

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report: October 3, 2012
(Date of earliest event reported)

SUN COMMUNITIES, INC.
(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of incorporation)

1-12616

(Commission File Number)

38-2730780

(IRS Employer Identification No.)

27777 Franklin Rd.
Suite 200

Southfield, Michigan

(Address of Principal Executive Offices)

48034

(Zip Code)

(248) 208-2500

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

Acquisition Agreement

On October 3, 2012, Sun Communities Operating Limited Partnership (“SCOLP”), the primary operating subsidiary of Sun Communities, Inc. (the “Company”), entered into a Contribution Agreement with Rudgate Silver Springs Company, L.L.C., Rudgate West Company Limited Partnership, Rudgate East Company Limited Partnership, Rudgate East Company II Limited Partnership and Rudgate Hunters Crossing, LLC (collectively the “Sellers”). Under the Contribution Agreement, the Sellers will (i) contribute four manufactured home communities to newly-formed limited liability companies and (ii) sell 100% of the membership interests in the new limited liability companies to SCOLP. The communities are located in southeast Michigan and in the aggregate include 1,996 manufactured home sites. The aggregate purchase price for the communities is \$70.8 million, subject to certain adjustments. The purchase price will be paid by the indirect assumption of approximately \$15.7 million in mortgage debt secured by the communities and the payment of approximately \$55.1 million in cash, subject to certain adjustments. At the closing, SCOLP intends to enter into a \$21.7 million mortgage loan secured by one of the communities.

At the closing, SCOLP and one of its subsidiaries will acquire all of the manufactured homes located in the communities that are owned by the Sellers and their affiliates, as well as all promissory notes and installment sale contracts that are owned by the Sellers and their affiliates and secured by manufactured homes located in the communities, for cash in an aggregate amount equal to the Sellers’ costs to acquire, refurbish and install the homes plus the outstanding principal balance then due under the promissory notes and installment loan contracts.

The closing of the acquisition is subject to the consent of the holder of the debt to be assumed, the closing of the senior and mezzanine loans described below and the satisfaction of customary closing conditions. If these contingencies are satisfied, the Company expects the acquisition to close no later than November 30, 2012.

The foregoing description is qualified in its entirety by reference to the Contribution Agreement that is attached hereto as Exhibit 10.1, which is incorporated by reference herein. The schedules and exhibits to the Contribution Agreement have not been filed with Exhibit 10.1 because such schedules and exhibits do not contain information which is material to an investment decision or which is not otherwise disclosed in the Contribution Agreement. The Contribution Agreement contains a list briefly identifying the contents of all omitted schedules and exhibits. The Company hereby agrees to furnish supplementally a copy of any such omitted schedule or exhibit to the Securities and Exchange Commission upon request.

Mezzanine Loan Commitment

In addition, on October 3, 2012, Sun Rudgate Lender LLC, a subsidiary of SCOLP, entered into a commitment letter with Rudgate Village Company Limited Partnership, Rudgate Clinton Company Limited Partnership and Rudgate Clinton Estates L.L.C. (collectively, the “Borrowers”) and certain guarantors, under which Sun Rudgate Lender LLC will make a mezzanine loan to the Borrowers in respect of two manufactured home communities owned by the Borrowers. These communities are located in southeast Michigan and in the aggregate include approximately 1,598 manufactured home sites.

The Borrowers expect to obtain a first mortgage loan on these communities from a senior lender. The amount of the senior loan is expected to be approximately \$45.9 million. The interest rate on the senior loan will be a fixed rate equal to the greater of a market rate as of the closing date plus a spread or a minimum rate. Based on current market rates, the interest rate would be 4.80% per annum. It is a condition to the closing of the senior loan that SCOLP guarantee certain customary non-recourse carveouts under the senior loan.

The mezzanine loan will be for an amount equal to the difference between \$60.7 million and the amount of the net proceeds received by the Borrowers upon the closing of the senior loan, plus certain closing costs. The amount of the mezzanine loan is estimated to be approximately \$15.3 million. The unpaid principal owing under the mezzanine loan will bear interest at a rate of 24% per annum and the minimum cash payment

rate on the accrued interest will be 2% per annum. Interest will be payable monthly. Interest that accrues but is not paid currently will be paid-in-kind under a separate note. All principal and interest due under the mezzanine loan will be due on the tenth anniversary of the closing. The mezzanine loan will be non-recourse to the Borrowers, subject to certain carveouts, and may not be prepaid for seven years, and then only is prepayable upon the payment of certain fees.

The Borrowers will engage a subsidiary of SCOLP to manage the communities pursuant to management agreements between such parties. The manager will have broad authority to manage the communities under the management agreements. The manager will be paid a monthly property management fee equal to 3% of the revenue from each community and a monthly asset management fee equal to 4% of the revenue from each community.

The closing of the mezzanine loan is subject to the closing of acquisition described above and the senior loan and the satisfaction of customary closing conditions. If these contingencies are satisfied, the Company expects the mezzanine loan to close no later than November 30, 2012.

The foregoing description is qualified in its entirety by reference to the loan commitment letter that is attached hereto as Exhibit 10.2, which is incorporated by reference herein.

Item 8.01 Other Events

On October 9, 2012, the Company issued a press release announcing the transactions described in Item 1.01 above. A copy of the press release is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Contribution Agreement dated October 3, 2012, among Sun Communities Operating Limited Partnership, Rudgate Silver Springs Company, L.L.C., Rudgate West Company Limited Partnership, Rudgate East Company Limited Partnership, Rudgate East Company II Limited Partnership and Rudgate Hunters Crossing, LLC
10.2	Loan commitment letter dated October 3, 2012, among Sun Rudgate Lender LLC, Rudgate Village Company Limited Partnership, Rudgate Clinton Company Limited Partnership and Rudgate Clinton Estates L.L.C and certain guarantors named therein
99.1	Press release dated October 9, 2012

SIGNATURES

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

SUN COMMUNITIES, INC.

Dated: October 9, 2012

By: /s/ Karen J. Dearing

Karen J. Dearing, Executive Vice President,
Chief Financial Officer, Secretary and Treasurer

EXHIBIT INDEX

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CONTRIBUTION AGREEMENT

THIS CONTRIBUTION AGREEMENT is made and entered into this 3rd day of October, 2012, by and among RUDGATE SILVER SPRINGS COMPANY, L.L.C., a Michigan limited liability company, RUDGATE WEST COMPANY LIMITED PARTNERSHIP, a Michigan limited partnership, RUDGATE EAST COMPANY LIMITED PARTNERSHIP, a Michigan limited partnership, RUDGATE EAST COMPANY II LIMITED PARTNERSHIP, a Michigan limited partnership, and RUDGATE HUNTERS CROSSING, LLC, a Michigan limited liability company (each a "Contributor" and collectively the "Contributors"), and SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership ("SCOLP").

RECITALS:

A. Each Contributor is the owner of a certain parcel of real property described on Exhibit A, which is operated and used as a manufactured housing community, the legal description of which is more fully described on Exhibit A attached hereto (the "Land"), together with the buildings, structures, improvements and manufactured home sites on, above or below the Land, and all fixtures attached to, a part of or used in connection with the improvements, structures, buildings and manufactured home sites, and the parking, facilities, walkways, ramps and other appurtenances relating to the Land (collectively the "Improvements").

