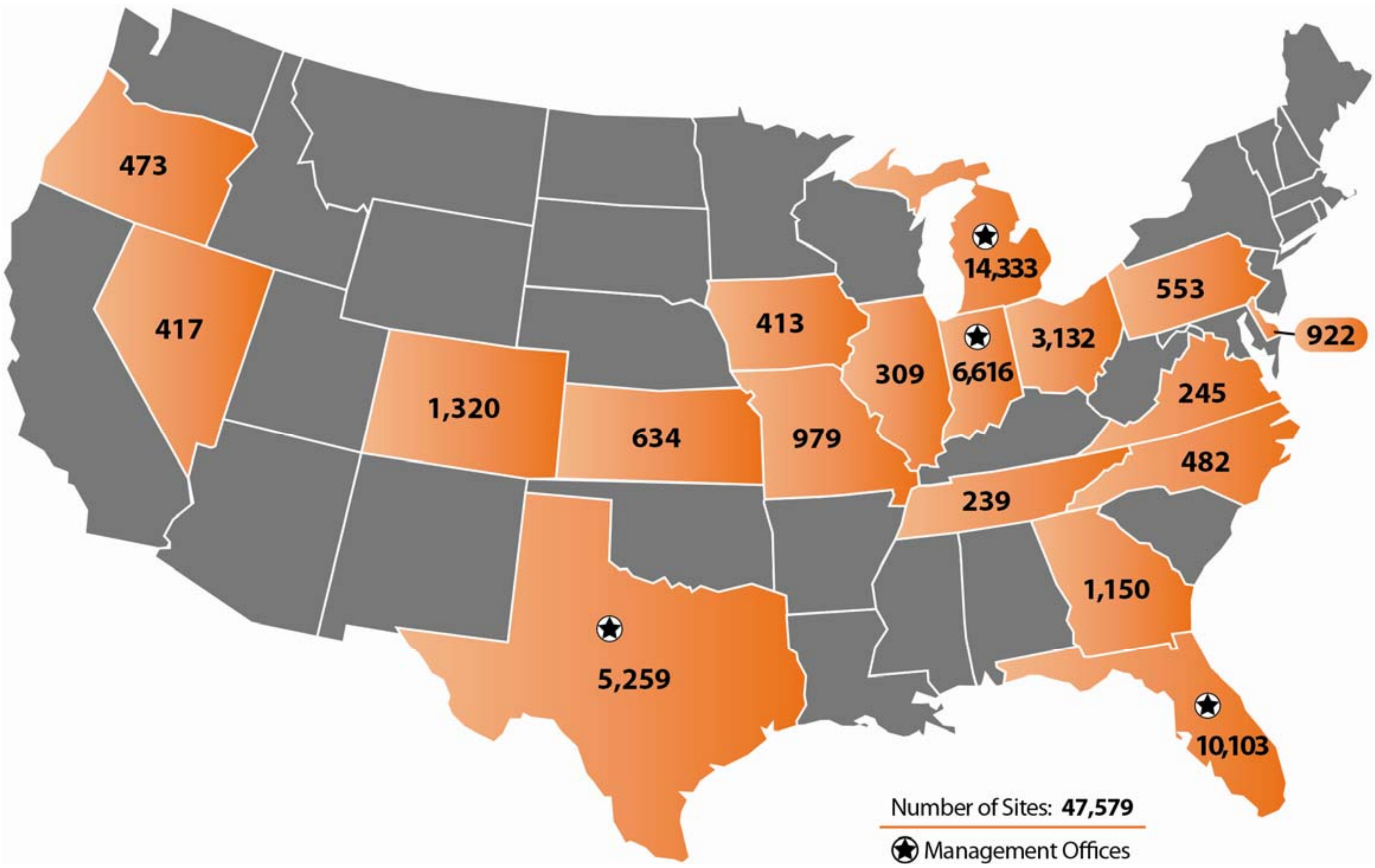
SUN COMMUNITIES, INC.

Supplemental Operating & Financial Data

THIRD QUARTER 2010

Portfolio Overview
(as of September 30, 2010)

SUN COMMUNITIES, INC.



