes to the Indenture as may be required for the Indenture to be so qualified in accordance with the terms of the TIA and execute, and use its best efforts to cause the Trustee to execute, all documents as may be required to effect such changes and all other forms and documents required to be filed with the SEC to enable the Indenture to be so qualified in a timely manner;

(m) in the case of a Shelf Registration, make available for inspection by a representative of the Holders of the Registrable Notes, the Initial Purchasers if participating in any disposition pursuant to such Shelf Registration Statement, and

attorneys and accountants designated by the Holders and reasonably acceptable to the Partnership and in a manner that is reasonable and customary for shelf offerings by companies regularly filing reports under the 1934 Act, as amended, all material financial and other pertinent records and documents of the Partnership, cause the appropriate officers of the Partnership to make themselves reasonably available for "due diligence" conferences of the nature customary in connection with shelf offerings by companies regularly filing reports under the 1934 Act, as amended, and cause the officers, directors and employees of the Partnership to supply all material information reasonably requested by any such representative of the Holders, Initial Purchasers, attorney or accountant in connection with a Shelf Registration Statement;

(n) use its best efforts to cause the Exchange Notes or Registrable Notes, as the case may be, to be rated by Standard Poor's Rating Group and Moody's Investor Service, Inc. or two other nationally recognized statistical rating organizations (as such term is defined in Rule 436(g)(2) under the 1933 Act);

(o) if reasonably requested by any Holder of Registrable Notes covered by a Shelf Registration Statement, (i) promptly incorporate in a Prospectus supplement or post-effective amendment such information with respect to such Holder as such Holder reasonably requests to be included therein and (ii) make all required filings of such Prospectus supplement or such post-effective amendment as soon as reasonably practicable after the Partnership has received notification of the matters to be incorporated in such filing; and

(p) in the case of a Shelf Registration, enter into such customary agreements and take all such other appropriate actions in connection therewith (including those reasonably requested by the Holders of a majority of the Registrable Notes being sold) in order to expedite or facilitate the disposition of such Registrable Notes including, but not limited to, an Underwritten Offering and in such connection, (i) to the extent possible, make such representations and warranties to the Holders and any Underwriters of such Registrable Notes with respect to the business of the Partnership and its subsidiaries, the Registration Statement, Prospectus and documents incorporated by reference or deemed incorporated by reference, if any, in each case, in form, substance and scope as are customarily made by issuers to underwriters in underwritten offerings and confirm the same if and when requested, (ii) obtain opinions of counsel to the Partnership (which counsel and opinions, in form, scope and substance, shall be reasonably satisfactory to the Holders and such Underwriters and their respective counsel) addressed to each selling Holder and Underwriters of Registrable Notes, covering the matters customarily covered in opinions requested in underwritten offerings, (iii) obtain "cold comfort" letters from the independent certified public accountants of the Partnership (and, if necessary, any other certified public accountant of any subsidiary of the Partnership, or of any Person or business acquired by the

Partnership for which financial statements and financial data are or are required to be included in the Registration Statement or in the documents incorporated or deemed to be incorporated therein) addressed to each selling Holder and Underwriter of Registrable Notes, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with underwritten offerings, and (iv) deliver such documents and certificates as may be reasonably requested by the Holders of a majority in principal amount of the Registrable Notes being sold or the Underwriters, and which are customarily delivered in underwritten offerings to evidence the continued validity of the representations and warranties of the Partnership made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in an underwriting agreement.

In the case of a Shelf Registration Statement, the Partnership may require each Holder of Registrable Notes to furnish to the Partnership such information regarding the Holder and the proposed distribution by such Holder of such Registrable Notes as the Partnership may from time to time reasonably request in writing. The Partnership may exclude from such registration the Registrable Notes of any seller who unreasonably fails to furnish such information within a reasonable time after receiving such request.

In the case of a Shelf Registration Statement, each Holder agrees that, upon receipt of any notice from the Partnership of the happening of any event of the kind described in Section 3(e)(iv) hereof or upon receipt of any Voluntary Suspension Notice pursuant to Section 2(b) hereof, such Holder will forthwith discontinue disposition of Registrable Notes pursuant to such Shelf Registration Statement until either (x) such Holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 3(i) hereof or (y) solely in the case of a Voluntary Suspension Notice, the Partnership shall have notified such Holder that disposition of Registrable Notes may be resumed using the then current Prospectus, and, if so directed by the Partnership in the case of clause (x), such Holder will deliver to the Partnership (at its expense) all copies in its possession, other than permanent file copies then in such Holder's possession, of the Prospectus covering such Registrable Notes current at the time of receipt of such notice. If the Partnership shall give any such notice to suspend the disposition of Registrable Notes pursuant to a Registration Statement, the Partnership shall extend the period during which the Registration Statement shall be maintained effective pursuant to this Agreement by the number of days during the period from and including the date of the giving of such notice to and including the date when the Holders shall have received copies of the supplemented or amended Prospectus necessary to resume such dispositions or the Holders shall have received notice that disposition of Registrable Notes may be resumed using the then current Prospectus as the case may be. Notwithstanding anything contained herein to the contrary, the Partnership may give any such notice only twice during any 365 day period and

any such suspensions may not exceed 45 days for each suspension and there may not be more than two suspensions in effect during any 365 day period.

The Holders of Registrable Notes covered by a Shelf Registration Statement who desire to do so may sell such Registrable Notes in an Underwritten Offering. In any such Underwritten Offering, the investment banker or investment bankers and manager or managers (the "UNDERWRITERS") that will administer the offering will be selected by the Majority Holders of the Registrable Notes included in such offering.

4. PARTICIPATION OF BROKER-DEALERS IN EXCHANGE OFFER.

(a) The Partnership shall require each Holder who wishes to exchange Registrable Notes for Exchange Notes in the Exchange Offer to represent that (i) it is neither an affiliate of the Partnership nor a broker-dealer tendering Notes acquired directly from the Partnership for its own account, (ii) any Exchange Notes to be received by it are being acquired in the ordinary course of its business and (iii) at the time of commencement of the Exchange Offer, it has no arrangement with any person to participate in a distribution (within the meaning of the 1933 Act) of the Exchange Notes. The Staff of the SEC has taken the position that any broker-dealer that receives Exchange Notes in the Exchange Offer in exchange for Registrable Notes that were acquired by such broker-dealer for its own account as a result of market-making or other trading activities (a "PARTICIPATING BROKER-DEALER"), may be deemed to be an "underwriter" within the meaning of the 1933 Act and must deliver a prospectus meeting the requirements of the 1933 Act in connection with any resale of such Exchange Notes.

The Partnership understands that it is the Staff's position that if the Prospectus contained in the Exchange Offer Registration Statement includes a plan of distribution containing a statement to the above effect and the means by which Participating Broker-Dealers may resell the Exchange Notes, without naming the Participating Broker-Dealers or specifying the amount of Exchange Notes owned by them, such Prospectus may be delivered by Participating Broker-Dealers to satisfy their prospectus delivery obligation under the 1933 Act in connection with resales of Exchange Notes for their own accounts, so long as the Prospectus otherwise meets the requirements of the 1933 Act.

(b) In light of the above, notwithstanding the other provisions of this Agreement, the Partnership agrees that the provisions of this Agreement as they relate to a Shelf Registration shall also apply to an Exchange Offer Registration to the extent, and with such reasonable modifications thereto as may be reasonably requested by the Initial Purchasers or by one or more Participating Broker-Dealers, in each case as provided in clause (ii) below, in order to expedite or facilitate the disposition of any Exchange Notes by Participating Broker-Dealers consistent with the positions of the Staff recited in Section 4(a) above; provided that:

(i) the Partnership shall not be required to amend or supplement the Prospectus contained in the Exchange Offer Registration Statement, as would otherwise be contemplated by Section 3(i), for a period exceeding 180 days after the last Exchange Date (as such period may be extended pursuant to the penultimate paragraph of Section 3 of this Agreement) and Participating Broker-Dealers shall not be authorized by the Partnership to deliver and shall not deliver such Prospectus after such period in connection with the resales contemplated by this Section 4; and

(ii) the application of the Shelf Registration procedures set forth in Section 3 of this Agreement to an Exchange Offer Registration, to the extent not required by the positions of the Staff of the SEC or the 1933 Act and the rules and regulations thereunder, will be in conformity with the reasonable request to the Partnership by the Initial Purchasers or with the reasonable request in writing to the Partnership by one or more broker-dealers who certify to the Initial Purchasers and the Partnership in writing that they anticipate that they will be Participating Broker-Dealers; and provided further that, in connection with such application of the Shelf Registration procedures set forth in Section 3 to an Exchange Offer Registration, the Partnership shall be obligated (x) to deal only with one entity representing the Participating Broker-Dealers, which shall be Lehman Brothers Inc. unless such entity elects not to act as such representative, (y) to pay the reasonable fees and expenses (not to exceed $25,000 in the aggregate in the event that neither the Exchange Offer Registration Statement nor the Shelf Registration Statement shall be reviewed or subject to comments by the SEC) of only one counsel representing the Participating Broker-Dealers, which shall be counsel to the Initial Purchasers unless such counsel elects not to so act and (z) to cause to be delivered only one, if any, "cold comfort" or similar letter relating to the Partnership (plus only one, if any, "cold comfort" or similar letter with respect to any other Person or businesses whose financial statements or financial data are included or incorporated or deemed to be incorporated by reference in the Exchange Offer Registration Statement) with respect to the Prospectus in the form existing on the last Exchange Date and with respect to each subsequent amendment or supplement, if any, which includes or incorporates by reference financial statements or financial data, effected during the period specified in clause (i) above.

(c) None of the Initial Purchasers shall have any liability to the Partnership or any Holder with respect to any request that it may make pursuant to Section 4(b) above.

5. INDEMNIFICATION AND CONTRIBUTION.

(a) The Partnership agrees to indemnify and hold harmless each of the Initial Purchasers, each Holder and each Person, if any, who controls any of the Initial Purchasers or any Holder within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act, or is under common control with, or is controlled by, any of the Initial Purchasers or any Holder, from and against all losses, claims, damages and liabilities (including, without limitation but subject to Section 5(c) below, any legal or other expenses reasonably incurred by any of the Initial Purchasers, any Holder or any such controlling or affiliated Person in connection with defending or investigating any such action or claim) caused by any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or any amendment thereto) pursuant to which Exchange Notes or Registrable Notes were registered under the 1933 Act, including all documents incorporated or deemed to be incorporated therein by reference, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or caused by any untrue statement or alleged untrue statement of a material fact contained in any Prospectus (as amended or supplemented if the Partnership shall have furnished any amendments or supplements thereto), or caused by any omission or alleged omission to state therein a material fact necessary to make the statements therein, in light of the circumstances under which they were, made not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information relating to any of the Initial Purchasers or any Holder furnished to the Partnership in writing through any of the Initial Purchasers or any selling Holder, respectively, expressly for use therein. In connection with any Underwritten Offering permitted by Section 3, the Partnership will also indemnify the Underwriters, if any, selling brokers, dealers and similar securities industry professionals participating in the distribution, their officers and directors and each Person who controls any such Persons (within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act) to the same extent as provided above with respect to the indemnification of the Holders, if requested in connection with any Registration Statement.