B. Each Contributor is the owner of all machinery, equipment, goods, vehicles, and other personal property (collectively the "Personal Property") listed in Exhibit B-1 attached hereto and made a part hereof, which is located at or useable in connection with the ownership or operation of the Land and Improvements. For purposes of this Agreement, the Personal Property does not include cash or other sums held by a Contributor (except with respect to certain working capital balances as set forth in Section 7.1(k) hereof), notes receivable or accounts receivable owned by Contributors and as provided in Section 6.2 hereof, confidential books, records and files of each Contributor, the excluded personal property listed on Exhibit B-2 attached hereto and made a part hereof, the manufactured homes owned by Rudgate Sales Corporation ("RSC"), an affiliate of the Contributors, listed on Exhibit C (collectively the "Owned Homes"), the "MH Contracts" (as defined below) or manufactured homes owned by tenants of the Projects (as defined below).

C. RSC is the owner of the promissory notes, installment loan agreements and installment loan contracts and related documentation that relate to certain manufactured homes sold by RSC to residents of the Projects and now located on the Land (the "MH Contracts"), as listed on the attached Exhibit D.

D. The Land, the Improvements and the Personal Property owned by each Contributor, together with all of such Contributor's right, title and interest in and to all licenses, permits and franchises issued with respect to the use, occupancy, maintenance or operation of such Land and Improvements, all available land divisions as permitted under the Land Division Act (formerly the Subdivision Control Act of 1967), all right, title and interest, if any, of such Contributor in and to any land lying in the bed of any street, road or avenue, open or proposed, in front of or adjoining such Land to the center line thereof, and in and to any and all easements appurtenant to such Land, including, but not limited to, privileges or rights of way over adjoining premises inuring to the benefit of such Land, or the fee owner thereof, and together with all rights of use, air, mineral and subsurface rights, servitudes, licenses, tenements, hereditaments and appurtenances now or hereafter

belonging to the foregoing is referred to as a "Project." Collectively all of the Projects owned by the Contributors are referred to as the "Projects."

E. Immediately prior to the Closing Date, each Contributor shall contribute its Project to the New Owner identified on the attached Exhibit E. On the Closing Date, each Contributor shall be the only member of the New Owner to which it contributes its Project, as on the attached Exhibit E, and shall hold one hundred percent (100%) of the membership interests in such New Owner (the membership interests of all such New Owners being, collectively, the "Membership Interests").

F. Contributors desire to sell and convey all of the Membership Interests in the New Owners to SCOLP, and SCOLP desires to purchase all of the Membership Interests from the Contributors, upon the terms and subject to the conditions hereinafter set forth.

G. Concurrently with the sale and purchase of the Membership Interests, and as a condition thereto, RSC will sell and convey, and Sun Home Services, Inc. ("SHS"), an affiliate of SCOLP, will purchase, all of the Owned Homes and MH Contracts pursuant to a separate Asset Purchase Agreement in the form of the attached Exhibit F (the "Asset Purchase Agreement") and for the additional purchase price set forth therein.

NOW, THEREFORE, for and in consideration the promises hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. AGREEMENTS TO CONTRIBUTE THE MEMBERSHIP INTERESTS.

1.1 Each Contributor agrees to sell its Membership Interests to SCOLP, and SCOLP agrees to purchase such Membership Interests, in accordance with the terms and subject to the conditions hereof, such purchase and sale to be effective as of the Closing Date.

2. PURCHASE PRICE.

2.1 The parties agree that the aggregate purchase price for the Membership Interests shall be the sum of Seventy Million Eight Hundred Thousand Dollars (\$70,800,000.00) plus the Cash Balances (as defined below), adjusted for pro-rated items and other adjustments as provided in this Agreement (the "Purchase Price"). The Purchase Price shall be paid as follows:

- (a) By purchasing the Membership Interests and owning the New Owners, SCOLP shall effectively assume (the "Loan Assumption") the aggregate outstanding principal balances (which as of the date of this Agreement are approximately Fifteen Million Five Twenty-Six Hundred Thousand Seven Hundred Thirty-Eight and 39/100 (\$15,526,738.39) Dollars) of the mortgage debts on the Projects known as Rudgate West and Rudgate Silver Springs, in each case as of the Closing Date (the "Assumed Debt"), which Assumed Debt shall be credited against the Purchase Price, provided that any Assumption Costs (as defined in Section 2.3) associated with the Loan Assumption shall be the responsibility of SCOLP in accordance with Section 19.1 below;

(b) The Deposit (as defined in Section 2.2 below) shall be delivered to the Contributors pursuant to the terms of the Deposit Escrow Agreement (as defined in Section 2.2 below); and

(c) That portion of the Purchase Price equal to (i) the Purchase Price, minus (ii) the amount of the Deposit delivered to Contributors pursuant to Section 2.1(b) above, minus (iii) the Tax Escrow Amount (as defined in Section 18.2(h) below), minus (iv) the amount of the Assumed Debt as of the Closing Date (the "Cash Payment") shall be payable by SCOLP to Contributors on the Closing Date by wire transfer of immediately available funds to the Contributors in such proportions as the Contributors designate. The Purchase Price shall not be allocated among the Projects; provided, however, the parties have agreed that twelve and one-half (12.5%) percent of the Purchase Price is attributable to the goodwill value of the manufactured home communities including, without limitation, the goodwill value, the going concern value, all telephone numbers, fax numbers, internet domain names, webpages, brochure designs and marketing materials, workforce in place, all rights to use any business names through which Contributors have operated the Projects, all books and records regarding all past, present and future and/or potential tenants and record of all names of individuals on the waiting list for any of the Projects.

2.2 Within two (2) days after the complete execution of this Agreement, SCOLP shall deliver the sum of \$4,000,000 (the "Deposit") to the First American Title Insurance Company, whose address is 100 Bloomfield Hills Parkway, Suite 195, Bloomfield Hills, Michigan 48304 (the "Title Company"), as escrow agent, to be held and disbursed pursuant to the terms of a Deposit Escrow Agreement in the form of the attached Exhibit G (the "Deposit Escrow Agreement"), which shall be executed and delivered by the Contributors, SCOLP and the Title Company, as escrow agent. All interest earned on the Deposit shall be deemed to be part of the Deposit as described more specifically in the Deposit Escrow Agreement. As more fully described in, and subject to the terms and conditions of, this Agreement and the Deposit Escrow Agreement, the Deposit shall be forfeited to Contributors, refunded to SCOLP or applied to the payment of the Purchase Price.

2.3 Prior to the execution of this Agreement, Contributors and SCOLP notified each holder of the Assumed Debt (each a "Lender") of the pending contribution of the Projects to the New Owners and sale of the Membership Interests and requested the application required to be submitted to the Lender in order for SCOLP to indirectly assume the Assumed Debt. Within five (5) business days following its receipt of the Loan Assumption application, SCOLP shall promptly submit written application for the Loan Assumption to the Lenders. SCOLP agrees to prosecute the loan application with due diligence in order to obtain the Lenders' approval of the contribution of the Projects to the New Owners in accordance with the terms hereof, the sale of the Membership Interests to SCOLP in accordance with the terms hereof and the Loan Assumption (collectively, the "Loan Assumption Approval"). Contributors agree to cooperate with SCOLP and Lender in obtaining the Loan Assumption Approval. SCOLP shall pay all costs, expenses and fees payable to the Lender with respect to the Loan Assumption and to satisfy any requirements of the Lender (the "Assumption Costs"), including, without limitation, any non-refundable application fee, attorney fees, transfer and assumption fees, administration fees, and charges and premiums for all endorsements to the Lenders' policies of title insurance. SCOLP and Contributors agree to execute such documents as may be reasonably required by Lenders to complete the Loan Assumption