Right where you belong.

Table of Contents

REASEARCH COVERAGE

Benchmark Capital	William Acheson (212) 312-6737 bacheson@benchmarkcap.com
BMO Capital Markets	Paul Adornato (212) 885-4170 paul.adornato@bmo.com
Green Street Advisors	Andy McCulloch (949) 640-8780 amuculloch@greenstreetadvisors.com
Keefe, Bruyette, & Woods	Haendel St. Juste (212) 887-3842 hstjuste@kbw.com
Wells Fargo	Todd Stender (212) 214-8067 todd.stender@wachovia.com

INQUIRIES

Sun Communities welcomes questions or comments from stockholders, analysts, investment managers, media, or any prospective investor. Please address all inquires to our investor relations department.

At Our Website	www.suncommunities.com
By Phone	(248) 208-2500
By Facsimile	(248) 208-2645
By Mail	Sun Communities, Inc. Investor Relations 27777 Franklin Road, Ste. 200 Southfield, MI 48034

Balance Sheets
(amounts in thousands)

SUN COMMUNITIES, INC.

	Quarter Ended				
	09/30/10	06/30/10	03/31/10	12/31/09	09/30/09
ASSETS:					
Real Estate					
Land	$ 116,363	$ 116,266	$ 116,266	$ 116,266	$ 116,266
Land improvements and buildings	1,189,587	1,186,677	1,184,827	1,183,613	1,184,893
Rental homes and improvements	204,727	203,159	203,337	203,435	199,677
Furniture, fixtures and equipment	36,131	35,883	35,579	35,400	34,523
Land held for future development	26,889	26,986	26,986	26,986	26,986
Gross investment property	1,573,697	1,568,971	1,566,995	1,565,700	1,562,345
Accumulated depreciation	(536,612)	(525,344)	(514,022)	(501,395)	(489,495)
Net investment property	1,037,085	1,043,627	1,052,973	1,064,305	1,072,850
Cash and cash equivalents	4,706	5,618	8,054	4,496	5,079
Notes and other receivables	16,887	16,417	22,834	21,829	24,868
Collateralized receivables, net [(1)]	68,795	66,296	55,111	52,201	44,913
Inventory of manufactured homes	2,243	2,457	2,698	3,934	3,683
Investment in affiliates	-	69	827	1,646	2,428
Other assets	34,346	32,940	30,832	32,954	35,384
Total assets	$ 1,164,062	$ 1,167,424	$ 1,173,329	$ 1,181,365	$ 1,189,205
LIABILITIES AND STOCKHOLDERS DEFICIT:					
Liabilities					
Lines of credit	$ 91,910	$ 85,581	$ 98,525	$ 94,465	$ 88,883
Secured borrowing [(1)]	69,018	66,494	55,283	52,368	45,056
Mortgage loans payable	1,047,719	1,051,220	1,054,657	1,058,127	1,061,643
Preferred operating units	48,022	48,022	48,022	48,947	48,947
Other liabilities	38,433	39,081	35,178	38,766	40,133
Total liabilities	1,295,102	1,290,398	1,291,665	1,292,673	1,284,662
Stockholders' Deficit					
Common stock	214	212	208	206	206
Paid in capital	485,999	478,810	467,146	463,811	463,608
Officer's notes	(2,912)	(3,065)	(3,217)	(5,028)	(5,163)
Unrealized loss on interest rate swaps	(2,772)	(2,538)	(2,246)	(1,858)	(2,108)
Distributions in excess of accumulated earnings	(536,866)	(523,292)	(508,890)	(498,370)	(483,666)
Treasury stock at cost	(63,600)	(63,600)	(63,600)	(63,600)	(63,600)
Total SUI stockholders' deficit	(119,937)	(113,473)	(110,599)	(104,839)	(90,723)
Noncontrolling interests	(11,103)	(9,501)	(7,737)	(6,469)	(4,734)
Total stockholders' deficit	(131,040)	(122,974)	(118,336)	(111,308)	(95,457)
Total liabilities and stockholders' deficit	$ 1,164,062	$ 1,167,424	$ 1,173,329	$ 1,181,365	$ 1,189,205
Common OP units outstanding	2,107	2,111	2,115	2,140	2,178
Number of shares outstanding	19,599	19,353	18,987	18,833	18,795

Debt Analysis
(amounts in thousands)

SUN COMMUNITIES, INC.