(b) Each Holder agrees, severally and not jointly, to indemnify and hold harmless the Partnership, each of the Initial Purchasers and the other selling Holders, and each of their respective directors, each of the officers of the Partnership who sign the Registration Statement and each Person, if any, who controls the Partnership, any of the Initial Purchasers and any other selling Holder within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act to the same extent as the foregoing indemnity from the Partnership to the Initial Purchasers and the Holders, but only with reference to information relating to such Holder furnished to the Partnership in writing by such Holder expressly for

use in any Registration Statement (or any amendment thereto) or any Prospectus (or any amendment or supplement thereto).

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any Person in respect of which indemnity may be sought pursuant to either paragraph (a) or paragraph (b) above, such Person (the "INDEMNIFIED PARTY") shall promptly notify the Person against whom such indemnity may be sought (the "INDEMNIFYING PARTY") in writing and the Indemnifying Party, upon request of the Indemnified Party, shall retain counsel reasonably satisfactory to the Indemnified Party to represent the Indemnified Party and any others the Indemnifying Party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any Indemnified Party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (i) the Indemnifying Party and the Indemnified Party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the Indemnifying Party and the Indemnified Party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the Indemnifying Party shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for (a) the fees and expenses of more than one separate firm (in addition to one firm acting as local counsel) for the Initial Purchasers and all Persons, if any, who control any of the Initial Purchasers within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act, (b) the fees and expenses of more than one separate firm (in addition to one firm acting as local counsel) for the Partnership, its directors, its officers who sign the Registration Statement and each Person, if any, who controls the Partnership within the meaning of either such Section and (c) the fees and expenses of more than one separate firm (in addition to one firm acting as local counsel) for all Holders and all Persons, if any, who control any Holders within the meaning of either such Section, and that all such fees and expenses shall be reimbursed as they are incurred. In such case involving the Initial Purchasers and Persons who control any of the Initial Purchasers, such firm shall be designated in writing by the Initial Purchasers. In such case involving the Holders and such Persons who control Holders, such firm shall be designated in writing by the Majority Holders. In all other cases, such firm shall be designated by the Partnership. The Indemnifying Party shall not be liable for any settlement of any proceeding effected without its written consent but, if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Party agrees to indemnify the Indemnified Party from and against any loss or liability by reason of such settlement or judgment. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending or threatened proceeding in respect of which such Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified

Party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such proceeding.

(d) If the indemnification provided for in paragraph (a) or paragraph (b) of this Section 5 is unavailable to an Indemnified Party or insufficient in respect of any losses, claims, damages or liabilities, then each Indemnifying Party under such paragraph, in lieu of indemnifying such Indemnified Party thereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party or Parties on the one hand and of the Indemnified Party or Parties on the other hand in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative fault of the Partnership and the Holders shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Partnership or by the Holders and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Holders' respective obligations to contribute pursuant to this Section 5(d) are several in proportion to the respective principal amount of Registrable Notes of such Holders that were registered pursuant to a Registration Statement.

(e) The Partnership and each Holder agree that it would not be just or equitable if contribution pursuant to this Section 5 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an Indemnified Party as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding any provisions of this Section 5 to the contrary, no Holder shall be required to indemnify or contribute any amount in excess of the amount by which the total price at which Registrable Notes were sold by such Holder exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(F) of the 1933 Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 5 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Party at law or in equity.

(f) The indemnity and contribution provisions contained in this Section 5 shall remain operative and in full force and effect regardless of (i) any termination

of this Agreement, (ii) any investigation made by or on behalf of any of the Initial Purchasers, any Holder or any Person controlling any of the Initial Purchasers or any Holder, or by or on behalf of the Partnership, its officers or directors or any Person controlling the Partnership, (iii) acceptance of any of the Exchange Notes and (iv) any sale of Registrable Notes pursuant to a Shelf Registration Statement.

6. MISCELLANEOUS.

(a) No Inconsistent Agreements. The Partnership has not entered into, and on or after the date of this Agreement will not enter into, any agreement which is inconsistent with the rights granted to the Holders of Registrable Notes in this Agreement or otherwise conflicts with the provisions hereof. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Partnership's other issued and outstanding securities under any such agreements.

(b) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given unless the Partnership has obtained the written consent of Holders of at least a majority in aggregate principal amount of the outstanding Registrable Notes affected by such amendment, modification, supplement, waiver or consent; provided, however, that no amendment, modification, supplement, waiver or consent to any departure from the provisions of Section 5 hereof shall be effective as against any Holder of Registrable Notes unless consented to in writing by such Holder.

(c) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, telex, telecopier, or any courier guaranteeing overnight delivery (i) if to a Holder, at the most current address given by such Holder to the Partnership by means of a notice given in accordance with the provisions of this Section 6(c), which address initially is, with respect to the Initial Purchasers, c/o Lehman Brothers Inc., 399 Park Avenue, New York, New York 10022, Attention: Office of the General Counsel (Fax: 212-526-2648), with a copy to Hogan & Hartson L.L.P., 555 Thirteenth Street, N.W., Washington, D.C. 20004-1109, Attention: J. Warren Gorrell, Jr. & Stuart A. Barr (Fax: 202-637-5910); and (ii) if to the Partnership, initially at the Partnership's address set forth in the Purchase Agreement and thereafter at such other address, notice of which is given in accordance with the provisions of this Section 6(c).

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five business days after being deposited in the mail, postage prepaid, if mailed; when answered back, if

telexed; when receipt is acknowledged, if telecopied; and on the next business day if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands, or other communications shall be concurrently delivered by the Person giving the same to the Trustee, at the address specified in the Indenture.

(d) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors, assigns and transferees of each of the parties, including, without limitation and without the need for an express assignment, subsequent Holders; provided that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Notes in violation of the terms of the Purchase Agreement. If any transferee of any Holder shall acquire Registrable Notes, in any manner, whether by operation of law or otherwise, such Registrable Notes shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Notes such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement and such Person shall be entitled to receive the benefits hereof. None of the Initial Purchasers shall have any liability or obligation to the Partnership with respect to any failure by a Holder to comply with, or any breach by any Holder of, any of the obligations of such Holder under this Agreement.

(e) Purchases and Sales of Notes. The Partnership shall not, and shall use its best efforts to cause its affiliates (as defined in Rule 405 under the 1933 Act) not to, purchase and then resell or otherwise transfer any Notes.

(f) Third Party Beneficiary. The Holders shall be third party beneficiaries to the agreements made hereunder between the Partnership, on the one hand, and the Initial Purchasers, on the other hand, and each of them shall have the right to enforce such agreements directly to the extent it deems such enforcement necessary or advisable to protect its rights or the rights of Holders hereunder.

(g) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(h) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York.

(j) Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SUN COMMUNITIES OPERATING
LIMITED PARTNERSHIP

By: Sun Communities, Inc.,
General Partner

By: /s/ Jeffrey P. Jorissen

Name: Jeffrey P. Jorissen
Title: Chief Financial Officer,
Treasurer, Secretary &
Executive Vice President

SUN COMMUNITIES, INC.

By: /s/ Jeffrey P. Jorissen

Name: Jeffrey P. Jorissen
Title: Chief Financial Officer,
Treasurer, Secretary &
Executive Vice President

Confirmed and accepted on behalf
of all Initial Purchasers as
of the date first above written:

LEHMAN BROTHERS INC.

By: /s/ Kevin Smith

Name: Kevin Smith
Title: Senior Vice President

EXHIBIT 10.64

SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP
as Issuer

$150,000,000
5.75% SENIOR NOTES DUE 2010

PURCHASE AGREEMENT

April 8, 2003

LEHMAN BROTHERS INC.
A.G. EDWARDS & SONS, INC.
c/o Lehman Brothers Inc.
745 Seventh Ave.
New York, New York 10019

Dear Sirs:

Sun Communities Operating Limited Partnership, a Michigan limited partnership (the "Issuer"), the sole general partner of which is Sun Communities, Inc., a Maryland corporation (the "General Partner"), proposes to issue and sell to Lehman Brothers Inc. and A.G. Edwards & Sons, Inc. (together, the "Initial Purchasers"), upon the terms and conditions set forth in this agreement ("Agreement"), $150,000,000 of the Issuer's 5.75% Senior Notes due April 15, 2010 (the "Notes"). The Notes will have terms and provisions which are summarized in the Offering Memorandum dated as of the date hereof. The Notes are to be issued pursuant to an indenture (the "Indenture"), dated as of April 24, 1996 and supplemented August 20, 1997, among the Issuer, the General Partner and Deutsche Bank Trust Company Americas (f/k/a Bankers Trust Company), as trustee (the "Trustee"). This is to confirm the agreement concerning the purchase of the Notes from the Issuer by the Initial Purchasers. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Indenture.

Proceeds from the offering of the Notes will be used to (a) repay in full a secured term loan held by an affiliate of Lehman Brothers, Inc., (b) repay in full unsecured notes of the Issuer which are due May 1, 2003 and (c) reduce the outstanding balance under the Issuer's unsecured line of credit. The remaining net proceeds, after payment of the total indebtedness, will be used for general working capital of the Issuer.

The Notes will be offered and sold to the Initial Purchasers pursuant to an exemption from the registration requirements under the Securities Act of 1933, as amended (the "Securities Act"). The Issuer has prepared a preliminary offering memorandum, dated April 7, 2003 (the "Preliminary Offering Memorandum"), and has prepared a final offering

memorandum, dated April 8, 2003 (the "Offering Memorandum"), setting forth information regarding the Issuer and the Notes. Any references herein to the Preliminary Offering Memorandum and the Offering Memorandum shall be deemed to include all documents incorporated by reference therein and all amendments and supplements thereto. The Issuer hereby confirms that it has authorized the use of the Preliminary Offering Memorandum and the Offering Memorandum in connection with the offering and resale of the Notes by the Initial Purchasers.

You have advised the Issuer that you will make offers (the "Exempt Resales") of the Notes purchased by you hereunder on the terms set forth in the Offering Memorandum, as amended or supplemented, solely (i) to persons whom you reasonably believe to be "qualified institutional buyers" as defined in Rule 144A under the Securities Act ("QIBs") and (ii) to a limited number of persons whom you reasonably believe to be "institutional accredited investors" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act ("IAIs") (the persons specified in clauses (i) and (ii) being collectively referred to herein as the "Eligible Purchasers").

Holders (including subsequent transferees) of the Notes will have the registration rights described in the Offering Memorandum, which will be set forth in the registration rights agreement related thereto (the "Registration Rights Agreement"), to be dated the Closing Date, in form and substance reasonably satisfactory to the Initial Purchasers, for so long as such Notes constitute "Transfer Restricted Securities" (as defined in the Registration Rights Agreement).

Pursuant to the Registration Rights Agreement, the Issuer will agree to file with the Securities and Exchange Commission (the "Commission") under the circumstances set forth therein, (i) a registration statement under the Securities Act (the "Exchange Offer Registration Statement") relating to the Issuer's new 5.75% Senior Notes due April 15, 2010 (the "Exchange Notes") to be offered in exchange for the Notes (such offer to exchange being referred to as the "Exchange Offer") and, if necessary, (ii) a shelf registration statement pursuant to Rule 415 under the Securities Act (the "Shelf Registration Statement" and, together with the Exchange Offer Registration Statement, the "Registration Statements") relating to the resale by certain holders of the Notes and to use its best efforts to cause such Registration Statements to be declared and remain effective and usable for the periods specified in the Registration Rights Agreement and to consummate the Exchange Offer.