application and to confirm the Loan Assumption. Further, the Lenders' Loan Assumption Approval must provide for (a) the release of the applicable Contributors (and their principals, if applicable) from all personal liability for the "recourse carve outs" under the Mortgage Documents with respect to all events, occurrences and activities arising from and after the Closing Date, and for the New Owners to assume such personal liability under the recourse carve outs with respect to all events, occurrences and activities arising after the Closing Date in substantially the same form as signed by the Contributors when they closed the Assumed Debt, and (b) such modifications to the Loan Documents as are reasonably necessary to reflect and account for the fact that the general partner of SCOLP is a publicly traded real estate investment trust and SCOLP, either directly or through its subsidiaries, owns, operates and manages multiple manufactured home communities under the Sun Communities name. If the Loan Assumption Approval is not obtained by November 15, 2012 (the "Loan Assumption Approval Period") and SCOLP has been proceeding with due diligence, and using commercially reasonable efforts, to obtain the Loan Assumption Approval, SCOLP may, by delivery of written notice to Contributors at least five (5) days prior to the expiration of the Loan Assumption Approval Period, elect to extend the Loan Assumption Approval Period one time for up to fifteen (15) days. If the Loan Assumption Approval has not been issued prior to the expiration of the Loan Assumption Approval Period, and SCOLP does not elect, or does not have the right to elect, to extend the Loan Assumption Approval Period, this Agreement shall terminate (absent the agreement of both SCOLP and Contributors to extend the Loan Assumption Approval Period), in which event the Deposit and all interest earned thereon shall be returned to SCOLP, and neither party shall have any further liability to the other except for those obligations hereunder which survive such termination. Upon receipt of the Loan Assumption Approval from the Lenders in accordance with this Section 2.3, the parties shall proceed to close the transactions contemplated herein in accordance with Section 18 hereof.

3. CONDITION OF TITLE TO THE PROJECT.

3.1 Each Contributor hereby represents and warrants to SCOLP that it is, and as of the Closing Date, the relevant New Owner shall be, the lawful owner of its Project and it holds, and as of the Closing Date, the relevant New Owner shall hold fee simple title to such Project, free and clear of all liens, claims and encumbrances other than the following matters (hereinafter referred to as the "Permitted Exceptions"):

(a) Those liens, encumbrances, easements and other matters set forth on Schedule B-2 of the Commitment applicable to its Project to be delivered pursuant to Section 4.1 hereof and such state of facts as would be disclosed in an accurate survey of such Project, which SCOLP does not designate as "Title Defects" pursuant to Section 5.1 hereof or which are later deemed to be "Permitted Exceptions" as provided in Section 5.1 hereof;

(b) Applicable zoning and building ordinances and land regulations;

(c) The rights of parties in occupancy of all or any portion of the Land and Improvements that are part of such Project under leases, subleases, occupancy agreements and commitments to lease (the "Tenant Leases"), to the extent set forth and described in the Rent Roll (collectively, the "Rent Roll"), dated as of August 1, 2012, attached hereto as Schedule 3.1(b), as the same shall be updated to the Closing Date;

- (d) All presently existing and future liens for unpaid real estate taxes, general and specific assessments, and water and sewer charges and rents, subject to adjustment thereof as hereinafter provided, which are not delinquent;
- (e) Any exceptions to title caused by SCOLP, its agents, representatives or employees;
- (f) Any easements, licenses and similar agreements entered into in accordance with this Agreement; and
- (g) For the Projects known as Rudgate West and Rudgate Silver Springs, the mortgages securing the Assumed Debt.

From the date hereof through the Closing Date, none of the Contributors or the New Owners will cause any Project to be further encumbered by any lien, easement, restriction or any other matter, which cannot be terminated on thirty (30) days prior written notice without termination fee, and in the event any such encumbrance prohibited by this Section 3 is created after the date hereof, Contributors shall provide prompt notice thereof to SCOLP and which, at SCOLP's election, shall be discharged by Contributors at Closing.

4. EVIDENCE OF TITLE; SURVEY; UCC SEARCHES.

4.1 Prior to the date hereof, the Contributors have furnished SCOLP with commitments (collectively, the "Commitments" and, individually, a "Commitment") for ALTA Form Owner's Policies of Title Insurance for the Projects, issued by the Title Company, along with copies of all instruments described in Schedule B of each Commitment (collectively, the "Exception Documents"), in the aggregate amount of the Purchase Price, allocated among the Projects as determined by SCOLP. At Closing, the Contributors shall cause to be provided to SCOLP, at the Contributors' sole cost and expense, owner's policies of title insurance issued pursuant to the Commitments, insuring the interest in the Projects without the "standard exceptions" (other than the survey exceptions unless SCOLP provides the "Surveys" (as defined below) to the Title Company and the Title Company agrees to remove such survey exceptions based upon receipt of such Surveys. The cost of the title insurance policies shall be borne by the Contributors.

4.2 SCOLP shall obtain current ALTA "as built" surveys (the "Surveys") of the Projects prepared by a licensed surveyor or engineer approved by SCOLP, certified to Contributors, SCOLP, the Title Company, and any other parties designated by SCOLP. The cost of the Surveys shall be borne by SCOLP.

4.3 SCOLP may obtain Uniform Commercial Code financing statement searches and tax lien searches both from the State of Michigan and the county where each Project is located with respect to each Contributor and each New Owner, which must show no security interests, pledges, liens, claims or encumbrances in or affecting the Projects, including the Personal Property, or the Membership Interests, except for encumbrances granted under the Assumed Debt and except for security interests of a definite or ascertainable amount which may be removed by the payment of money at Closing and which Contributors have a right to, and do, remove at Closing. The cost of the UCC searches shall be borne by SCOLP.

5. TITLE OBJECTIONS.

5.1 If a Commitment or Survey discloses exceptions which are not acceptable to SCOLP, in its sole discretion, SCOLP shall notify Contributors in writing of its objections to such exceptions (the "Title Defects") not later than October 12, 2012. If SCOLP objects to any exception disclosed on the Commitment or Survey within such title objection period referenced above, such exception shall not be treated as a Permitted Exception hereunder except as otherwise provided in this Section 5.1. Following Contributors' receipt of written notice from SCOLP identifying any Title Defects as set forth above, Contributors shall have fifteen (15) days from the date notified in writing of the particular Title Defect(s) claimed, either (i) to remedy the title, or (ii) to obtain affirmative title insurance over SCOLP's objections which is reasonably acceptable to SCOLP, or (iii) to deliver written notice to SCOLP that it is unable or unwilling to remedy the title or obtain the affirmative title insurance. If the Contributors remedy the title or shall obtain such affirmative title insurance within the time specified, the Closing Date shall be fifteen (15) days of written notification thereof, but no sooner than the Closing Date hereinafter specified. If Contributors notify SCOLP that they are unable or unwilling to remedy a Title Defect, then, SCOLP shall have five (5) business days after receipt of such notice (or upon the expiration of the fifteen (15) day period if no notice is provided to SCOLP by the Contributors) to terminate this Agreement or to waive such Title Defect(s) and proceed to Closing and in the event that SCOLP fails to terminate this Agreement by such date, then such Title Defect(s) shall be deemed waived by SCOLP and shall be deemed to be "Permitted Exceptions" for all purposes under this Agreement. If objection to title is not made by SCOLP within the title objection period referenced above, SCOLP shall be deemed to have waived any matter or alleged Title Defect(s) appearing in the Commitments or Surveys. Each Contributor agrees to cause to be discharged or insured over by the Title Company on or prior to Closing mortgage financing documentation (including, without limitation, the lien of any mortgage, assignment of leases and/or UCC financial statements) securing Contributors' mortgage financing encumbering the Projects other than those for the Assumed Debt and mechanics liens and other liens evidencing monetary encumbrances (other than liens for real estate taxes and assessments) which are not reflected in the Commitments and which have been created through the acts or omissions of Contributors and which are removable by payment of liquidated and ascertainable amounts.