	Quarter Ended				
	09/30/10	**06/30/10**	**03/31/10**	**12/31/09**	**09/30/09**
DEBT OUTSTANDING					
Lines of credit	$ 91,910	$ 85,581	$ 98,525	$ 94,465	$ 88,883
Mortgage loans payable	1,047,719	1,051,220	1,054,657	1,058,127	1,061,643
Preferred operating units	48,022	48,022	48,022	48,947	48,947
Secured borrowing (1)	69,018	66,494	55,283	52,368	45,056
Total debt	$ 1,256,669	$ 1,251,317	$ 1,256,487	$ 1,253,907	$ 1,244,529
% FIXED/FLOATING					
Fixed	80.89 %	81.29 %	80.31 %	80.58 %	80.85 %
Floating	19.11 %	18.71 %	19.69 %	19.42 %	19.15 %
Total	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
WEIGHTED AVERAGE INTEREST RATES					
Lines of credit	2.51 %	2.64 %	2.10 %	2.25 %	2.19 %
Mortgage loans payable	4.79 %	4.79 %	4.78 %	4.78 %	4.81 %
Preferred operating units	6.86 %	6.84 %	6.82 %	6.84 %	6.84 %
Average before secured borrowing	4.70 %	4.72 %	4.64 %	4.66 %	4.70 %
Secured borrowing (1)	11.28 %	11.22 %	11.05 %	10.94 %	10.78 %
Total average	5.06 %	5.06 %	4.92 %	4.92 %	4.92 %
DEBT RATIOS					
Debt/Total Capitalization	65.3 %	69.2 %	70.3 %	75.2 %	73.4 %
Debt/Gross Assets	73.9 %	73.9 %	74.5 %	74.5 %	74.1 %
COVERAGE RATIOS					
EBITDA/ Mortgage Interest (2)	2.1	2.0	2.3	2.1	2.1
EBITDA/Mortgage Interest + Pref. Distributions (2)	2.0	1.9	2.2	2.0	2.0

MATURITIES/PRINCIPAL AMORTIZATION NEXT FIVE YEARS	**Oct 2010 - Dec 2010**	**2011**	**2012**	**2013**	**2014**
Lines of credit	$ -	$ 82,910	$ -	$ -	$ -
Mortgage loans payable:					
Maturities	-	103,708	31,577	26,818	480,894
Principal amortization	3,632	13,887	13,040	13,260	8,457
Preferred operating units	370	-	4,300	3,345	4,225
Secured borrowing (1)	647	2,764	3,070	3,349	3,664
Total	$ 4,649	$ 203,269	$ 51,987	$ 46,772	$ 497,240

Statements of Operations
(amounts in thousands except for per share data)

SUN COMMUNITIES, INC.