This Agreement, the Indenture, the Notes and the Registration Rights Agreement are hereinafter sometimes referred to collectively as the "Operative Documents."

1. Representations, Warranties and Agreements of the Issuer. The Issuer represents, warrants and agrees that:

(a) The Preliminary Offering Memorandum and the Offering Memorandum with respect to the Notes have been prepared by the Issuer for use by the Initial Purchasers in connection with the Exempt Resales. No order or decree preventing the use of the Preliminary Offering Memorandum or the Offering Memorandum (or any supplement or amendment thereto), or any order asserting that the transactions contemplated by this Agreement are subject

to the registration requirements of the Securities Act has been issued and no proceeding for that purpose has commenced or is pending or, to the knowledge of the Issuer, is contemplated.

(b) The Preliminary Offering Memorandum and the Offering Memorandum, as of their respective dates, and the Offering Memorandum as of the Closing Date (together with any supplement or amendment thereto), did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary, in order to make the statements, in light of the circumstances under which they were made, not misleading, except that this representation and warranty does not apply to statements in or omissions from the Preliminary Offering Memorandum and the Offering Memorandum (or any supplement or amendment thereto) made in reliance upon and in conformity with information relating to any Initial Purchaser furnished to the Issuer in writing by or on behalf of any Initial Purchaser expressly for use therein.

(c) The market-related data and estimates included in the Preliminary Offering Memorandum and the Offering Memorandum (or any supplement or amendment thereto) are based on or derived from sources which the Issuer believes to be reliable and accurate.

(d) The Issuer is a limited partnership duly formed and existing under and by virtue of the laws of the State of Michigan and is in good standing with the Department of Consumer and Industry Services of the State of Michigan with partnership power to own, lease and operate its properties, to conduct the business in which it is engaged or proposes to engage as described in the Offering Memorandum and to enter into and perform its obligations under this Agreement. The Issuer is duly qualified or registered as a foreign partnership and is in good standing in each jurisdiction in which such qualification or registration is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or be registered or to be in good standing in such other jurisdiction would not result in a material adverse effect on the consolidated financial position, results of operation, business or prospects of the Issuer and its subsidiaries, taken as a whole (a "Material Adverse Effect"). The General Partner is the sole general partner of the Issuer and, immediately after the Closing Date will be the sole general partner of the Issuer and will own approximately 88% of all outstanding common units of partnership interest of the Issuer.

(e) Each of the subsidiaries (as defined in Section 15 hereof) of the Issuer has been duly organized and is a validly existing partnership, limited liability company or corporation in good standing under the laws of its jurisdiction of organization or incorporation, as applicable, and in each other jurisdiction in which qualification or registration is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or be registered or to be in good standing in such other jurisdiction would not result in a Material Adverse Effect. Each subsidiary has all power and authority necessary to own or hold its respective properties and to conduct the businesses in which it is engaged; and none of the subsidiaries (other than Sun Home Services, Inc., Sun Communities Finance, LLC, Sun Communities Funding LP, Sun Communities Texas LP, Sun Secured Financing LLC, Sunchamp LLC and Origen Financial L.L.C.) is a "significant subsidiary," as such term is defined in Rule 405 of the Rules and Regulations.

(f) All of the issued partnership interests (the "Partnership Interests") of the Issuer have been duly and validly authorized and issued and are fully paid and, with respect to the Partnership Interests owned by the General Partner are owned directly by the General Partner, free and clear of all liens, encumbrances, equities or claims; all outstanding Partnership Interests have been offered and sold in compliance with all applicable laws (including, without limitation, federal and state securities laws); and all of the issued partnership or membership interests, as the case may be, of each subsidiary of the Issuer have been duly and validly authorized and issued and are fully paid and, other than with respect to Sun Home Services, Inc., Sunchamp LLC and Origen Financial L.L.C., are owned directly or indirectly by the Issuer and/or the General Partner, free and clear of all liens, encumbrances, equities or claims.

(g) The second amended and restated agreement of limited partnership of the Issuer (the "Partnership Agreement") has been duly authorized, executed and delivered by the General Partner on behalf of the Issuer and constitutes a valid and binding agreement of the Issuer, enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law); and the execution, delivery and performance of the Partnership Agreement and each amendment thereto did not at the time of execution and delivery constitute a breach of, or default under any material contract, lease or other instrument to which the Issuer was a party or by which its properties have been bound or any law, administrative regulation or administrative or court decree in force at the time. The Partnership Agreement conforms in all material respects to the description thereof contained in the Offering Memorandum.

(h) The Issuer has all requisite partnership power and authority to execute, deliver and perform its obligations under the Operative Documents.

(i) This Agreement has been duly authorized, executed and delivered by the Issuer.

(j) The Indenture has been duly and validly authorized, executed and delivered by the Issuer and constitutes a valid and binding agreement of the Issuer, enforceable against the Issuer in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law). The Indenture conforms in all material respects to the requirements of the Trust Indenture Act of 1939, as amended (the "TIA"), and the rules and regulations of the Commission applicable to an indenture which is qualified thereunder. The Indenture conforms in all material respects to the description thereof contained in the Offering Memorandum.

(k) The Notes have been duly and validly authorized by the Issuer and when duly executed by the Issuer in accordance with the terms of the Indenture and, assuming due authentication of the Notes by the Trustee, upon delivery to the Initial Purchasers against payment therefor in accordance with the terms hereof, will have been validly issued and

delivered, and will constitute valid and binding obligations of the Issuer, will be in the form contemplated by, and entitled to the benefits of, the Indenture, and enforceable against the Issuer in accordance with their terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law). The Notes will conform in all material respects to the description thereof contained in the Offering Memorandum. Such Notes will be senior unsecured obligations of the Issuer and rank on a parity with all existing and future senior unsecured indebtedness of the Issuer.

(l) The Exchange Notes have been duly and validly authorized by the Issuer and if and when duly issued and authenticated in accordance with the terms of the Indenture and delivered in accordance with the Exchange Offer provided for in the Registration Rights Agreement, will constitute valid and binding obligations of the Issuer entitled to the benefits of the Indenture, and will be enforceable against the Issuer in accordance with their terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law). Such Exchange Notes will be senior unsecured obligations of the Issuer and will rank on a parity with all existing and future senior unsecured indebtedness of the Issuer.

(m) The Registration Rights Agreement has been duly authorized by the Issuer and, when executed by the Issuer in accordance with the terms hereof, will be validly executed and delivered and (assuming the due execution and delivery thereof by the Initial Purchasers) will be a valid and binding agreement of the Issuer, enforceable against the Issuer in accordance with its terms, subject to the effects of bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law). The Registration Rights Agreement will conform in all material respects to the description thereof contained in the Offering Memorandum.

(n) Neither the Issuer nor any of its subsidiaries is (i) in violation of its charter, by-laws, certificate of limited partnership, articles of organization, operating agreement or partnership agreement, as the case may be, (ii) in default, and no event has occurred which, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it is bound or to which any of its properties or assets is subject or (iii) in violation of any law, ordinance, governmental rule, regulation or court decree to which it or its property or assets may be subject or has failed to obtain any license, permit, certificate, franchise or other governmental authorization or permit necessary to the ownership of its property or to the conduct of its business except, in the case of clauses (ii) and (iii) for such defaults, violations or failures to obtain that would not, singly or in the aggregate, have a Material Adverse Effect.

(o) The execution, delivery and performance of this Agreement and the other Operative Documents by the Issuer, compliance by the Issuer with all provisions hereof and thereof and the consummation of the transactions contemplated hereby and thereby will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument listed as an exhibit to the Issuer's annual report on Form 10-K for the fiscal year ended December 31, 2002 filed with the Commission (which includes all material contracts to which the Issuer is a party) and to which the Issuer or any of its subsidiaries is a party or by which the Issuer or any of its subsidiaries is bound or to which any of the property or assets of the Issuer or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the certificate of limited partnership, partnership agreement, certificate of formation, limited liability company agreement or other organizational document of the Issuer or any of its subsidiaries, (iii) result in the violation of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Issuer or any of its subsidiaries or any of their respective properties, assets or businesses, (iv) result in the imposition of or creation of (or the obligation to create or impose) a lien, encumbrance, equity or claim under, any agreement or instrument listed as an exhibit to the Issuer's annual report on Form 10-K for the fiscal year ended December 31, 2002 filed with the Commission (which includes all material contracts to which the Issuer is a party) and to which the Issuer or any of its subsidiaries is a party or by which the Issuer or any of its subsidiaries or any of their respective property is bound, or (v) result in the termination, suspension or revocation of any Authorization (as defined below) of the Issuer or any of its subsidiaries or result in any other impairment of the rights of the holder of any such Authorization except where such termination, suspension or revocation would not have a Material Adverse Effect.

(p) Except (A) as have been obtained by the Closing Date and (B) as may be required in connection with the registration of the Exchange Notes under the Securities Act, qualification of the Indenture under the TIA and compliance with the securities and Blue Sky laws of various jurisdictions, no consent, approval, authorization or order of, or filing or registration with, any such court or governmental agency or body is required for the execution, delivery and performance of this Agreement and the other Operative Documents by the Issuer, compliance by the Issuer with all provisions hereof and thereof and the consummation of the transactions contemplated hereby and thereby.

(q) Except as described in the Offering Memorandum, there are no legal or governmental proceedings pending or to the knowledge of the Issuer threatened to which the Issuer, any of its subsidiaries or the General Partner is or to the knowledge of the Issuer could be a party or of which any property or assets of the Issuer, any of its subsidiaries or the General Partner is or could be the subject which, if determined adversely to the Issuer, any of its subsidiaries or the General Partner, would, singly or in the aggregate, have a Material Adverse Effect; and to the best of the Issuer's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others.

(r) Except as disclosed in the Offering Memorandum, and except as would not, singly or in the aggregate, have a Material Adverse Effect: (i) the Issuer and its subsidiaries (and to the Issuer's knowledge, any of its predecessors in interest) have complied with all

Environmental Laws; (ii) there has been no storage, disposal, generation, manufacture, refinement, transportation, handling, Release or treatment of Hazardous Substances by the Issuer or any of its subsidiaries (or, to the knowledge of the Issuer or any of its predecessors in interest or any other person) at, upon, under or from any of the property now or previously owned, operated or leased by the Issuer or its subsidiaries, which could require any Remediation under any Environmental Law; (iii) neither the Issuer nor any of its subsidiaries (or, to the knowledge of the Issuer, any of its predecessors in interest) has arranged, by contract, agreement or otherwise, for the transportation, treatment or disposal of Hazardous Materials; and (iv) there are no underground storage tanks located on or in any of the properties owned or leased by the Issuer or any of its subsidiaries. The term "Release" means any presence, spill, discharge, leak, leaching, emission, injection, migration, escape, placement, dumping or release of any kind or into the environment. The term "Hazardous Material" means "hazardous wastes," "toxic wastes," "hazardous substances," "oil" and "medical wastes" "toxic mold" or any other substance or material that is listed, regulated or defined in any Environmental Law. The term "Environmental Law" means any applicable local, state, federal and foreign laws or regulations with respect to protection of human health and safety, natural resources, or the environment.