6. ADJUSTMENTS AND PRORATIONS.

6.1 The following adjustments and prorations shall be made at the Closing between SCOLP and Contributors, and shall be computed to, but not including, the Closing Date.

(a) Real estate taxes and personal property taxes which are a lien upon or levied against any portion of any Project prior to the Closing Date and which become delinquent prior to the Closing Date (other than current taxes), and all installments of special assessments levied on any portion of any Project prior to the Closing Date and which become delinquent prior to the Closing Date, shall be paid by Contributors prior to the Closing Date. Current real estate taxes, current installments of special assessments and current personal property taxes levied against any portion of any Project and applicable to the period after the Closing Date shall be prorated and adjusted between the parties on the due date basis of the taxing authority (it being agreed such taxes are payable in advance) and shall be paid by Contributors or SCOLP, as the case may be.

(b) The amount of all unpaid water and other utility bills for the Project which are not directly billed to the tenants of the Projects, and all other operating and other expenses incurred with respect to the Projects relating to the period prior to the Closing Date, shall be paid by Contributors on or prior to the Closing Date or, if not paid, as soon as possible after Closing following receipt of an invoice therefor. In the event water is submetered and billed to the tenants, then the company completing such submetering shall continue to bill such tenants for the water services utilized through the date of Closing and shall remit all amounts received to the Contributors as and when received for periods through the Closing Date. In the event that SCOLP receives any payments from residents of the Projects which are payments for water bills for periods through the Closing Date, SCOLP shall promptly remit such amounts to Contributors as and when received.

(c) Charges under Assumed Project Contracts (as defined in Section 7.1(e) below) attributable to the period prior to the Closing Date shall be paid by Contributors prior to the Closing Date, or, if not paid, the amount due shall be credited to SCOLP as of the Closing Date. All charges under the Non-Assumed Project Contracts (as defined in Section 7.1(e) below) shall be paid by Contributors, whether such charges are attributable to the period prior to the Closing Date or the period after the Closing Date.

(d) All prepaid rental and other revenues collected by Contributors or the New Owners up to the Closing Date which are allocable to the period from and after the Closing Date shall be paid by Contributors to SCOLP. Current resident rents shall be prorated and adjusted as of the date of Closing based upon the actual number of days in the month of Closing with SCOLP being credited for rents on the date of Closing. All rental and other revenues actually collected by SCOLP attributable to rent due for such month of Closing and received by SCOLP within sixty (60) days following the Closing Date, shall be prorated between Contributors and SCOLP based on the number of days in such month each owned the Project. Except as provided in the preceding paragraph, to the extent SCOLP collects, within one hundred eighty (180) after the Closing, any rental or revenues allocable to the period prior to the Closing Date, SCOLP shall pay the same to Contributors and SCOLP shall use its good faith efforts to collect all such rent or revenues allocable to the period prior to the Closing Date, but SCOLP shall not be required to commence litigation or institute evictions with respect to such tenants; provided, however, and except as otherwise set forth above, SCOLP is assuming no obligation whatsoever for the collection of such rentals or revenues and all rentals and revenues collected subsequent to the Closing Date shall always, in the first instance, be applied first to the most current rentals and revenues, if any, then due under the Tenant Leases or otherwise. Further, Contributors shall not have the right to seek collection, through litigation or otherwise, of unpaid rent from any person while they remain a tenant of a Project, nor shall Contributors institute any eviction or lockout proceedings against any residents to recover delinquent rents. Contributors shall retain one hundred (100%) percent of the right to receive any past due rents with respect to residents who are no longer residents of the Projects. Following Closing, SCOLP shall assume any eviction actions which are on-going as of the date of Closing and shall assume responsibility for payment of any legal fees associated with such eviction actions incurred on and after the Closing Date, and sums received by SCOLP as a result of such eviction actions shall first be applied to reimburse SCOLP and Contributors for legal fees incurred in connection with such actions and the balance of such amounts prorated between Contributors and SCOLP as provided above.

(e) An amount equal to \$67,450 to be applied to rental concessions attributable to periods after the Closing Date and an amount equal to all security and other refundable deposits described in the Rent Roll shall be credited to SCOLP at the Closing.

(f) An amount equal to all expenses of the Projects which were paid prior to the Closing Date and for which SCOLP will benefit after the Closing Date including, without limitation, annual license and permit fees, shall be disbursed or credited to Contributors at the Closing, and an amount equal to all expenses of the Projects which were incurred prior to the Closing Date and are due or paid after the Closing Date shall be credited to SCOLP at the Closing and SCOLP shall cause all such expenses to be paid.

(g) All compensation, fringe benefits and other amounts due the employees of any Contributor, any New Owner or any manager of any Project for the period prior to the Closing Date, whether as hourly pay, salaries, overtime, bonus, vacation or sick pay, severance pay, pensions or otherwise, and all amounts due for the payment of employment taxes with respect thereto, shall be paid by Contributors on or prior to the Closing Date, or as soon as reasonably possible following the Closing Date.

(h) Except as otherwise expressly set forth in the Agreement, all costs and expenses incurred by any Contributor or any New Owner prior to the Closing Date in connection with the transactions contemplated herein and the performance of its obligations under this Agreement, including, without limitation, attorney and other professional fees and the costs and expenses payable by any Contributor or any New Owner hereunder, shall be paid by Contributors and shall not be charged to, or the responsibility of any New Owner or SCOLP.

(i) All interest accrued for the Assumed Debt through the Closing Date shall be paid by the Contributors who are the borrowers under the Assumed Debt on or before the Closing Date, or, if not paid, an amount equal to the entire amount of such accrued interest shall be credited to SCOLP as of the Closing Date.

(j) All escrows under the Assumed Debt and the Mortgage Documents that were funded by the Contributors who are the borrowers under the Assumed Debt which will remain in place after the Closing for the benefit of SCOLP and the New Owners and shall be credited by SCOLP to the Contributors at the Closing.

(k) SCOLP acknowledges and agrees that Contributors may have entered into certain cable agreements prior to the date hereof and in the event Contributors received any door fees or lump sum payments with respect to such cable agreements, such amounts shall be Contributors' sole and exclusive property and shall not be prorated and in no event shall SCOLP receive a credit with respect to any such door fees or lump sum payments.

(l) SCOLP shall reimburse Contributors for out-of-pocket costs and expenses incurred in connection with Contributors' home relocation program for each of the thirteen (13) homes identified on Schedule 6.1(l) in an amount not to exceed Eleven Thousand and 00/100 (\$11,000.00) Dollars per manufactured home and for any other homes relocated under Contributors' relocation program following the date hereof, provided SCOLP has

approved any such additional homes to be relocated as part of Contributors' relocation program. SCOLP shall reimburse Contributors for \$67,450 as a partial credit for cancellation fees incurred by the Contributors in terminating the Non-Assumed Project Contracts.