	Quarter Ended				
	09/30/10	06/30/10	03/31/10	12/31/09	09/30/09
REVENUES:					
Income from real property	$ 50,169	$ 49,948	$ 52,007	$ 50,751	$ 48,597
Gross profit from home sales	2,004	2,365	1,793	2,439	2,387
Rental revenues, net	971	1,458	1,456	1,146	1,198
Other income (loss)	1,348	957	1,475	(545)	446
Total revenues	54,492	54,728	56,731	53,791	52,628
EXPENSES:					
Property operating and maintenance	13,942	13,105	13,040	12,535	13,249
Real estate taxes	3,813	4,183	4,180	4,387	3,848
General and administrative	5,281	7,480	5,423	6,814	5,577
Georgia flood damage	-	-	-	-	800
Total expenses	23,036	24,768	22,643	23,736	23,474
EBITDA [(3)]	31,456	29,960	34,088	30,055	29,154
Interest expense and preferred distributions	(16,494)	(16,274)	(15,922)	(16,177)	(15,948)
Depreciation and amortization	(16,468)	(16,404)	(16,573)	(17,051)	(15,841)
Provision for state income tax	(143)	(129)	(132)	(31)	(103)
Income (loss) from continuing operations	(1,649)	(2,847)	1,461	(3,204)	(2,738)
Income (loss) from discontinued operations	-	-	-	(72)	177
NET INCOME (LOSS)	(1,649)	(2,847)	1,461	(3,276)	(2,561)
Noncontrolling interests allocation	246	398	(124)	391	526
NET INCOME (LOSS) ATTRIBUTABLE TO SUI	(1,403)	(2,449)	1,337	(2,885)	(2,035)
Depreciation and amortization	16,945	16,808	17,034	17,524	16,329
Benefit for state income tax	-	(13)	(11)	(42)	(42)
Loss (gain) on disposition of assets, net	(490)	(806)	(849)	501	(1,237)
Noncontrolling interests allocation	(246)	(398)	124	(391)	(526)
FUNDS FROM OPERATIONS [(3)]	14,806	13,142	17,635	14,707	12,489
Equity affiliate adjustment	19	808	819	443	836
Georgia flood damage	-	-	-	-	800
MBT tax adjustment	-	-	(740)	740	-
Origen LLC impairment charge	-	-	-	322	-
ADJUSTED FUNDS FROM OPERATIONS [(3)]	14,825	13,950	17,714	16,212	14,125
Recurring capital expenditures	(2,184)	(1,874)	(895)	(1,859)	(2,023)
FUNDS AVAILABLE FOR DISTRIBUTION ("FAD") [(3)]	$ 12,641	$ 12,076	$ 16,819	$ 14,353	$ 12,102
FFO PER SHARE/UNIT - DILUTED [(3)]	$ 0.69	$ 0.62	$ 0.84	$ 0.70	$ 0.60
ADJUSTED FFO PER SHARE/UNIT – DILUTED [(3)]	$ 0.69	$ 0.66	$ 0.84	$ 0.77	$ 0.68
FAD PER SHARE/UNIT - DILUTED [(3)]	$ 0.59	$ 0.57	$ 0.80	$ 0.68	$ 0.58
DISTRIBUTION PER SHARE/UNIT	$ 0.63	$ 0.63	$ 0.63	$ 0.63	$ 0.63
PAYOUT RATIO	107.0%	110.2%	78.6%	92.1%	108.2%
WEIGHTED AVG. SHARES/UNITS - BASIC	21,570	21,301	20,981	20,973	20,856
WEIGHTED AVG. SHARES/UNITS - DILUTED	21,581	21,312	20,984	20,973	20,856

Reconciliation of Net Loss to Funds From Operations
(amounts in thousands except for per share data)

SUN COMMUNITIES, INC.

	Three Months Ended		Nine Months Ended	
	09/30/10	09/30/09	09/30/10	09/30/09
Net loss	$ (1,649)	$ (2,561)	$ (3,035)	$ (4,107)
Adjustments:				
Depreciation and amortization	16,945	16,329	50,787	49,364
Benefit for state income taxes [4]	-	(42)	(24)	(55)
Gain on disposition of assets, net	(490)	(1,237)	(2,145)	(3,933)
Funds from operations (FFO) [3]	$ 14,806	$ 12,489	$ 45,583	$ 41,269
Weighted average Common Shares/OP Units outstanding:				
Basic	21,570	20,856	21,284	20,787
Diluted	21,581	20,856	21,291	20,787
FFO[3] per weighted average Common Share/OP Unit - Basic	$ 0.69	$ 0.60	$ 2.15	$ 1.99
FFO[3] per weighted average Common Share/OP Unit - Diluted	$ 0.69	$ 0.60	$ 2.15	$ 1.99

The table below adjusts FFO [3] for certain items as detailed below.