(s) The Issuer and its subsidiaries are in compliance in all material respects with all presently applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder ("ERISA"); no "reportable event" (as defined in ERISA) has occurred with respect to any "pension plan" (as defined in ERISA) for which the Issuer or any of its subsidiaries would have any liability; neither the Issuer nor any of its subsidiaries has incurred or expects to incur liability under (i) Title IV of ERISA with respect to termination of, or withdrawal from, any "pension plan" or (ii) Sections 412 or 4971 of the Internal Revenue Code of 1986, as amended, including the regulations and published interpretations thereunder (the "Code"); and each "pension plan" for which the Issuer or any of its subsidiaries would have any liability that is intended to be qualified under Section 401(a) of the Code is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification, except for such noncompliance, reportable events, liabilities or failures to qualify that would not result in a Material Adverse Effect.

(t) Each of the Issuer and its subsidiaries has such permits, licenses, consents, exemptions, franchises, authorizations and other approvals (each, an "Authorization") of, and has made all filings with and notices to, all governmental or regulatory authorities and self-regulatory organizations and all courts and other tribunals, including without limitation, under any applicable Environmental Laws, as are necessary to own, lease, license and operate its respective properties and to conduct its business, except where the failure to have any such Authorization or to make any such filing or notice would not, singly or in the aggregate, have a Material Adverse Effect. Each such Authorization is valid and in full force and effect, and each of the Issuer and its subsidiaries is in compliance with all the terms and conditions thereof and with the rules and regulations of the authorities and governing bodies having jurisdiction with respect thereto; and no event has occurred (including, without limitation, the receipt of any notice from any authority or governing body) which allows or, after notice or lapse of time or both, would allow, revocation, suspension or termination of any such Authorization or

results or, after notice or lapse of time or both, would result in any other impairment of the rights of the holder of any such Authorization; and such Authorizations contain no restrictions that are burdensome to the Issuer or any of its subsidiaries; except where such failure to be valid and in full force and effect or to be in compliance, the occurrence of any such event or the presence of any such restriction would not, singly or in the aggregate, have a Material Adverse Effect.

(u) (i) The Issuer and its subsidiaries have good and marketable title in fee simple to all real property and own all personal property purported to be owned by them, in each case free and clear of all liens, encumbrances and defects, except such as are described in the Offering Memorandum, or such as would not have a Material Adverse Effect (except for such real property, buildings and personal property as are described in subparagraph (ii) below); and (ii) all real property, buildings and personal property held under lease by the Issuer and its subsidiaries are held by them under valid, existing and enforceable leases, in each case free and clear of all liens, encumbrances and defects except such as are described in the Offering Memorandum, and such as would not have a Material Adverse Effect.

(v) The Issuer and its subsidiaries own, possess or can acquire on reasonable terms, adequate rights to use all material patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights and licenses necessary for the conduct of their respective businesses, and have no reason to believe that the conduct of their respective business will conflict with, and have not received any notice of any claim of conflict with, any such rights of others, which conflict (if the subject of an unfavorable decision, ruling or finding), would result in a Material Adverse Effect.

(w) PricewaterhouseCoopers LLP, who have certified the financial statements included in the Preliminary Offering Memorandum and the Offering Memorandum, whose report appears therein and who have delivered the initial letter referred to in Section 7(f) hereof, are independent public accountants under Rule 101 of the American Institute of Certified Public Accountants' Code of Professional Conduct and its interpretations and rulings thereunder.

(x) The historical financial statements (including the related notes) included in the Preliminary Offering Memorandum and the Offering Memorandum (and any amendment or supplement thereto) present fairly the financial condition and results of operations of the entities purported to be shown thereby, at the dates and for the periods indicated, and have been prepared in conformity with generally accepted accounting principles of the United States applied on a consistent basis throughout the periods involved and all adjustments necessary for a fair presentation of results for such periods have been made; and the financial and statistical information and data set forth in the Offering Memorandum (and any amendment or supplement thereto) present fairly the information and data shown therein and have been prepared on a basis consistent with such financial statements and the books and records of the respective entities presented therein.

(y) Neither the Issuer nor any of its subsidiaries is and, after giving effect to offering and sale of the Notes and the application of the net proceeds thereof as described in the

Offering Memorandum, will be an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder.

(z) Except as described in the Offering Memorandum, there are no contracts, agreements or understandings between the Issuer and any person granting such person the right to require the Issuer to file a registration statement under the Securities Act with respect to any securities of the Issuer owned or to be owned by such person or to require the Issuer to include such securities in the securities registered pursuant to the Registration Statements or in any securities being registered pursuant to any other registration statement filed by the Issuer under the Securities Act.

(aa) No "nationally recognized statistical rating organization" as such term is defined for purposes of Rule 436(g)(2) under the Securities Act (i) has imposed (or has informed the Issuer that it is considering imposing) any condition (financial or otherwise) on the Issuer's retaining any rating assigned to the Issuer, any securities of the Issuer or (ii) has indicated to the Issuer that it is considering (a) the downgrading, suspension, or withdrawal of, or any review for a possible change that does not indicate the direction of the possible change in, any rating so assigned or (b) any change in the outlook for any rating of the Issuer or any securities of the Issuer.

(bb) Since the date of the latest audited financial statements included in the Offering Memorandum and except as disclosed in the Offering Memorandum, (i) there has been no material adverse change in the financial condition, results of operations, business or prospects of the Issuer, any of its subsidiaries or the General Partner, whether or not arising in the ordinary course of business, (ii) no material casualty loss or material condemnation or other adverse event with respect to any business or property of the Issuer or any of its subsidiaries has occurred, (iii) there have been no transactions or acquisitions entered into by the Issuer or any of its subsidiaries other than those in the ordinary course of business, which are material with respect to the Issuer and its subsidiaries taken as a whole, (iv) there have been no material liabilities or obligations, direct or contingent, incurred by the Issuer or any of its subsidiaries, other than liabilities and obligations which were incurred in the ordinary course of business, (v) there has been no dividend or distribution of any kind declared, paid or made by the Issuer with respect to its Partnership Interests, other than quarterly dividend distributions made in the ordinary course of business (vi) there has been no material change in the Partnership Interests of the Issuer, or any increase in the indebtedness of the Issuer or any of its subsidiaries and (vii) there have been no securities issued or granted by the Issuer or any of its subsidiaries.

(cc) There is (i) no material unfair labor practice complaint pending against the Issuer or any of its subsidiaries nor, to the best knowledge of the Issuer, threatened against any of them before the National Labor Relations Board or any state or local labor relations board, and no significant grievance or significant arbitration proceeding arising out of or under any collective bargaining agreement is so pending against the Issuer or any of its subsidiaries or, to the best knowledge of the Issuer, threatened against any of them, and (ii) no material strike, labor dispute, slowdown or stoppage pending against the Issuer or any of its subsidiaries

nor, to the best knowledge of the Issuer, threatened against the Issuer or any of its subsidiaries which in any case would have a Material Adverse Effect.

(dd) Each of the Issuer and its subsidiaries (i) makes and keeps accurate books and records and (ii) maintains internal accounting controls which provide reasonable assurance that (A) transactions are executed in accordance with management's authorization, (B) transactions are recorded as necessary to permit preparation of its financial statements and to maintain accountability for its assets, (C) access to its assets is permitted only in accordance with management's authorization and (D) the reported accountability for its assets is compared with existing assets at reasonable intervals.

(ee) The Issuer and its subsidiaries have filed all federal, state and local income and franchise tax returns required to be filed through the date hereof and have paid all taxes due thereon, and no tax deficiency has been determined adversely to the Issuer or any of its subsidiaries which has had (nor does the Issuer have any knowledge of any tax deficiency which, individually or in the aggregate, if determined adversely to the Issuer or any of its subsidiaries, would have) a Material Adverse Effect.

(ff) The General Partner is organized in conformity with the requirements for qualification as a real estate investment trust under the Code, and its present and contemplated method of operation does and will enable it to meet the requirements for taxation as a real estate investment trust ("REIT") under the Code and the General Partner has elected to be taxed as a REIT under the Code commencing with the year ended December 31, 1994.

(gg) The Issuer and each of its subsidiaries that is a partnership are properly classified as partnerships, and not as corporations or as associations taxable as corporations, for federal income tax purposes for the period including the taxable year of the Issuer and each of its subsidiaries that is a partnership ended December 31, 1994 (or, if later, the first taxable year of such partnership) through the date hereof, or, in the case of such subsidiaries that have terminated, through the date of termination of such subsidiaries.

(hh) When the Notes are issued and delivered pursuant to this Agreement, such Notes are eligible for resale pursuant to Rule 144A under the Securities Act and will not be of the same class (within the meaning of Rule 144A under the Securities Act) as securities of the Issuer that are listed on a national securities exchange registered under Section 6 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or that are quoted in a United States automated inter-dealer quotation system.

(ii) Assuming (i) that your representations and warranties in Section 2 are true, (ii) compliance by you with your covenants set forth in Section 2, and (iii) that the representations of the IAIs set forth in the IAI letters are true, the purchase of the Notes by the Initial Purchasers pursuant hereto and the resale of the Notes pursuant to Exempt Resales are exempt from the registration requirements of the Securities Act. No form of general solicitation or general advertising (within the meaning of Rule 502(c) of the Securities Act) was used by the Issuer or any of its representatives (other than you, as to whom the Issuer makes no representation) in connection with the offer and sale of the Notes, including, but not

limited to, articles, notices or other communications published in any newspaper, magazine, or similar medium or broadcast over television or radio or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(jj) The Indenture has been qualified under the TIA.

(kk) Each certificate signed by any officer of the General Partner on behalf of the Issuer and delivered to the Initial Purchasers or counsel for the Initial Purchasers shall be deemed to be a representation and warranty by the Issuer to each Initial Purchaser as to the matters covered thereby.

(ll) Except as described in the Offering Memorandum, the Issuer and each of its subsidiaries carry, or are covered by, insurance in such amounts and covering such risks as is adequate for the conduct of their respective businesses and the value of their respective properties and as is customary for companies engaged in similar businesses in similar industries in similar geographic locations.

(mm) The statements set forth in the Offering Memorandum under the captions "Description of the Notes", "Exchange Offer; Registration Rights" and "Certain Transactions" insofar as they describe the terms of the agreements and securities referred to therein, are accurate and fairly present in all material respects the information required to be shown.

(nn) The Issuer and its subsidiaries are currently in substantial compliance with all presently applicable provisions of the Americans with Disabilities Act and no failure of the Issuer or any of its subsidiaries to comply with all presently applicable provisions of the Americans with Disabilities Act, individually or in the aggregate, would result in a Material Adverse Effect.

2. Subsequent Offers and Resales of the Notes.

(a) Each of the Initial Purchasers and the Issuer hereby establishes and agrees to observe the following procedures in connection with the sale of the Notes:

(i) Offers and sales of the Notes shall only be made (A) to persons whom the offeror or seller reasonably believes to be QIBs or (B) to a limited number of IAIs.

(ii) No general solicitation or general advertising (within the meaning of Rule 502(c) under the Securities Act) will be used in the United States in connection with the offering or sale of the Notes.

(iii) In the case of a non-bank Eligible Purchaser of a Note acting as a fiduciary for one or more third parties, each third party shall, in the judgment of the applicable Initial Purchaser, be an IAI or a QIB.