6.2 On or prior to the Closing Date, and except as otherwise set forth in Section 7.1(k) hereof, each Contributor shall be entitled to a distribution from the New Owner it owns in an amount equal to all of the cash and cash equivalent assets held by such New Owner as of the Closing Date (except for the Cash Balances (as defined below) held within the Working Capital Accounts (as defined below)), all accounts receivables and all notes receivable, it being acknowledged and agreed that such items are excluded and not part of this transaction. For the avoidance of doubt, the New Owners shall retain ownership of the funds held within the Working Capital Accounts, and the Cash Balances held in the Working Capital Accounts shall be added to the Purchase Price as provided herein.

6.3 If within ninety (90) days after the Closing either SCOLP or Contributors discover any inaccuracies or errors in the prorations or adjustments done at Closing pursuant to Sections 6.1, such party shall notify the other party of such inaccuracy or error by written notice including reasonable detail of the appropriate calculation. In such event, the parties shall attempt, in good faith, to resolve any issues with respect to the prorations and adjustments done at Closing pursuant to Section 6.1. After the parties resolve any such issues or, in the event the parties are unable to resolve such issues, a final judgment has been rendered with respect to such matter without timely appeal or after all appeals timely made are fully resolved, SCOLP and Contributors shall promptly take all action and pay all sums necessary so that such prorations and adjustments completed pursuant to Section 6.1 hereof shall be in accordance with the terms of this Agreement, and the obligations of either party to pay any such amount shall survive the Closing Date. Contributors and SCOLP further acknowledge and agree that if neither party has identified an inaccuracy or error in the prorations or adjustments completed pursuant to Section 6.1 within such ninety (90) days, the obligation to complete a post-closing adjustment shall be deemed null and void and of no further force and effect.

7. REPRESENTATIONS AND WARRANTIES OF CONTRIBUTORS AND NEW OWNERS.

7.1 Contributors, jointly and severally, hereby represent and warrant to SCOLP as of the date hereof, and as of the Closing Date, the following with the understanding that each of the representations and warranties are material and have been relied on by SCOLP in connection herewith:

(a) True, correct and complete copies of all Tenant Leases, including all amendments relating thereto, that are currently in effect and that cover any portion of the Project have been or prior to the end of the Inspection Period will be made available to SCOLP at the Projects. The Rent Rolls and concession reports attached hereto as Schedule 3.1(b), as updated to the Closing Date, are and will be, in all material respects, an accurate and complete rent roll describing each of the Tenant Leases in effect for each Project, including the name of each tenant, the home site occupied by each tenant, rental concessions, monthly rent, delinquencies in rent and deposits and prepaid rent or credits of any tenant. Except as disclosed in the Rent Rolls, as the same may be updated through the Closing Date, and to the knowledge of the Contributors, (i) each Tenant Lease is in full force and effect,

(ii) except as otherwise set forth in the Rent Rolls or any delinquency reports provided by Contributors to SCOLP, no Tenant Leases are in monetary default, (iii) Contributors have not received any written notice of a material default by Contributors under the Tenant Leases that remain uncured (excluding counterclaims asserted by a tenant in response to an eviction action brought against such tenant by a Contributor); and (iv) the Tenant Leases have not been modified nor have any concessions been made with respect thereto unless expressly described in the Rent Rolls or the schedule of concessions delivered by Contributors to SCOLP.

(b) Except as otherwise disclosed on Schedule 7.1(b) attached hereto, and to the knowledge of the Contributors as of the date of this Agreement, Contributors have not received written notice of (i) any enforcement action against Contributors relating to the Projects with respect to any violation or alleged violation of any building, zoning, safety, fire, environmental, health or other codes, laws, ordinances or regulations, (ii) any violation of any building, zoning, safety, fire, environmental, health or other codes, laws, ordinances or regulations, which, in the case of clauses (i) and (ii) above have not already been cured.

(c) Except as disclosed on Schedule 7.1(c) attached hereto and except for evictions and repossessions related to Tenant Leases, as of the date hereof, Contributors have not received any written notice of any current, pending or threatened litigation or administrative proceedings against Contributors or any Project.

(d) Except as otherwise disclosed on Schedule 7.1(d) attached hereto and except as set forth in the Commitments, no Contributor has knowledge of any special assessments requiring payment of any nature or description against any Project which remain unpaid, including, but not limited to, those for sewer, water or other utility lines or mains, sidewalks, streets or curbs.

(e) All service, utility, supply, maintenance and employment contracts and agreements and all other continuing contractual obligations affecting any Contributor, any New Owner or the ownership, operation or development of any Project, and all amendments thereto and which will not be terminated as of the Closing Date (collectively, the "Project Contracts") are listed on the attached Schedule 7.1(e). True, correct and complete copies of all Project Contracts have been delivered to SCOLP. Those Project Contracts identified on Schedule 7.1(e) as being assumed by SCOLP by its purchasing the Membership Interests and owning the New Owners after the Closing and shall be the "Assumed Project Contracts". To Contributors' knowledge, each Assumed Project Contract is in full force and effect, each Contributor and New Owner has complied in all material respects with the provisions of each Assumed Project Contract to which it is a party and is not in material default under any such Assumed Project Contract and, to the actual knowledge of Contributors, no other party to any Assumed Project Contract has failed to comply in any material respect with, or is in default under, the provisions of any Assumed Project Contract. Prior to or at the Closing, Contributors shall terminate, or cause the New Owners to terminate, (x) any contract of Contributors not identified as Project Contracts, and (y) the contracts listed on Exhibit H (the "Non-Assumed Project Contracts"). Prior to and after the Closing, Contributors shall be responsible for all liabilities and obligations of Contributors or the New Owners under the Non-Assumed Project Contracts, and shall indemnify and hold harmless SCOLP and the New Owners from all such liabilities and obligations.

(f) Contributors have and will have on the Closing Date the power and authority to transfer the Membership Interests to SCOLP and perform their respective obligations in accordance with the terms and conditions of this Agreement, and each person who executes this Agreement and all other instruments and documents in connection herewith for or on behalf of each Contributor has and will have due power and authority to so act. This Agreement has, and each instrument to be executed by any Contributor pursuant to this Agreement or in connection herewith will be, when executed and delivered, duly authorized, executed and delivered by each Contributor and constitutes, or upon execution and delivery will constitute, the legal, valid and binding obligation of each Contributor, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting enforcement of creditors' rights generally or by general equity principles.

(g) Each Contributor has been, and each New Owner will be, duly formed and is validly existing as a limited liability company in good standing under the laws of the State of Michigan and has the power and authority to own, lease and operate its properties and to conduct its business and to enter into and perform its obligations under this Agreement. Neither this Agreement nor the performance by any Contributor or New Owner of its obligations hereunder, including, without limitation, the contribution of the Projects by the Contributors to the New Owners or the conveyance of the Membership Interests by the Contributors to SCOLP, violates or will violate (i) any constituent documents of any Contributor or New Owner, (ii) any contract, agreement or instrument to which any Contributor or New Owner is a party or bound or which affects any Project or the Membership Interests, or (iii) any law, regulation, ordinance, order or decree applicable to any Contributor, New Owner or Project, and except as set forth on the attached Schedule 7.1(g), and except for the approval of the lenders with respect to the Assumed Debt, no consent, approval or authorization of, or designation, declaration or filing with, or notice to, any governmental authority, or any lenders, lessors, creditors, shareholders or other party, is required on the part of any Contributor or New Owner in connection with this Agreement or the performance by any Contributor or New Owner of its obligations hereunder. Prior to the Closing, Contributors shall properly obtain, perform or give all of the consents, approvals, authorizations, designations, declarations, filings and notices set forth on the attached Schedule 7.1(g).