	Three Months Ended		Nine Months Ended	
	09/30/10	09/30/09	09/30/10	09/30/09
Net loss	$ (1,649)	$ (2,561)	$ (3,035)	$ (4,107)
Michigan Business tax reversal	-	-	(740)	-
Georgia flood damage	-	800	-	800
Equity affiliate adjustment	19	836	1,646	1,211
Adjusted net loss	(1,630)	(925)	(2,129)	(2,096)
Depreciation and amortization	16,945	16,329	50,787	49,364
Benefit for state income taxes [4]	-	(42)	(24)	(55)
Gain on disposition of assets, net	(490)	(1,237)	(2,145)	(3,933)
Adjusted funds from operations (FFO) [3]	$ 14,825	$ 14,125	$ 46,489	$ 43,280
Adjusted FFO [3] per weighted avg. Common Share/OP Unit - Diluted	$ 0.69	$ 0.68	$ 2.19	$ 2.08

Statement of Operations – Same Site

(amounts in thousands except for other information)

SUN COMMUNITIES, INC.

	Three Months Ended				Nine Months Ended			
	09/30/10	09/30/09	Change	% Change	09/30/10	09/30/09	Change	% Change
REVENUES:								
Income from real property	$ 47,242	$ 45,915	$ 1,327	2.9 %	$ 143,603	$ 140,405	$ 3,198	2.3 %
PROPERTY OPERATING EXPENSES:								
Payroll and benefits	4,289	4,302	(13)	-0.3 %	12,045	11,757	288	2.4 %
Legal, taxes, & insurance	759	706	53	7.5 %	2,136	2,370	(234)	-9.9 %
Utilities	2,620	2,641	(21)	-0.8 %	8,792	9,150	(358)	-3.9 %
Supplies and repair	2,350	2,100	250	11.9 %	5,953	5,351	602	11.3 %
Other	997	818	179	21.9 %	2,640	2,325	315	13.5 %
Real estate taxes	3,813	3,848	(35)	-0.9 %	12,176	12,150	26	0.2 %
Property operating expenses	14,828	14,415	413	2.9 %	43,742	43,103	639	1.5 %
NET OPERATING INCOME ("NOI")[3]	$ 32,414	$ 31,500	$ 914	2.9 %	$ 99,861	$ 97,302	$ 2,559	2.6 %

	As of September 30,		
OTHER INFORMATION	2010	2009	Change
Number of properties	136	136	-
Developed sites	47,579	47,587	(8)
Occupied sites [5]	38,445	37,954	491
Occupancy % [5]	84.5 %	83.5 %	1.0 %
Weighted average monthly rent per site [6]	$ 412	$ 402	10
Sites available for development	5,574	5,583	(9)

Rental Program Summary

(amounts in thousands except for *)

	Three Months Ended				Nine Months Ended			
	09/30/10	09/30/09	Change	% Change	09/30/10	09/30/09	Change	% Change
REVENUES:								
Rental home revenue	$ 5,135	$ 5,062	$ 73	1.4 %	$ 15,266	$ 15,449	$ (183)	-1.2 %
Site rent included in income from real property	7,164	6,738	426	6.3 %	21,298	19,861	1,437	7.2 %
Rental program revenue	12,299	11,800	499	4.2 %	36,564	35,310	1,254	3.6 %
EXPENSES:								
Payroll and commissions	453	556	(103)	-18.5 %	1,391	1,935	(544)	-28.1 %
Repairs and refurbishment	2,122	1,761	361	20.5 %	5,470	5,729	(259)	-4.5 %
Taxes and insurance	807	777	30	3.9 %	2,402	2,323	79	3.4 %
Marketing and other	782	770	12	1.6 %	2,118	2,436	(318)	-13.1 %
Rental program operating and maintenance	4,164	3,864	300	7.8 %	11,381	12,423	(1,042)	-8.4 %
NET OPERATING INCOME ("NOI") [3]	$ 8,135	$ 7,936	$ 199	2.5 %	$ 25,183	$ 22,887	$ 2,296	10.0 %

Occupied rental home information as of September 30, 2010 and 2009:

Number of occupied rentals, end of period*	5,998	5,749	249	4.3 %
Investment in occupied rental homes	$ 193,324	$ 180,118	$ 13,206	7.3 %
Number of sold rental homes*	585	531	54	10.2 %
Weighted average monthly rental rate*	$ 731	$ 726	$ 5	0.7 %

Property Summary
(includes MH and Perm RV's)

SUN COMMUNITIES, INC.