(iv) Each Initial Purchaser will take reasonable steps to inform, and cause each of its affiliates to take reasonable steps to inform, persons acquiring Notes from such Initial Purchaser or affiliate, as the case may be, that the Notes (A) have not been

and will not be registered under the Securities Act, (B) are being sold to them without registration under the Securities Act in reliance on Rule 144A or in accordance with another exemption from registration under the Securities Act, as the case may be and (C) may not be offered, sold or otherwise transferred except (1) to the Issuer or (2) inside the United States in accordance with (x) Rule 144A to a person whom the seller reasonably believes is a QIB that is purchasing such Notes for its own account or the account of a QIB to whom notice is given that the offer, sale or transfer is being made in reliance on Rule 144A or (y) pursuant to another available exemption from registration under the Securities Act.

(v) No sale of the Notes to any one IAI will be for less than U.S. $100,000 and for any other Eligible Purchaser will be for less than U.S. $1,000 principal amount and no Note will be issued in a smaller principal amount, as applicable. If the Eligible Purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S. $1,000 or U.S. $100,000 principal amount of the Notes, as applicable.

(vi) The transfer restrictions and the other provisions set forth in the Offering Memorandum under the heading "Notice to Investors," including the legend required thereby, shall apply to the Notes except as otherwise agreed by the Issuer and the Initial Purchasers.

(b) The Issuer covenants with each Initial Purchaser as follows:

(i) The Issuer agrees that it will not and will cause its affiliates not to, directly or indirectly, solicit any offer to buy, sell or make any offer or sale of, or otherwise negotiate in respect of, securities of the Issuer of any class if, as a result of the doctrine of "integration" referred to in Rule 502 under the Securities Act, such offer or sale would render invalid (for the purpose of (i) the sale of the Notes by the Issuer to the Initial Purchasers, (ii) the resale of the Notes by the Initial Purchasers to Eligible Purchasers or (iii) the resale of the Notes by such Eligible Purchasers to others) the exemption from the registration requirements of the Securities Act provided by Section 4(2) thereof or by Rule 144A thereunder or otherwise.

(ii) The Issuer agrees that, in order to render the Notes eligible for resale pursuant to Rule 144A under the Securities Act, while any of the Notes remain outstanding, it will make available, upon request, to any holder of Notes or prospective purchasers of Notes the information specified in Rule 144A(d)(4), unless the Issuer furnishes information to the SEC pursuant to Section 13 or 15(d) of the Exchange Act.

(iii) Until the expiration of two years after the original issuance of the Notes, the Issuer will not, and will cause its affiliates not to, resell any Notes which are "restricted securities" (as such term is defined under Rule 144(a)(3) under the Securities Act), whether as beneficial owner or otherwise (except as

agent acting as a securities broker on behalf of and for the account of customers in the ordinary course of business in unsolicited broker's transactions).

(c) Each Initial Purchaser, severally and not jointly, represents and warrants to, and agrees with, the Issuer that it is a QIB within the meaning of Rule 144A under the Securities Act.

(d) Each Initial Purchaser understands that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act. Each Initial Purchaser severally represents and agrees that, except as permitted by Section 2(a) above, it has offered and sold Notes and will offer and sell Notes (i) as part of its distribution at any time, only in accordance with Rule 144A under the Securities Act or another applicable exemption from the registration requirements of the Securities Act.

3. Purchase of the Notes by the Initial Purchasers.

The Issuer hereby agrees to sell to the several Initial Purchasers, and each Initial Purchaser, on the basis of the representations and warranties contained in, and subject to the terms and conditions of, this Agreement, severally and not jointly, agrees to purchase at the price set forth in Schedule B attached hereto, the aggregate principal amount of Notes set forth in Schedule A opposite the name of such Initial Purchaser.

4. Delivery of the Notes and Payment Therefor.

(a) Delivery to the Initial Purchasers of and payment for the Notes shall be made at the office of Hogan & Hartson L.L.P., 555 13th Street, N.W., Washington, D.C. 20004-1109, at 9:00 A.M., Eastern standard time, on April 11, 2003 or at such other time on the same or such other date, not later than April 30, 2003, as shall be designated in writing by the Initial Purchasers (the "Closing Date") in person or via overnight courier or facsimile by agreement between the Initial Purchasers and the Issuer. The place and method of closing for the Notes and the Closing Date may be varied by agreement between the Initial Purchasers and the Issuer.

(b) The Notes will be delivered to the Initial Purchasers against payment of the purchase price therefor in immediately available funds. The Notes will be evidenced by one or more securities in global form (the "Global Notes") and/or by additional definitive securities, and will be registered, in the case of the Global Note, in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), and in the other cases, in such names and in such denominations as Lehman Brothers Inc. on behalf of the Initial Purchasers shall request prior to 9:30 A. M., Eastern standard time, on the second business day preceding the Closing Date. The Notes to be delivered to Lehman Brothers Inc. on behalf of the Initial Purchasers shall be made available to the Initial Purchasers in New York City for inspection and packaging not later than 9:30 A.M., New York City time, on the business day next preceding the Closing Date.

(c) Time shall be of the essence, and delivery at the time and place specified pursuant to this Agreement is a further condition of the obligation of the Initial Purchasers hereunder.

5. Further Agreements of the Issuer. The Issuer agrees with each Initial Purchaser as follows:

(a) The Issuer will advise each Initial Purchaser immediately and confirm such advice in writing, of (i) the issuance by any state securities commission of any stop order suspending the qualification or exemption from qualification of any Notes for offering or sale in any jurisdiction, or the initiation or threatening of any proceeding for such purpose by the Commission or any state securities commission or other regulatory authority, and (ii) the happening of any event that makes any statement of a material fact made in the Offering Memorandum untrue or which requires the making of any additions to or changes in the Offering Memorandum in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The Issuer shall use its best efforts to prevent the issuance of any stop order or order suspending the qualification or exemption of any Notes under any state securities or Blue Sky laws and, if at any time any state securities commission shall issue any stop order suspending the qualification or exemption of any Notes under any state securities or Blue Sky laws, the Issuer shall use its best efforts to obtain the withdrawal or lifting of such order at the earliest possible time.

(b) The Issuer, as promptly as possible, will furnish to each Initial Purchaser, without charge, as of the date of the Offering Memorandum, such number of copies of the Offering Memorandum, and any amendments or supplements thereto, as such Initial Purchaser may reasonably request.

(c) The Issuer will not make any amendment or supplement to the Preliminary Offering Memorandum or the Offering Memorandum of which the Initial Purchasers or their counsel shall not previously have been advised and to which they shall reasonably object after being so advised.

(d) Prior to the execution and delivery of this Agreement, the Issuer shall have delivered or will deliver to each Initial Purchaser, without charge, in such quantities as such Initial Purchaser shall have requested or may hereafter reasonably request, copies of the Preliminary Offering Memorandum.

(e) The Issuer consents to the use, in accordance with the securities or Blue Sky laws of the jurisdictions in which the Notes are offered by the Initial Purchasers and by dealers, prior to the date of the Offering Memorandum, of each Preliminary Offering Memorandum so furnished by them. The Issuer consents to the use of the Offering Memorandum in accordance with the securities or Blue Sky laws of the jurisdictions in which the Notes are offered by the Initial Purchasers and by all dealers to whom Notes may be sold, in connection with the offering and sale of the Notes.

(f) If, at any time prior to completion of the distribution of the Notes by the Initial Purchasers to Eligible Purchasers, any event shall occur that in the reasonable judgment of the Issuer or in the reasonable judgment of Lehman Brothers Inc. on behalf of the Initial Purchasers should be set forth in the Offering Memorandum in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if, in the opinion of counsel to the Initial Purchasers, it is necessary to supplement or amend the Offering Memorandum in order to comply with any law, the Issuer will, subject to Section 5(c), forthwith prepare at its own expense an appropriate supplement or amendment thereto (in form and substance reasonably satisfactory to counsel for the Initial Purchasers), so that, as so amended or supplemented, the Offering Memorandum will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances existing at the time it is delivered to an Eligible Purchaser, not misleading, and will expeditiously furnish at its own expense to each Initial Purchaser and dealer a reasonable number of copies thereof.

(g) The Issuer will cooperate with the Initial Purchasers and with their counsel in connection with the qualification of the Notes for offering and sale by the Initial Purchasers and by dealers under the securities or Blue Sky laws of such jurisdictions as the Initial Purchasers may designate and will file such consents to service of process or other documents necessary or appropriate in order to effect such qualification; provided that in no event shall the Issuer be obligated to qualify to do business in any jurisdiction where it is not now so qualified or to take any action that would subject it to service of process in suits, other than those arising out of the offering or sale of the Notes, in any jurisdiction where it is not now so subject.

(h) So long as any of the Notes are outstanding, the Issuer will furnish to the Initial Purchasers (A) as soon as available, a copy of each report of the Issuer mailed to Issuer's unitholders generally or filed with any stock exchange or regulatory body and (B) from time to time such other information concerning the Issuer as the Initial Purchasers may reasonably request.

(i) The Issuer will apply the net proceeds from the sale of the Notes to be sold by it hereunder in accordance with the description set forth in the Offering Memorandum under the caption "Use of Proceeds."

(j) Except as stated in this Agreement and in the Preliminary Offering Memorandum and Offering Memorandum, the Issuer has not taken, nor will it take, directly or indirectly, any action designed to or that might reasonably be expected to cause or result in stabilization or manipulation of the price of the Notes to facilitate the sale or resale of the Notes. Except as permitted by the Securities Act, the Issuer will not distribute any offering material in connection with the Exempt Resales.

(k) The Issuer will use its best efforts to permit the Notes to be eligible for clearance and settlement through DTC.

(l) From and after the Closing Date, so long as any of the Notes are outstanding and are "restricted securities" within the meaning of the Rule 144(a)(3) under the Securities Act or, if earlier, until two years after the Closing Date, but only during any period in which the Issuer is not subject to Section 13 or 15(d) of the Exchange Act, the Issuer will furnish to holders of the Notes and prospective purchasers of Notes designated by such holders, upon request of such holders or such prospective purchasers, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act to permit compliance with Rule 144A in connection with resales of the Notes.

(m) The Issuer agrees not to sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in the Securities Act) that would be integrated with the sale of the Notes in a manner that would require the registration under the Securities Act of the sale to the Initial Purchasers or the Eligible Purchasers of the Notes.

(n) The Issuer agrees to comply with all the terms and conditions of the Registration Rights Agreement, the Indenture and all agreements set forth in the representation letter of the Issuer to DTC relating to the approval of the Notes by DTC for "book entry" transfer.

(o) The Issuer agrees to cause the Exchange Offer to be made in the appropriate form, as contemplated by the Registration Rights Agreement, to permit registration of the Exchange Notes to be offered in exchange for the Notes and to comply with all applicable federal and state securities laws in connection with such Exchange Offer.

(p) The Issuer agrees that prior to any registration of the Exchange Notes pursuant to the Registration Rights Agreement, or at such earlier time as may be required, the Indenture shall be qualified under the 1939 Act and any necessary supplemental indentures will be entered into in connection therewith.

(q) The Issuer will not voluntarily claim, and will resist actively all attempts to claim, the benefit of any usury laws against holders of the Notes.