(h) Except as disclosed on Schedule 7.1(h) attached hereto, no Contributor or New Owner has contracted for the furnishing of labor or materials to any Project which will not be paid for in full prior to the Closing Date or adjusted between the parties pursuant to Section 6.1 hereof. If any claim is made by any party for the payment of any amount due for the furnishing of labor and/or materials to any Contributor or New Owner or to any Project prior to the Closing Date and which claim is not adjusted between the parties pursuant to Section 6.1 hereof, Contributors will immediately pay such claim and discharge the lien, or if a lien has been filed and Contributors intend, in good faith, to contest such claim, Contributors may cause the lien to be discharged by posting a bond pursuant to applicable law or obtaining title insurance coverage reasonably satisfactory to SCOLP.

(i) Attached hereto as Schedule 7.1(i) is a true and accurate list, in all material respects, of all persons employed by each Contributor, each New Owner and each manager

of any Project in connection with the operation and maintenance of the Projects, including name, job description, term of employment, current pay rate, description of all benefits provided such employees and the annual cost thereof. None of the employees of any Contributor, New Owner or manager of any Project are covered by an employment agreement, collective bargaining agreement or any other agreement, and all employees of Owner and the manager of the Project are terminable "at will", subject to applicable laws prohibiting discrimination by employers.

(j) Schedule 7.1(j) attached hereto contains a complete and accurate list of, and copies of, the State of Michigan manufactured housing licenses for each Project and which have been issued and are in full force and effect.

(k) Schedule 7.1(k) is, to Contributors' knowledge, a true and complete list of the material items of Personal Property used in the operation of each Project; provided, however, that it is not Contributors' intention to list all Personal Property such as office supplies, tools, etc. used in connection with the operation of each Project and which will be transferred by Contributors to SCOLP at Closing. No Contributor or any of their affiliates will remove any material item of Personal Property from any Project on or prior to the Closing Date, unless such item is replaced with a similar item of no lesser quality or value. All Personal Property is owned free and clear of all liens, claims and encumbrances, other than the liens under the Mortgage Documents. Included within the Personal Property owned by New Owners shall be working capital accounts associated with the Projects, and the sum total of the amounts held in such accounts (the "Working Capital Accounts") shall be referred to as the "Cash Balances," which shall be added to the Purchase Price as provided in Section 2.1 hereof. Contributors shall provide a detailed schedule to SCOLP identifying, with respect to each Working Capital Account, the owner of the account, the account number, the name of the financial institution where the funds are held and the amount of funds in the account, together with adequate evidence of the amounts comprising the Cash Balances, on or prior to the Closing Date (it being understood that, if there are any discrepancies between the amounts held in such accounts as reported by Contributors and the amount actually held in such accounts, a post-closing adjustment shall be made as between the parties).

(l) To Contributors' knowledge, Contributors have delivered to SCOLP all environmental reports and audits in their possession or control, including, without limitation, phase I and II environmental site assessments and environmental compliance audits (the "Environmental Reports") relating to each Project. Except as disclosed in any Environmental Report delivered by Owner to SCOLP as identified in Schedule 7.1(l), to the knowledge of Contributors without investigation, the Projects do not contain any hazardous materials (the "Hazardous Materials") prohibited, limited or regulated under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Hazardous Materials Transportation Act, the Toxic Substance Control Act, the Federal Insecticide, Fungicide and Rodenticide Act, the Michigan Natural Resources and Environmental Protection Act, or under any other applicable federal, state or local statutes, regulations, rules, court orders or rulings, or ordinances (collectively the "Environmental Laws") in violation of such Environmental Laws; provided, however, nothing herein shall be deemed a representation or warranty regarding Hazardous Materials which may be contained within manufactured homes located at the Projects.

(m) Prior to Closing, Contributors will furnish to SCOLP true, correct and complete copies of the operating agreements of each New Owner (collectively, the "Governing Documents"), all of which shall be subject to the reasonable approval of SCOLP, and such Governing Documents shall not be modified or amended without the consent of SCOLP. All minute books, recorded minutes of meetings and consent resolutions of each New Owner, if any, shall be delivered to SCOLP at Closing.

(n) At Closing each Contributor shall own one hundred percent (100%) of the Membership Interest in the New Owner identified as being owned by such Contributor on the attached Schedule 7.1(n). Each such Contributor shall be the legal and beneficial owners of such Membership Interests, free and clear of all liens, claims and encumbrances. All Membership Interests will have been issued without violating any state or federal securities laws and there are no outstanding agreements, commitments, rights, options, warrants or plans of any nature whatsoever for the issuance, sale or purchase of any other interests in any New Owner.

(o) Upon consummation of the transfer of the Membership Interests to SCOLP pursuant to the terms hereof, and subject to the interest of the lenders of the Assumed Debt SCOLP will acquire valid and marketable title to all of the Membership Interests, free and clear of all liens, claims and encumbrances whatsoever and will own, in the aggregate, one hundred percent (100%) of the interests in each New Owner.

(p) All promissory notes, mortgages, assignments of leases and rentals, security agreements, indemnity agreements and other instruments relating to the Assumed Debt (collectively, the "Mortgage Documents") are listed on the attached Schedule 7.1(p), and Contributors have previously delivered to SCOLP true, complete and accurate copies of all the Mortgage Documents. To the knowledge of Contributors, no Contributor has failed to comply in any material respect with, or is in material default under, the provisions of any Mortgage Document, and Contributors have not received any notice from the lender(s) with respect to the Assumed Debt identifying any defaults under such Mortgage Documents. The outstanding principal balance as of the date hereof of each promissory note included in the Mortgage Documents and the interest rate currently charged under each such promissory note is set forth on the attached Schedule 7.1(p).

(q) All federal, state and local income, excise, sales, property and other tax returns required to be filed by each Contributor and New Owner have been timely filed and are correct and complete in all material respects. All taxes, assessments, penalties and interest due in respect of any such tax returns have been paid in full, and there are no pending or, to Contributors knowledge, threatened claims, assessments, deficiencies or audits with respect to any such taxes.

(r) Except as set forth on the attached Schedule 7.1(r), No Contributor or New Owner maintains, sponsors, participates in or contributes to, and no Contributor or New Owner in the past has maintained, sponsored, participated in or contributed to, either on its own or as a member of any controlled group of entities, a group of trades or businesses under common control, or an affiliated service group, as defined in ERISA and the Internal Revenue Code of 1986, as amended, any employee health or benefit plan (as defined in

Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), any employee pension benefit plan (as defined in Section 3(2)(A) of ERISA), or any bonus, severance, deferred compensation, retirement option or any other plans or amendments providing for any benefits to employees, and no current or former employee of Contributor or New Owner has a claim against any Contributor or New Owner as a result of a violation of ERISA or other statute governing benefit plans.