COMMUNITIES	Quarter Ended 09/30/10	06/30/10	03/31/10	12/31/09	09/30/09
MICHIGAN					
Communities	47	47	47	47	47
Sites for development	1,153	1,153	1,153	1,153	1,153
Developed sites	14,333	14,333	14,333	14,333	14,333
Occupied	11,361	11,359	11,270	11,220	11,336
Occupancy %	79.3%	79.3%	78.6%	78.3%	79.1%
FLORIDA (5)					
Communities	19	19	19	19	19
Sites for development	226	226	240	240	250
Developed sites	8,622	8,622	8,627	8,614	8,598
Occupied	8,544	8,549	8,550	8,548	8,534
Occupancy %	99.1%	99.2%	99.1%	99.2%	99.3%
INDIANA					
Communities	18	18	18	18	18
Sites for development	519	519	519	519	518
Developed sites	6,616	6,616	6,616	6,616	6,618
Occupied	4,413	4,423	4,405	4,349	4,371
Occupancy %	66.7%	66.9%	66.6%	65.7%	66.0%
OHIO					
Communities	11	11	11	11	11
Sites for development	135	135	135	135	135
Developed sites	3,132	3,132	3,132	3,132	3,132
Occupied	2,721	2,712	2,700	2,692	2,689
Occupancy %	86.9%	86.6%	86.2%	86.0%	85.9%
TEXAS (5)					
Communities	17	17	17	17	17
Sites for development	3,092	3,092	3,092	3,092	3,078
Developed sites	4,706	4,706	4,696	4,688	4,696
Occupied	4,370	4,312	4,262	4,180	4,101
Occupancy %	92.9%	91.6%	90.8%	89.2%	87.3%
COLORADO					
Communities	4	4	4	4	4
Sites for development	588	588	588	588	588
Developed sites	1,320	1,299	1,299	1,299	1,299
Occupied	1,158	1,132	1,125	1,107	1,080
Occupancy %	87.7%	87.1%	86.6%	85.2%	83.1%

Property Summary – continued
(includes MH and Perm RV's)

SUN COMMUNITIES, INC.

COMMUNITIES	Quarter Ended 09/30/10	06/30/10	03/31/10	12/31/09	09/30/09
OTHER STATES (5)					
Communities	20	20	20	20	20
Sites for development	359	359	359	359	359
Developed sites	6,793	6,793	6,788	6,788	6,785
Occupied	5,878	5,882	5,865	5,839	5,843
Occupancy %	86.5%	86.6%	86.4%	86.0%	86.1%
TOTAL - PORTFOLIO					
Communities	136	136	136	136	136
Sites for development	6,072	6,072	6,086	6,086	6,081
Developed sites	45,522	45,501	45,491	45,470	45,461
Occupied	38,445	38,369	38,177	37,935	37,954
Occupancy %	84.5%	84.3%	83.9%	83.4%	83.5%
SEASONAL RV PORTFOLIO SUMMARY					
States					
Florida	1,481	1,481	1,478	1,491	1,505
Texas	553	552	562	571	577
Delaware	23	30	35	40	44
Total seasonal RV sites	2,057	2,063	2,075	2,102	2,126

Capital Improvements, Development, and Acquisitions
(amounts in thousands except for *)

	Recurring Capital Expenditures Average/Site*	Recurring Capital Expenditures (7)	Lot Modifications (8)	Acquisitions (9)	Expansion & Development (10)	Revenue Producing (11)
2008	$ 162	$ 7,707	$ 3,435	$ -	$ 1,292	$ 825
2009	$ 152	$ 7,241	$ 2,851	$ -	$ 1,057	$ 1,711
As of 9/30/10	$ 104	$ 4,953	$ 1,548	$ -	$ 2,109	$ 699

Operating Statistics for Manufactured Homes and Permanent RV's

MARKETS	Resident Move-outs (12)	Net Leased Sites	New Home Sales	Pre-owned Home Sales	Brokered Resales
Michigan	309	141	1	347	24
Florida	35	(4)	15	38	154
Indiana	96	64	-	135	12
Ohio	48	29	1	81	7
Texas	46	190	4	210	10
Other states	119	90	8	235	31
YTD ended September 30, 2010	653	510	29	1,046	238