(r) The Issuer will do and perform all things required or necessary to be done and performed under this Agreement by it prior to the Closing Date, and to satisfy all conditions precedent to the Initial Purchasers' obligations hereunder to purchase the Notes.

(s) The Issuer shall take all reasonable action necessary to enable Standard & Poors, a division of The McGraw Hill Companies, Inc. ("S&P") and Moody's Investors Service, Inc. ("Moody's") to provide their respective investment-grade credit ratings of the Notes.

6. Expenses. The Issuer agrees to pay all costs, expenses, fees and taxes incident to and in connection with: (i) the preparation, printing, filing and distribution of the Preliminary Offering Memorandum and the Offering Memorandum (including, without limitation, financial statements and exhibits) and all amendments and supplements thereto (but not, however, legal fees and expenses of Initial Purchasers' counsel incurred in connection therewith), (ii) the

preparation, printing (including, without limitation, word processing and duplication costs) and delivery of this Agreement, the other Operative Documents, all Blue Sky Memoranda and all other agreements, memoranda, correspondence and other documents printed and delivered in connection wherewith and with the Exempt Resales (but not, however, legal fees and expenses of Initial Purchasers' counsel incurred in connection with any of the foregoing other than reasonable fees of such counsel plus reasonable disbursements incurred in connection with the preparation, printing and delivery of such Blue Sky Memoranda), (iii) the authorization, issuance, sale and delivery by the Issuer of the Notes, (iv) the qualification of the Notes for offer and sale under the securities or Blue Sky laws of the several states (including, without limitation, the reasonable fees and disbursements of Initial Purchasers' counsel relating to such registration or qualification), (v) furnishing such copies of the Preliminary Offering Memorandum and the Offering Memorandum, and all amendments and supplements thereto, as may be reasonably requested for use in connection with the Exempt Resales, (vi) the preparation of certificates for the Notes (including, without limitation, printing and engraving thereof), (vii) the fees, disbursements and expenses of the Issuer's counsel and accountants, (viii) all fees and expenses (including fees and expenses of Issuer's counsel) of the Issuer in connection with approval of the Notes by DTC for "book-entry" transfer, (ix) any fees charged by securities rating services for rating the Notes and (x) the performance by the Issuer of their other obligations under this Agreement.

7. Conditions of Initial Purchasers' Obligations. The obligations of the Initial Purchasers hereunder are subject to the accuracy, when made and on the Closing Date, of the representations and warranties of the Issuer contained herein, to the performance by the Issuer of its obligations hereunder, and to each of the following additional terms and conditions:

(a) The Offering Memorandum shall have been printed and copies made available to you not later than 6:00 p.m., Eastern standard time, on the business day following the date of this Agreement, or at such later date and time as you may approve in writing.

(b) The Initial Purchasers shall not have discovered and disclosed to the Issuer on or prior to the Closing Date that the Offering Memorandum or any amendment or supplement thereto contains an untrue statement of a fact which, in the opinion of Hogan & Hartson L.L.P., counsel for the Initial Purchasers, is material or omits to state a fact which, in the opinion of such counsel, is material and is required to be stated therein or is necessary to make the statements therein not misleading.

(c) All partnership proceedings and other legal matters incident to the authorization, form and validity of this Agreement, the other Operative Documents and the Offering Memorandum, and all other legal matters relating to this Agreement and the transactions contemplated hereby shall be reasonably satisfactory in all material respects to counsel for the Initial Purchasers, and the Issuer shall have furnished to such counsel all documents and information that they may reasonably request to enable them to pass upon such matters.

(d) Jaffe, Raitt, Heuer & Weiss, P.C. shall have furnished to the Initial Purchasers, its written opinion (based on the assumptions and subject to the exclusions

contained therein), as counsel to the Issuer, addressed to the Initial Purchasers and dated the Closing Date, substantially as to the matters set forth in Exhibit A hereto.

(e) The Initial Purchasers shall have received from Hogan & Hartson L.L.P., counsel for the Initial Purchasers, such opinion or opinions, dated the Closing Date, with respect to the issuance and sale of the Notes, the Offering Memorandum and other related matters as the Initial Purchasers may reasonably require, and the Issuer shall have furnished to such counsel such documents as they reasonably request for the purpose of enabling them to pass upon such matters.

(f) At the time of execution of this Agreement, the Initial Purchasers shall have received from PricewaterhouseCoopers LLP a letter, in form and substance satisfactory to the Initial Purchasers, addressed to the Initial Purchasers and dated the date hereof (i) confirming that they are independent public accountants under Rule 101 of the American Institute of Certified Public Accountants' Code of Professional Conduct and its interpretations and rulings thereunder and (ii) stating, as of the date hereof (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Offering Memorandum, as of a date not more than five days prior to the date hereof), the conclusions and findings of such firm with respect to the financial information (including any pro forma financial information) and other matters ordinarily covered by accountants' "comfort letters" to underwriters in connection with registered public offerings.

(g) With respect to the letter of PricewaterhouseCoopers LLP referred to in the preceding paragraph and delivered to the Initial Purchasers concurrently with the execution of this Agreement (the "initial letter"), the Issuer shall have furnished to the Initial Purchasers a letter (the "bring-down letter") of such accountants, addressed to the Initial Purchasers and dated the Closing Date (i) confirming that they are independent public accountants under Rule 101 of the American Institute of Certified Public Accountants' Code of Professional Conduct and its interpretations and rulings thereunder, (ii) stating, as of the date of the bring-down letter (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Offering Memorandum, as of a date not more than five days prior to the date of the bring-down letter), the conclusions and findings of such firm with respect to the financial information (including any pro forma financial information) and other matters covered by the initial letter and (iii) confirming in all material respects the conclusions and findings set forth in the initial letter.

(h) The Issuer shall have furnished to the Initial Purchasers a certificate, dated the Closing Date, of the chief executive officer, president or a vice president of the General Partner on its behalf and the chief financial officer of the General Partner stating that:

(A) The representations, warranties and agreements of the Issuer in Section 1 are true and correct as of the Closing Date; the Issuer has complied with all its agreements contained herein; and the conditions set forth in Sections 7(i) and 7(k) have been fulfilled; and

(B) They have carefully examined the Offering Memorandum and, in their opinion (a) as of its date, the Offering Memorandum did not include any untrue statement of a material fact and did not omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (b) since the date of such Offering Memorandum no event has occurred which should have been set forth in a supplement or amendment to the Offering Memorandum and (c) except as reflected in or contemplated by the Offering Memorandum, there shall not have been since the respective dates as of which information is given in the Offering Memorandum, any material adverse change in the financial condition or in the results of operations, business affairs or business prospects of the Issuer and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business (other than changes relating to the economy in general or the Issuer's industry in general and not specifically related to the Issuer).

(i) Neither the Issuer nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included in the Offering Memorandum (i) any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Offering Memorandum or (ii) since such date there shall not have been any change in the capital stock, Partnership Interests or long-term debt of the Issuer or any of its subsidiaries or any change, or any development involving a prospective change, in or affecting the general affairs, business prospects, management, financial position, stockholders' or unitholders' equity, as applicable, or results of operations of the Issuer and its subsidiaries, otherwise than as set forth or contemplated in the Offering Memorandum (exclusive of any amendment or supplement thereto after the date hereof), the effect of which, in any such case described in clause (i) or (ii), is, in the judgment of Lehman Brothers Inc. on behalf of the Initial Purchasers, so material and adverse as to make it impracticable or inadvisable to proceed with the delivery of the Notes being delivered on the Closing Date on the terms and in the manner contemplated in the Offering Memorandum.

(j) Subsequent to the execution and delivery of this Agreement there shall not have occurred any of the following: (i) trading in securities generally on the New York Stock Exchange or the American Stock Exchange or in the over-the-counter market, or trading in any securities of the Issuer on any exchange or in the over-the-counter market, shall have been suspended or minimum prices shall have been established on any such exchange or such market by the Commission, by such exchange or by any other regulatory body or governmental authority having jurisdiction, or there shall have been a material disruption in the settlement of securities which, in the judgment of Lehman Brothers Inc. on behalf of the Initial Purchasers, make it inadvisable or impractical to proceed with the offering or delivery of the Notes, (ii) a banking moratorium shall have been declared by federal or state authorities, (iii) the United States shall have become engaged in hostilities, there shall have been an escalation of hostilities involving the United States, there shall have been a declaration of a national emergency or war by the United States or an act of terrorism shall have occurred which, in the judgment of Lehman Brothers Inc. on behalf of the Initial Purchasers, make it inadvisable or impracticable to proceed with the offering or delivery of the Notes, or (iv) there shall have occurred such a material adverse change in general economic, political or financial conditions (or the effect of international conditions on the financial markets in the United States shall be

such) as to make it, in the judgment of Lehman Brothers Inc. on behalf of the Initial Purchasers, impracticable or inadvisable to market the Notes or to enforce contracts for the sale of the Notes in the manner contemplated in the Offering Memorandum.

(k) On the Closing Date, the Notes shall be rated at least BBB by S&P and Baa2 by Moody's and the Issuer shall have delivered to the Initial Purchasers a letter dated on or before the Closing Date from each such rating agency, or other evidence satisfactory to the Initial Purchasers, confirming that the Notes have such ratings; and subsequent to the execution and delivery of this Agreement (i) no downgrading shall have occurred in the rating accorded debt securities of the Issuer by any "nationally recognized statistical rating organization," as that term is defined by the Commission for purposes of Rule 436(g)(2) of the Rules and Regulations and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of the Issuer's debt securities.

(l) The Issuer shall have furnished a Secretary's Certificate in form and substance satisfactory to the Initial Purchasers.

(m) On the Closing Date, the Registration Rights Agreement shall have been fully executed and delivered by the Issuer.

(n) Hogan & Hartson L.L.P. shall have been furnished with such other documents and opinions, in addition to those set forth above, as they may reasonably require for the purpose of enabling them to review or pass upon the matters referred to in this Agreement and in order to evidence the accuracy, completeness or satisfaction in all material respects of any of the representations, warranties or conditions herein contained.

(o) All opinions, letters, evidence and certificates mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Initial Purchasers.

8. Indemnification and Contribution.

(a) The Issuer agrees to indemnify and hold harmless each Initial Purchaser, its officers and employees and each person, if any, who controls any Initial Purchaser within the meaning of the Securities Act, from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof (including, but not limited to, any loss, claim, damage, liability or action relating to purchases and sales of Notes), to which any Initial Purchaser, such officer, employee or controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained (A) in the Preliminary Offering Memorandum or the Offering Memorandum or in any amendment or supplement thereto or (B) in any blue sky application or other document prepared or executed by the Issuer (or based upon any written information furnished by the Issuer) specifically for the purpose of qualifying any or all of the Notes under the securities laws of any state or other

jurisdiction (any such application, document or information being hereinafter called a "Blue Sky Application"), (ii) the omission or alleged omission to state in the Preliminary Offering Memorandum or the Offering Memorandum, or in any amendment or supplement thereto, or in any Blue Sky Application any material fact required to be stated therein or necessary to make the statements therein not misleading or (iii) any act or failure to act or any alleged act or failure to act by any Initial Purchaser in connection with, or relating in any manner to, the Notes or the offering contemplated hereby, and which is included as part of or referred to in any loss, claim, damage, liability or action arising out of or based upon matters covered by clause (i) or (ii) above (provided that the Issuer shall not be liable under this clause (iii) to the extent that it is determined in a final judgment by a court of competent jurisdiction that such loss, claim, damage, liability or action resulted directly from any such acts or failures to act undertaken or omitted to be taken by any Initial Purchaser through its gross negligence or willful misconduct), and shall reimburse any Initial Purchaser and each such officer, employee or controlling person promptly upon demand for any legal or other expenses reasonably incurred by any Initial Purchaser, such officer, employee or controlling person in connection with investigating or defending or preparing to defend against any such loss, claim, damage, liability or action as such expenses are incurred; provided, however, that the Issuer shall not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon, any untrue statement or alleged untrue statement or omission or alleged omission made in the Offering Memorandum, or in any such amendment or supplement, or in any Blue Sky Application, in reliance upon and in conformity with information concerning any Initial Purchaser furnished in writing to the Issuer by or on behalf of any Initial Purchaser specifically for inclusion therein. The foregoing indemnity agreement is in addition to any liability which the Issuer may otherwise have to any Initial Purchaser or to any officer, employee or controlling person of such Initial Purchaser.