(s) Set forth on the attached Schedule 7.1(s) are the following financial statements (the "Historical Financial Statements"): audited balance sheet and related statement of income for each Contributor, as of and for the fiscal year ended March 31, 2011 and (b) management prepared balance sheets and related statements of income for each Contributor as of and for the seven months ended July 31, 2012. To the knowledge of Contributors, the Historical Financial Statements are true and correct in all material respects; provided, however, SCOLP acknowledges that the balance sheets and statements of income referenced under Section 7.1(s)(b) have been prepared based upon information furnished by the on-site managers of the Projects and are for a partial year and do not reflect any adjustments or reconciliations. To the knowledge of Contributors, no Contributor has any liabilities or obligations of any kind or nature which will be binding on SCOLP after Closing except for (i) liabilities set forth on the face of the Historical Financial Statements, (ii) obligations identified on the Commitments and obligations pertaining to the Tenant Leases, the Assumed Project Contracts, the Mortgage Documents, licenses and permits for the Projects and utilities servicing the Projects, and (iii) liabilities which have arisen after the date thereof in the ordinary course of business, and at Closing no New Owner shall have any liabilities or obligations except those contemplated to be assumed by SCOLP pursuant to the terms hereof or as otherwise set forth in this Subsection 7(s).

(t) To Contributors' knowledge, and except as otherwise set forth in the Commitments or the Schedules attached to this Agreement, neither Contributors, New Owner or a Project is subject to any judgment, order, writ, injunction or decree of any court, governmental or administrative agency.

(u) Each Contributor, each New Owner and each of their respective members, managers, partners, shareholders, officers and directors is in compliance with all Office of Foreign Assets Control Legal Requirements and similar requirements, including sanctions and regulations promulgated under authority granted by the Trading with the Enemy Act, 50 U.S.C. App. 1 44, as amended from time to time; the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 06, as amended from time to time; the Iraqi Sanctions Act, Publ. L. No. 101 513, as amended from time to time; the United Nations Participation Act, 22 U.S.C. § 287c as amended from time to time; the International Security and Development Cooperation Act, 22 U.S.C. § 2349 aa 9, as amended from time to time; The Cuban Democracy Act, 22 U.S.C. §§ 6001 10, as amended from time to time; The Cuban Liberty and Democratic Solidarity Act, 18 U.S.C. §§ 2332d and 2339b, as amended from time to time; and The Foreign Narcotics Kingpin Designation Act, Publ. L. No. 106 120, as amended from time to time.

(v) No Contributor, no New Owner and none of their respective members, managers, partners, shareholders, officers and directors is a person or entity that: (1) is listed in the Annex to, or otherwise subject to the provisions of Executive Order No. 13224 dated

September 24, 2001 and relating to Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (the “Executive Order”); (2) is named as a “Specially Designated National and Blocked Person” on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <http://www.treas.gov/ofac/tllsdn.pdf>; (3) is owned or controlled by, or acting for or on behalf of, any person listed in the Annex to, or otherwise subject to the provisions of, the Executive Order; or (4) is (i) making or receiving any contribution of funds, goods or services to or for the benefit of any person listed in the Annex to, or otherwise subject to the provisions of, the Executive Order, (ii) dealing in, or otherwise engaging in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order, or (iii) engaging in or conspiring to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the Executive Order.

7.2 Contributors do not represent or warrant that any particular Tenant Lease or Tenant Leases will be in force and effect on the Closing Date or that the tenants will have performed their obligations thereunder and none of the foregoing shall be conditions precedent to SCOLP’s obligations hereunder; provided, however, the foregoing shall not be deemed a limitation on the representation and warranty set forth under Section 7.1(a) hereof as the same is updated on the Closing Date. All references in this Agreement to “Contributors’ knowledge” or words of similar import (whether or not such words may be capitalized), (i) shall refer only to the actual knowledge of the “Knowledge Party” identified in this Section 7.2 after conducting good faith and diligent investigation and inquiry, which shall include, without limitation, due inquiry of the on-site property managers with respect to the Projects, and (ii) shall not be construed to refer to the knowledge of any other partner, member, officer, director, shareholder, venturer, consultant, employee, agent, property manager or representative of Contributors. There shall be no personal liability on the part of the Knowledge Party arising out of any representations and warranties made herein. For purposes of this Agreement, the Knowledge Party shall be Stephen D. Francis. All references herein to written notice having been given to Contributors shall include only those notices actually received by the Knowledge Party or an on-site property manager of a Project.

7.3 To the extent SCOLP has actual knowledge that Contributors’ representations and warranties are inaccurate, untrue or incorrect in any way, such representations and warranties shall be deemed modified to reflect SCOLP’s knowledge. All references in this Agreement to “SCOLP’s knowledge” or words of similar import (whether or not such words may be capitalized), (i) shall refer only to the actual knowledge of the “Knowledge Parties” identified in this Section 7.3, and (ii) shall not be construed to refer to the knowledge of any other partner, member, officer, director, shareholder, venturer, consultant, employee, agent, property manager or representative of SCOLP. For purposes of the foregoing, SCOLP shall be deemed to have actual knowledge of the information and content contained in (i) all written reports from environmental consultants and engineers retained by SCOLP in connection with the transaction described herein, (ii) the Commitment, instruments disclosed in the Commitment and Survey obtained pursuant to the terms hereof, (iii) any of the due diligence materials delivered by Contributors to SCOLP. There shall be no personal liability on the part of the Knowledge Party arising out of any representations and warranties made herein. For purposes of this Agreement, the Knowledge Parties shall be Gary A. Shiffman and Jonathan Colman. All references herein to written notice having been given to Contributors shall include only those notices actually received by the Knowledge Party.

7.4 SCOLP acknowledges and agrees that, except as otherwise expressly provided in this Agreement or the closing documents that are required to be executed and delivered by Contributors to SCOLP at Closing (collectively, the “Closing Documents”), (i) the Projects are being sold, and SCOLP shall accept possession of the Projects on the Closing Date, “AS IS, WHERE IS, WITH ALL FAULTS”; (ii) except for the representations and warranties set forth in this Agreement and the Closing Documents, none of the Contributors have or shall be deemed to have made any verbal or written representations, warranties, promises or guarantees (whether express, implied, statutory or otherwise) to SCOLP with respect to (x) the Projects, (y) any matter set forth, contained or addressed in any information provided by Contributors (including, but not limited to, the accuracy and completeness thereof), or (z) the results of SCOLP’s due diligence. SCOLP specifically acknowledges that, except for the representations and warranties set forth in this Agreement and the Closing Documents, SCOLP is not relying on (and Contributors do hereby disclaim and renounce) any representations or warranties of any kind or nature whatsoever, whether oral or written, express, implied, statutory or otherwise, from Contributors, as to any matter whatsoever. SCOLP further acknowledges and agrees that, except for the representations and warranties set forth in this Agreement and the Closing Documents, Contributors are under no duty to make any affirmative disclosures or inquiry regarding any matter which may or may not be known to the Contributors, and SCOLP, for itself and for its successors and assigns, hereby expressly waives any such duty that otherwise might exist.

7.5 Any reports, repairs or work required by SCOLP are the sole responsibility of SCOLP, and SCOLP agrees that, except as otherwise expressly provided in this Agreement, there is no obligation on the part of Contributors to make any changes, alterations or repairs to the Projects or to cure any violations of law or to comply with the requirements of any insurer.