TOTAL FOR YEAR ENDED	Resident Move-outs (12)	Net Leased Sites	New Home Sales	Pre-owned Home Sales	Brokered Resales
2009	1,049	224	71	1,045	348
2008	1,018	(47)	122	843	341
2007	1,200	(148)	76	636	394
2006	1,250	(500)	121	371	539
2005	1,252	103	179	246	593
2004	1,228	(709)	180	357	683
2003	1,437	(895)	257	283	626
2002	1,386	(158)	286	174	592
2001	1,212	171	438	327	584
2000	847	299	416	182	863

PERCENTAGE TRENDS	Resident Move-outs (12)	Resident Resales
As of 09/30/2010	2.3%	5.2%
2009	2.8%	4.9%
2008	2.7%	5.8%
2007	3.2%	6.5%
2006	3.3%	7.7%
2005	3.3%	8.4%
2004	3.3%	8.1%
2003	4.0%	7.8%
2002	3.9%	7.5%
2001	3.4%	7.4%
2000	2.4%	8.6%

(1) This is a transferred asset transaction which has been classified as collateralized receivables and the cash received from this transaction has been classified as a secured borrowing. The interest income and interest expense accrue at the same rate/amount.

(2) The coverage ratios have been adjusted to exclude the equity gain (loss) from affiliate related to our investment in Origen Financial, Inc., Georgia flood damage charges, Michigan Business Tax adjustment, and the Origen LLC impairment charge. See Statement of Operations on page 7 for detailed amounts.

(3) Investors in and analysts following the real estate industry utilize funds from operations ("FFO"), net operating income ("NOI"), EBITDA and funds available for distribution ("FAD") as supplemental performance measures. We believe FFO, NOI, EBITDA and FAD are appropriate measures given their wide use by and relevance to investors and analysts. FFO, reflecting the assumption that real estate values rise or fall with market conditions, principally adjusts for the effects of GAAP depreciation/amortization of real estate assets. 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. EBITDA provides a further tool to evaluate ability to incur and service debt and to fund dividends and other cash needs. FAD provides information to evaluate our ability to fund dividends. In addition, FFO, NOI, EBITDA and FAD are commonly used in various ratios, pricing multiples/yields and returns and valuation calculations used to measure financial position, performance and value.

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

Because FFO excludes significant economic components of net income (loss) including depreciation and amortization, FFO should be used as an adjunct to net income (loss) and not as an alternative to net income (loss). The principal limitation of FFO is that it does not represent cash flow from operations as defined by GAAP and is a supplemental measure of performance that does not replace net income (loss) as a measure of performance or net cash provided by operating activities as a measure of liquidity. In addition, FFO is not intended as a measure of a REIT's ability to meet debt principal repayments and other cash requirements, nor as a measure of working capital. FFO only provides investors with an additional performance measure that, when combined with measures computed in accordance with GAAP such as net income (loss), cash flow from operating activities, investing activities and financing activities, provide investors with an indication of our ability to service debt and to fund acquisitions and other expenditures. Management also uses an Adjusted Funds from Operations ("Adjusted FFO") non-GAAP financial measure, which excludes certain gain and loss items that management considers unrelated to the operational and financial performance of our core business. We believe that Adjusted FFO provides investors with another financial measure of our operating performance that is more comparable when evaluating period over period results. Other REITs may use different methods for calculating FFO and Adjusted FFO and, accordingly, our FFO and Adjusted FFO may not be comparable to other REITs.