(b) Each Initial Purchaser severally agrees to indemnify and hold harmless the Issuer, its officers and employees, each of its directors, and each person, if any, who controls the Issuer within the meaning of the Securities Act, from and against any loss, claim, damage or liability, or any action in respect thereof, to which the Issuer or any such director, officer or controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained (A) in the Preliminary Offering Memorandum or the Offering Memorandum or in any amendment or supplement thereto, or (B) in any Blue Sky Application or (ii) the omission or alleged omission to state in the Preliminary Offering Memorandum or the Offering Memorandum, or in any amendment or supplement thereto, or in any Blue Sky Application any material fact required to be stated therein or necessary to make the statements therein not misleading, but in each case only to the extent that the untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information concerning any Initial Purchaser furnished to the Issuer by or on behalf of such Initial Purchaser specifically for inclusion therein, and shall reimburse the Issuer and any such director, officer or controlling person for any legal or other expenses reasonably incurred by the Issuer or any such director, officer or controlling person in connection with investigating or defending or preparing to defend against any such loss, claim, damage, liability or action as such expenses are incurred.

The foregoing indemnity agreement is in addition to any liability which each Initial Purchaser may otherwise have to the Issuer or any such director, officer, employee or controlling person.

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of any claim or the commencement of any action, the indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under this Section 8, notify the indemnifying party in writing of the claim or the commencement of that action; provided, however, that the failure to notify the indemnifying party shall not relieve it from any liability which it may have under this Section 8 except to the extent it has been materially prejudiced by such failure and, provided further, that the failure to notify the indemnifying party shall not relieve it from any liability which it may have to an indemnified party otherwise than under this Section 8. If any such claim or action shall be brought against an indemnified party, and it shall notify the indemnifying party thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense thereof with counsel reasonably satisfactory to the indemnified party. After notice from the indemnifying party to the indemnified party of its election to assume the defense of such claim or action, the indemnifying party shall not be liable to the indemnified party under this Section 8 for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof other than reasonable costs of investigation; provided, however, any indemnified party shall have the right to employ separate counsel in any such action and to participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the indemnified party unless (i) the employment thereof has been specifically authorized by the indemnifying party in writing, (ii) such indemnified party shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnifying party and in the reasonable judgment of such counsel, it is advisable for such indemnified party to employ separate counsel or (iii) the indemnifying party has failed to assume the defense of such action and employ counsel reasonably satisfactory to the indemnified party, in which case, if such indemnified party notifies the indemnifying party in writing that it elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party, it being understood, however that the indemnifying party shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to one local counsel) at any time for all such indemnified parties, which firm shall be designated in writing by the Initial Purchasers, if the indemnified parties under this Section 8 consist of the Initial Purchasers or any of their officers, employees or controlling persons, or by the Issuer, if the indemnified parties under this Section 8 consist of the Issuer or any of its directors, officers, employees or controlling persons. No indemnifying party shall (i) without the prior written consent of the indemnified parties (which consent shall not be unreasonably withheld or delayed), settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent

includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding, or (ii) be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld or delayed), but if settled with the consent of the indemnifying party or if there be a final judgment for the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment.

(d) If the indemnification provided for in this Section 8 shall for any reason be unavailable to or insufficient to hold harmless an indemnified party under Section 8(a) or 8(b) in respect of any loss, claim, damage or liability, or any action in respect thereof, referred to therein, then each indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability, or action in respect thereof, (i) in such proportion as shall be appropriate to reflect the relative benefits received by the Issuer, on the one hand, and the Initial Purchasers, on the other, from the offering of the Notes or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Issuer, on the one hand, and the Initial Purchasers, on the other, with respect to the statements or omissions which resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Issuer, on the one hand, and the Initial Purchasers, on the other, with respect to such offering shall be deemed to be in the same proportion as the total net proceeds from the offering of the Notes purchased under this Agreement (before deducting expenses) received by the Issuer, on the one hand, and the total discounts and commissions received by the Initial Purchasers with respect to the Notes purchased under this Agreement, on the other hand, bear to the total gross proceeds from the offering of the Notes under this Agreement, in each case as set forth on the cover page of the Offering Memorandum. The relative fault shall be determined by reference to whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Issuer or the Initial Purchasers, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such statement or omission. The Issuer and the Initial Purchasers agree that it would not be just and equitable if contributions pursuant to this Section 8(d) were to be determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, damage or liability, or action in respect thereof, referred to above in this Section 8(d) shall be deemed to include, for purposes of this Section 8(d), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 8(d), the Initial Purchasers shall not be required to contribute any amount in excess of the amount by which the total price at which the Notes purchased by it were resold to the Eligible Purchasers exceeds the amount of any damages which the Initial Purchaser has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent

misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Initial Purchasers' respective obligations to contribute pursuant to Section 8(d) are several in proportion to the principal amount of Notes set forth opposite their respective names in Schedule A hereto and not joint.

9. Defaulting Initial Purchasers.

If, on the Closing Date, any Initial Purchaser defaults in the performance of its obligations under this Agreement, the remaining non-defaulting Initial Purchasers shall be obligated to purchase the Notes which the defaulting Initial Purchaser agreed but failed to purchase on the Closing Date in the respective proportions which the amount of Notes set opposite the name of each remaining non-defaulting Initial Purchaser in Schedule A hereto bears to the total amount of Notes set opposite the names of all the remaining non-defaulting Initial Purchasers in Schedule A hereto; provided, however, that the remaining non-defaulting Initial Purchasers shall not be obligated to purchase any of the Notes on the Closing Date if the total amount of Notes which the defaulting Initial Purchaser or Initial Purchasers agreed but failed to purchase on such date exceeds 9.09% of the total principal amount of Notes to be purchased on the Closing Date, and any remaining non-defaulting Initial Purchaser shall not be obligated to purchase more than 110% of the amount of Notes which it agreed to purchase on the Closing Date pursuant to the terms of Section 4. If the foregoing maximums are exceeded, the remaining non-defaulting Initial Purchasers shall have the right, but shall not be obligated, to purchase, in such proportion as may be agreed upon among them, all the Notes to be purchased on the Closing Date. If the remaining Initial Purchasers do not elect to purchase the Notes which the defaulting Initial Purchaser or Initial Purchasers agreed but failed to purchase on the Closing Date, this Agreement shall terminate without liability on the part of any non-defaulting Initial Purchaser or the Issuer, except that the Issuer will continue to be liable for the payment of expenses to the extent set forth in Sections 8 and 11. As used in this Agreement, the term "Initial Purchaser" includes, for all purposes of this Agreement unless the context requires otherwise, any party not listed in Schedule A hereto who, pursuant to this Section 9, purchases Notes which a defaulting Initial Purchaser agreed but failed to purchase.

Nothing contained herein shall relieve a defaulting Initial Purchaser of any liability it may have to the Issuer for damages caused by its default. If other Initial Purchasers are obligated or agree to purchase the Notes of a defaulting or withdrawing Initial Purchaser, either Lehman Brothers Inc. or the Issuer may postpone the Closing Date for up to seven full business days in order to effect any changes that in the opinion of counsel for the Issuer or counsel for the Initial Purchasers may be necessary in the Offering Memorandum or in any other document or arrangement.

10. Termination. The obligations of the Initial Purchasers hereunder may be terminated by Lehman Brothers Inc. on behalf of the Initial Purchasers by notice given to and received by the Issuer prior to delivery of and payment for the Notes if, prior to that time, any of the events described in Sections 7(i) or 7(j) shall have occurred, or if the conditions in Section 7(k) shall fail to have been met, or if the Initial Purchasers shall decline to purchase the

Notes for any reason permitted under this Agreement. Such termination shall be without liability of any party to any other party except as provided in Section 6 and 10 and except that Section 1, 8 and 14 shall survive any such termination and remain in full force and effect.

11. Reimbursement of Initial Purchasers' Expenses. If the Issuer shall fail to tender the Notes for delivery to the Initial Purchasers by reason of any failure, refusal or inability on the part of the Issuer to perform any agreement on its part to be performed, or because any other condition of the obligations hereunder required to be fulfilled by the Issuer is not fulfilled other than the conditions set forth in Section 7(j), the Issuer will reimburse the Initial Purchasers for all reasonable out-of-pocket expenses (including fees and disbursements of counsel) incurred by the Initial Purchasers in connection with this Agreement and the proposed purchase of the Notes, and upon demand the Issuer shall pay the full amount thereof to the Initial Purchasers. If this Agreement is terminated pursuant to Section 10 by reason of the default of one or more Initial Purchasers, the Issuer shall not be obligated to reimburse any such Initial Purchaser on account of those expenses.

12. Notices, etc. All statements, requests, notices and agreements hereunder shall be in writing, and:

(a) if to the Initial Purchasers, shall be delivered or sent by mail, telex or facsimile transmission to Lehman Brothers Inc., 745 Seventh Avenue, New York, New York 10019, Attention: Debt Capital Markets, Real Estate Group (Fax: 212-526-0943), with a copy to Lehman Brothers, Inc., 399 Park Avenue, New York, New York 10022, Attention: Office of the General Counsel (Fax: 212-526-2648) and Hogan & Hartson L.L.P., 555 Thirteenth Street, N.W., Washington, D.C. 20004-1109, Attention: J. Warren Gorrell, Jr. & Stuart A. Barr (Fax: 202-637-5910) ; and

(b) if to the Issuer, shall be delivered or sent by mail, telex or facsimile transmission to the address of the Issuer set forth in the Offering Memorandum, Attention: Jeffrey Jorissen (Fax: 248-932-3072), with a copy to Jaffe, Raitt, Heuer & Weiss, P.C., One Woodward Avenue, Suite 2400, Detroit, MI 48226, Attention: Jeffrey M. Weiss (Fax: 313-961-8358).

Any such statements, requests, notices or agreements shall take effect at the time of receipt thereof. The Issuer shall be entitled to act and rely upon any request, consent, notice or agreement given by Lehman Brothers Inc. on behalf of the Initial Purchasers.

13. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the Initial Purchasers, the Issuer and their respective successors. This Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except that (A) the representations, warranties, indemnities and agreements of the Issuer contained in this Agreement shall also be deemed to be for the benefit of the person or persons, if any, who control each Initial Purchaser within the meaning of Section 15 of the Securities Act and (B) the indemnity agreement of the Initial Purchasers contained in Section 8(c) of this Agreement shall be deemed to be for the benefit of directors of the Issuer and any person controlling the Issuer within the meaning of Section 15 of the Securities Act.

Nothing in this Agreement is intended or shall be construed to give any person, other than the persons referred to in this Section 13, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

14. Survival. The respective indemnities, representations, warranties and agreements of the Issuer and each of the Initial Purchasers contained in this Agreement or made by or on behalf on them, respectively, pursuant to this Agreement, shall survive the delivery of and payment for the Notes and shall remain in full force and effect, regardless of any investigation made by or on behalf of any of them or any person controlling any of them.

15. Definition of the Terms "Business Day" and "Subsidiary." For purposes of this Agreement, (a) "business day" means any day on which the New York Stock Exchange, Inc. is open for trading and (b) "subsidiary" has the meaning set forth in Rule 405 of the Rules and Regulations of the Commission under the Securities Act.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of New York without regard to principles of conflicts of laws.

Each party irrevocably agrees that any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby ("Related Proceedings") may be instituted in the federal courts of the United States of America located in the City of New York or the courts of the State of New York in each case located in the Borough of Manhattan in the City of New York (collectively, the "Specified Courts"), and irrevocably submits to the exclusive jurisdiction (except for proceedings instituted in regard to the enforcement of a judgment of any such court (a "Related Judgment"), as to which such jurisdiction is non-exclusive) of such courts in any such suit, action or proceeding. The parties further agree that service of any process, summons, notice or document by mail to such party's address set forth above shall be effective service of process for any lawsuit, action or other proceeding brought in any such court. The parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any lawsuit, action or other proceeding in the Specified Courts, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such lawsuit, action or other proceeding brought in any such court has been brought in an inconvenient forum.

17. Counterparts. This Agreement may be executed in one or more counterparts and, if executed in more than one counterpart, the executed counterparts shall each be deemed to be an original but all such counterparts shall together constitute one and the same instrument.

18. Headings. The headings herein are inserted for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

(Signature Page Follows)

If the foregoing correctly sets forth the agreement between the Issuer and the Initial Purchasers, please indicate your acceptance in the space provided for that purpose below.

Very truly yours,

SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP

By: Sun Communities, Inc., its general partner

By: /s/ Jeffrey P. Jorissen

Name: Jeffrey P. Jorissen
Title: Chief Financial Officer, Executive Vice President, Secretary and Treasurer

Accepted on behalf of all Initial Purchasers:

LEHMAN BROTHERS INC.

By: /s/ Kevin Smith

Authorized Representative

SCHEDULE A

NAME OF INITIAL PURCHASER	PRINCIPAL AMOUNT NOTES
Lehman Brothers Inc.	$131,250,000
A.G. Edwards & Sons, Inc.	$18,750,000
Total	$150,000,000

SCHEDULE B

SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP
$150,000,000 5.75% SENIOR NOTES DUE 2010

1. The initial offering price of the 5.75% Senior Notes due April 15, 2010 shall be 99.521% of the principal amount thereof, plus accrued interest, if any, from the date of issuance.

2. The purchase price to be paid by the Initial Purchasers for the 5.75% Senior Notes due April 15, 2010 shall be 98.921% of the principal amount thereof.

3. The interest rate on the 5.75% Senior Notes due April 15, 2010 shall be 5.834% per annum.

EXHIBIT A

OPINION MATTERS
JAFFE, RAITT, HEUER & WEISS, P.C.

1. Each of the limited liability companies and corporations on Schedule A-I hereto (collectively, the "Subsidiaries") has been duly formed or incorporated and is validly existing under the laws of the State of Michigan. Each of the Subsidiaries is in good standing under the laws of the State of Michigan. Each Subsidiary that is a Michigan limited liability company has the limited liability company power and authority to conduct its business as described in the Offering Memorandum. Each Subsidiary that is a Michigan corporation has the corporate power and authority to conduct its business as described in the Offering Memorandum. All of the equity interests in each Subsidiary have been duly and validly authorized and issued.

2. Other than with respect to Sunchamp LLC, Sun Home Services, Inc. and Origen Financial, L.L.C. all of the issued equity interests of each of the Subsidiaries are owned, directly or indirectly, either by the Issuer or Sun Communities, Inc. ("Sun Communities") and are, to our knowledge, owned by the Issuer or Sun Communities, free and clear of all liens, encumbrances, equities or claims.

3. The Indenture has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery thereof by the trustee, constitutes a valid and binding obligation of the Issuer, and is enforceable against the Issuer in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law).

4. The Notes have been duly authorized by the Issuer and conform in all material respects to the description thereof contained in the Offering Memorandum. The Notes, when issued and authenticated in the manner provided for in the Indenture and delivered against payment of the consideration therefore in accordance with this Agreement, will constitute valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law).

5. Assuming due authorization of the Exchange Notes by the Issuer, when, as and if (i) the Exchange Offer Registration Statement shall have become effective pursuant to the provisions of the Securities Act, (ii) the Indenture shall have been qualified pursuant to the provisions of the Trust Indenture Act of 1939, as amended, (iii) the Notes being exchanged for Exchange Notes shall have been validly tendered to the Issuer, (iv) the Exchange Notes shall have been duly executed, authenticated and issued in accordance with the provisions of

the Indenture and duly delivered to the purchasers thereof in exchange for the Notes, and (v) any legally required consents, approvals, authorizations or other order of the Securities and Exchange Commission or any other regulatory authorities have been obtained, the Exchange Notes will constitute valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law).

6. Assuming the accuracy of your representations and warranties contained in Section 2 of the Agreement, no registration of the Notes under the Securities Act, and no qualification of the Indenture under the Trust Indenture Act, is required for the purchase of the Notes by you or the initial resale of the Notes by you, in each case, in the manner contemplated by the Purchase Agreement and the Offering Memorandum. We express no opinion, however, as to when or under what circumstances any Notes initially sold by you may be reoffered or resold.

7. The Purchase Agreement and the Registration Rights Agreement have been duly authorized, executed and delivered by the Issuer. Assuming due authorization, execution and delivery by the Issuer and the other parties thereto other than the Issuer, the Registration Rights Agreement constitutes a valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law).

8. The issuance and sale of the Notes being delivered on the Closing Date by the Issuer, the execution, delivery and performance of the Purchase Agreement and the other Operative Documents by the Issuer and the compliance by the Issuer with all provisions thereof as of the Closing Date do not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under or violate, (a) any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument listed as an exhibit to the Issuer's annual report on Form 10-K for the fiscal year ended December 31, 2002 filed with the Commission (which, to the knowledge of such counsel, includes all material contracts to which the Issuer is a party), (b) the certificate of limited partnership or partnership agreement of the Issuer, or the limited liability company operating agreement or certificate of incorporation or by-laws, as applicable, of any of its Subsidiaries, or (c) any federal or Michigan statute, law, rule or regulation or, to the knowledge of such counsel, any judgment, order, writ or decree of any U.S. federal or Michigan state court or governmental agency or body having jurisdiction over the Issuer or any of its Subsidiaries or any of their properties or assets.

9. Other than as set forth in the Offering Memorandum, there are no legal or governmental proceedings pending to which the Issuer or any of its Subsidiaries is a party or of which any property or assets of the Issuer or any of its Subsidiaries is the subject which, if determined adversely to the Issuer or any of its Subsidiaries, would have a Material Adverse Effect; and,

to our knowledge, no such proceedings are threatened or contemplated by Michigan governmental authorities or threatened by others.

10. The information in the Offering Memorandum under the headings "Description of the Notes," "Exchange Offer; Registration Rights" and "Certain Transactions", only in so far as they describe the terms of the agreements and securities referred to therein, are accurate and fairly present in all material respects the information required to be shown.

11. The Issuer and each of its subsidiaries that is a partnership are properly classified as partnerships, and not as corporations or as associations taxable as corporations, for federal income tax purposes for the period including the taxable year of the Issuer and each of its subsidiaries ended December 31, 1994 (or, if later, the first taxable year of such partnership) through the date hereof, or, in the case of such subsidiaries that have terminated, through the date of termination of such subsidiaries.

12. Commencing with its taxable year ended December 31, 1994, the General Partner has been organized and has operated in conformity with the requirements for qualification as a REIT under the Internal Revenue Code of 1986, as amended, for each of its taxable years ending December 31, 1994, through December 31, 2002, and the current and proposed organization and method of operation of the General Partner will enable it to continue to meet the requirements for qualification and taxation as a REIT for its taxable year ended December 31, 2003, and thereafter.

13. The statements contained in the Offering Memorandum under the headings "Risk Factors - Tax Risks" and "Certain U.S. Federal Tax Considerations," insofar as they describe federal statutes, rules and regulations or legal conclusions with respect thereto, are correct in all material respects.

14. The Issuer was not required to obtain any consent, approval, authorization or order of a federal or Michigan governmental agency for the execution, delivery and performance as of the Closing Date by the Issuer of the Purchase Agreement, the Indenture or the Registration Rights Agreement, as applicable, or the issuance, delivery and sale of the Notes being issued and sold by the Issuer under the Purchase Agreement except for any such consent, approval, authorization or order which may be required under federal securities laws (certain matters with respect to which are addressed elsewhere in the opinion) and the so-called "Blue Sky" or securities laws of any states (as to which we express no opinion).

15. The Issuer is not and, upon sale of the Notes to be issued and sold in accordance with the Purchase Agreement and the application of the net proceeds to the Issuer of such sale as described in the Offering Memorandum under the caption "Use of Proceeds," will not be an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

16. In giving the opinion required by Section 7(d) of this Agreement, counsel shall additionally state that, while such counsel has not undertaken to determine independently, and does not assume any responsibility for the accuracy, completeness, or fairness of the statements in the

Offering Memorandum (except as otherwise expressly provided elsewhere in this opinion), no facts have come to their attention which cause such counsel to believe that the Offering Memorandum, as of its date, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided that in making the foregoing statements (which shall not constitute an opinion), such counsel need not express any views as to the financial statements and supporting schedules and other financial information and data included in or incorporated by reference in or omitted from the Offering Memorandum.

SCHEDULE A-I
SIGNIFICANT SUBSIDIARIES OF
SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP

NAME	JURISDICTIONS
Sun Home Services, Inc.	MI
Origen Financial L.L.C.	MI
Sun Communities Finance, LLC	MI
Sun Communities Funding LP	MI
Sun Secured Financing LLC	MI
Sunchamp LLC	MI

EXHIBIT 99.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
(Adopted Under Section 906 of the Sarbanes-Oxley Act of 2002)

The undersigned officers, Gary A. Shiffman and Jeffrey P. Jorissen, hereby certify that to the best of their knowledge: (a) this Quarterly Report on Form 10-Q of Sun Communities, Inc., for the quarter ended March 31, 2003, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and (b) the information contained in this Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the issuer.

/s/ Gary A. Shiffman Dated: May 15, 2003

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Gary A. Shiffman, Chief Executive Officer

/s/ Jeffrey P. Jorissen Dated: May 15, 2003

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Jeffrey P. Jorissen, Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Sun Communities, Inc. and will be retained by Sun Communities, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.