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Sun Communities, Inc.

Summary of 2021 Reporting Changes

Sun Communities, Inc. (the "Company") has made certain changes to its financial reporting to better align rental income and property operating and maintenance expenses of its real property operations at the community, resort and marina level. The primary changes are summarized below:

- 'Real property (excluding transient)' revenue includes ‘Home rent’ revenue from the MH rental program. Previously, only ‘Site rent from the MH rental program was included
- 'Real property – transient' revenue includes home rent revenues related to RV vacation rentals previously included in ‘Ancillary’ revenue. Previously, only site rent from RV vacation rentals was included
- 'Property operating and maintenance' expense includes:
  (i) All MH ‘Rental program operating and maintenance' expenses
  (ii) Expenses related to RV vacation rentals previously included in 'Ancillary' expense
- 'Home costs and selling' expense now includes 'Home selling' expenses
- 'Ancillary' revenues and expenses have been renamed 'Service, retail, dining & entertainment' revenues and expenses
- Other minor reclassifications have also been made

The following tables illustrate how amounts included in the Company’s Statements of Operations for the years ended December 31, 2020 and 2019, relating to the primary changes described above, have been recharacterized under the Company’s new reporting presentation.

Statement of Operations - Summary of Changes for the Year Ended December 31, 2020

	Year Ended December 31, 2020		
	Changes (in thousands)		Previously reported as
Revenues			
Real property (excluding transient)	$	**62,550**	Rental home revenue
Real property - transient	$	**37,739**	
		36,933	Ancillary revenue
		806	Real property (excluding transient)
Service, retail, dining and entertainment	$	**96**	Rental home revenue
Expenses			
Property operating and maintenance	$	**27,414**	
		20,392	Rental home operating and maintenance
		7,022	Ancillary expense
Home costs and selling	$	**15,134**	Home selling expense
Other expense, net	$	**1,793**	Rental home operating and maintenance

Statement of Operations - Summary of Changes for the Year Ended December 31, 2019

	Year Ended December 31, 2019		
	Changes (in thousands)		Previously reported as
Revenues			
Real property (excluding transient)	$	**57,572**	Rental home revenue
Real property - transient	$	**32,267**	Ancillary revenue
Expenses			
Property operating and maintenance	$	**26,782**	
		5,466	Ancillary expense
		21,316	Rental home operating and maintenance
Home costs and selling	$	**14,690**	Home selling expense
Other expense, net	$	**679**	Rental home operating and maintenance

Same Community - Summary of Changes

The Company's Same Community reporting methodology has been updated for 2021.

The changes are summarized below:

- Same Community revenues, expenses and NOI[1] will now be reported for:
  - (i) Combined manufactured housing and RV,
  - (ii) Manufactured housing, and
  - (iii) RV
- All MH rental program revenues and expenses are now included in Same Community. Under the previous methodology, only 'Site rent' revenues from the MH rental program were included
- All RV vacation rental related revenues and expenses are now included in Same Community. Under the previous methodology, only site rent associated with RV vacation rentals was included
- Utility expenses included in 'Property operating and maintenance' expenses are now net of all utility related revenues in order to provide a more accurate view of direct property utility costs given the majority of incurred costs are passed through to residents and guests

2021 Same Community – 407 Properties

Had the Company's previous reporting methodology been utilized for the quarter ended March 31, 2021, Same Community NOI[1] growth for the 407 properties would have been 2.9 percent rather than 2.7 percent under the new methodology.

2020 Same Community - 367 Properties

Had the Company's new reporting methodology been utilized in 2020, Same Community NOI[1] growth for the 367 properties would have been 4.4 percent rather than 4.0 percent under the previous methodology.

[1] See Footnote 1 and other information presented in the Company's press release and financial supplement dated April 26, 2021 for information regarding reconciliation of NOI to GAAP measures.