NOI is derived from revenues minus property operating expenses and real estate taxes. NOI does not represent cash generated from operating activities in accordance with GAAP and should not be considered to be an alternative to net income (loss) (determined in accordance with GAAP) as an indication of our financial performance or to be an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of our liquidity; nor is it indicative of funds available for our cash needs, including its ability to make cash distributions. We believe that net income (loss) is the most directly comparable GAAP measurement to NOI. Because of the inclusion of items such as interest, depreciation, and amortization, the use of net income (loss) as a performance measure is limited as these items may not accurately reflect the actual change in market value of a property, in the case of depreciation and in the case of interest, may not necessarily be linked to the operating performance of a real estate asset, as it is often incurred at a parent company level and not at a property level. We believe that NOI is helpful to investors as a measure of operating performance because it is an indicator of the return on property investment, and provides a method of comparing property performance over time. We use NOI as a key management tool when evaluating performance and growth of particular properties and/

or groups of properties. The principal limitation of NOI is that it excludes depreciation, amortization and non-property specific expenses such as general and administrative expenses, all of which are significant costs, and therefore, NOI is a measure of the operating performance of the properties of the Company rather than of the Company overall.

EBITDA is defined as NOI plus other income, plus (minus) equity earnings (loss) from affiliates, minus general and administrative expenses. EBITDA includes EBITDA from discontinued operations. FAD is defined as Adjusted FFO minus recurring capital expenditures. Recurring capital expenditures are those expenditures necessary to maintain asset quality, including major road, driveway and pool repairs, and clubhouse renovations and adding or replacing street lights, playground equipment, signage and maintenance facilities.

FFO, NOI, EBITDA and FAD do not represent cash generated from operating activities in accordance with GAAP and are not necessarily indicative of cash available to fund cash needs, including the repayment of principal on debt and payment of dividends and distributions. FFO, NOI, EBITDA, and FAD should not be considered as alternatives to net income (loss) (calculated in accordance with GAAP) for purposes of evaluating our operating performance, or cash flows (calculated in accordance with GAAP) as a measure of liquidity. FFO, NOI, EBITDA and FAD as calculated by us may not be comparable to similarly titled, but differently calculated, measures of other REITs or to the definition of FFO published by NAREIT.

(4) The tax benefit for the three and nine months ended September 30, 2010 and 2009 represents the reversal of a tax provision for potential taxes payable on the sale of company assets related to the enactment of the Michigan Business Tax. These taxes do not impact FFO and would be payable from prospective proceeds from the sale of such assets.

(5) Includes manufactured housing and permanent recreational vehicle sites, and excludes seasonal recreational vehicle sites.

(6) Average rent relates only to manufactured housing sites, and excludes permanent and seasonal recreational vehicle sites.

(7) Includes capital expenditures necessary to maintain asset quality, including purchasing and replacing assets used to operate the community. These capital expenditures include major road, driveway, and pool repairs, clubhouse renovations, and adding or replacing street lights, playground equipment, signage, maintenance facilities, manager housing and property vehicles. The minimum capitalizable amount or project is five hundred dollars. In addition, $3.4 million and $4.8 million for refurbishment costs related to leased homes has been expensed for the nine months ended September 30, 2010 and the twelve months ended December 31, 2009, respectively.

(8) Includes capital expenditures which improve the asset quality of the community. These costs are incurred when an existing older home moves out, and the site is prepared for a new home, more often than not, a multi-sectional home. These activities which are mandated by strict manufacturer’s installation requirements and State building code include new foundations, driveways, and utility upgrades. The new home will be in the community for 30 to 40 years and these costs are depreciated over a 30 year life.

(9) Acquisitions represent the purchase price of existing operating communities and land parcels to develop expansions or new communities. Acquisitions also include deferred maintenance identified during due diligence and those capital improvements necessary to bring the community up to Sun’s standards. These include upgrading clubhouses, landscaping, new street light systems, new mail delivery systems, pool renovation including larger decks, heaters, and furniture, new maintenance facilities, and new signage including main signs and internal road signs. These are considered acquisition costs and although identified during due diligence, they sometimes require six to twelve months after closing to complete.

(10) The Company has invested approximately $2.1 million for the nine months ended September 30, 2010, in its development communities consisting primarily of costs necessary to complete home site improvements such as driveways, sidewalks, piers, pads, and runners.

(11) These are capital costs related to revenue generating activities, consisting primarily of garages, sheds, and sub-metering of water and sewer. Occasionally, a special capital project requested by residents and accompanied by an extra rental increase will be classified as revenue producing.

(12) Move outs listed for 2004-9/2010 exclude move outs by finance companies.