7.6 Following Closing and except with respect to a breach of the representations and warranties set forth in Sections 7.1(f), 7.1(g), 7.1(n), 7.1(o), or 7.1(r) hereof, the maximum aggregate liability of Contributors to SCOLP and the maximum aggregate amount which may be awarded to and collected by SCOLP in connection with the breach of any representations and warranties of Contributors set forth in Section 7 hereof, other than with respect to a claim for fraud (for which there shall be no limit), shall not exceed Three Million Five Hundred Thousand and 00/100 (\$3,500,000.00) Dollars in actual damages suffered by SCOLP arising directly as a result of such breach by Contributors, the parties agreeing that Contributors shall have no liability whatsoever for consequential or punitive damages, and no claim may be made by SCOLP unless SCOLP’s damages are reasonably estimated to aggregate more than Twenty Five Thousand and 00/100 (\$25,000.00) Dollars (provided that if the claim is in excess of Twenty Five Thousand and 00/100 (\$25,000.00) Dollars, all damages from the first dollar shall be recoverable).

7.7 Should either party employ attorneys to enforce any of the provisions hereof (including the pursuit of specific performance), the party against whom any final judgment is entered agrees to pay the prevailing party all reasonable attorneys’ fees, court costs and legal expenses incurred in connection therewith.

8. REPRESENTATIONS AND WARRANTIES OF SCOLP.

8.1 SCOLP hereby represents and warrants to Contributors as of the date hereof, and as of the Closing Date, the following with the understanding that each of the representations and warranties are material and have been relied on by Contributors in connection herewith:

(a) SCOLP has been duly formed and is validly existing as a limited partnership in good standing under the laws of the State of Michigan and has the power and authority to own, lease and operate its properties and to conduct its business and to enter into and perform its obligations under this Agreement.

(b) Neither this Agreement nor the performance of SCOLP's obligations hereunder violates or will violate (i) any constituent documents of SCOLP, (ii) any contract, agreement or instrument to which SCOLP is a party or bound, or (iii) any applicable law, regulation, ordinance, order or decree.

(c) This Agreement has been duly authorized, executed and delivered by SCOLP and constitutes the legal, valid and binding obligation of SCOLP, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting enforcement of creditors' rights generally or by general equity principles.

(d) SCOLP, its General Partner, and its officers are in compliance with all Office of Foreign Assets Control Legal Requirements and similar requirements, including sanctions and regulations promulgated under authority granted by the Trading with the Enemy Act, 50 U.S.C. App. 1 44, as amended from time to time; the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 06, as amended from time to time; the Iraqi Sanctions Act, Publ. L. No. 101 513, as amended from time to time; the United Nations Participation Act, 22 U.S.C. § 287c as amended from time to time; the International Security and Development Cooperation Act, 22 U.S.C. § 2349 aa 9, as amended from time to time; The Cuban Democracy Act, 22 U.S.C. §§ 6001 10, as amended from time to time; The Cuban Liberty and Democratic Solidarity Act, 18 U.S.C. §§ 2332d and 2339b, as amended from time to time; and The Foreign Narcotics Kingpin Designation Act, Publ. L. No. 106 120, as amended from time to time; and is in compliance with any other prohibitions on dealings with persons, groups, countries, or entities proscribed by the United States government, and Buyer has no reason to believe that any of the foregoing is untrue or inaccurate.

None of SCOLP, its General Partner, or its officers is a person or entity that: (1) is listed in the Annex to, or otherwise subject to the provisions of the Executive Order; (2) is named as a "Specially Designated National and Blocked Person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <http://www.treas.gov/ofac/tllsdn.pdf>; (3) is owned or controlled by, or acting for or on behalf of, any person listed in the Annex to, or otherwise subject to the provisions of, the Executive Order; or (4) is (i) making or receiving any contribution of funds, goods or services to or for the benefit of any person listed in the Annex to, or otherwise subject to the provisions of, the Executive Order, (ii) dealing in, or otherwise engaging in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order, or (iii) engaging in or conspiring to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the Executive Order.

8.2 The provisions of Section 8.1 and all representations and warranties contained therein shall survive the closing of the transaction contemplated herein and the conveyance of the Membership Interests. All of such representation and warranties shall be deemed to be reaffirmed as of the Closing Date unless prior to the Closing SCOLP delivers written notice to the contrary to Contributors.

9. ACCESS TO THE PROJECT.

9.1 At all reasonable times from and after the date hereof, and subject to the terms and conditions of that certain Confidentiality Agreement dated April 4, 2012 and that certain Access and Indemnity Agreement dated June 7, 2012, the Contributors shall afford SCOLP and its representatives full and free access to each Project, including, but not limited to, the right to conduct non-invasive environmental, soil, engineering and other tests and to inspect the mechanical, plumbing and utility systems located at each Project, together with all other aspects of each Project. In no event shall SCOLP or its agents or representatives conduct any Phase II type environmental testing without first obtaining Contributors' prior written notice, which consent may be withheld in Contributors' reasonable discretion. Upon the completion of such activities, SCOLP, at its sole expense, shall promptly restore each Project to its former condition in all substantial respects and repair any damage caused by SCOLP or its agents or representatives. SCOLP shall defend, indemnify and hold Contributors harmless from and against any and all claims, demands, losses, costs and/or liabilities associated with damage or injury to any person, property or any Project caused by or attributable to the actions, omissions or negligence of SCOLP and/or its contractors, representatives or other agents while they are on the Projects pursuant to this Section or otherwise. SCOLP shall take the necessary steps to ensure that its contractors and agents have and maintain appropriate insurance policies related to (1) commercial general liability, including contractual liability, and (2) professional errors and omissions liability, including contractors' pollution liability. Prior to entering the Projects, SCOLP shall provide Contributors with insurance certificates evidencing its general liability coverage with minimums reasonably satisfactory to Contributors and naming each of the Contributors as additional insureds and prior to permitting any of its representatives to enter the Projects, SCOLP shall deliver similar insurance certificate for the benefit of Contributors. All physical inspections of the Projects conducted by SCOLP or its employees, agents, independent contractors or consultants shall be performed in a manner that shall not interfere with the on-going use of the Projects, which physical inspections shall be discreet and unobtrusive as reasonably possible and which shall only be made upon prior written notice to Contributors. In no event shall SCOLP or any of its agents, representatives or consultants disclose this transaction or any communications with any tenants, employees or third party vendors of Contributors without first obtaining Contributors' prior written consent. In the event SCOLP does not consummate the purchase of the Projects for any reason, SCOLP shall, at its sole cost and expense, restore the Projects to the condition existing prior to the entry by SCOLP and its agent and representatives. In the event this Agreement is terminated, at the request of Contributors, SCOLP shall transfer to Contributors all surveys, environmental reports, engineering reports and other third party reports obtained by SCOLP pertaining to the Projects provided Contributors reimburse SCOLP for its actual costs and expenses incurred in obtaining such surveys and reports. In all events, in the event this Agreement is terminated, SCOLP shall return to Contributors all information or documents furnished by Contributors to SCOLP. The obligations of SCOLP set forth in this Section 9.1 shall survive the termination of this Agreement or the Closing Date.

9.2 SCOLP shall have the right, at its expense, to cause its accountant to prepare audited financial statements of the Owner and its operations at the Projects for the calendar years ended December 31, 2010 and December 31, 2011, and for the period from January 1, 2012 through the calendar month preceding the Closing Date, and the Contributors shall cooperate and assist in all respects with the preparation of the audited financial statements, at no cost or expense to Contributors. Contributors shall furnish to SCOLP and its accountants all financial and other information in its possession or control to enable such accountants to prepare audited financial

statements in conformity with Regulation S-X promulgated by the Securities and Exchange Commission ("SEC") and any registration statement, report or disclosure statement filed with, and any rule issued by, the SEC. Contributors also shall provide a signed representation letter as prescribed by generally accepted auditing standards as promulgated by the Auditing Standards Divisions of the American Institute of Public Accountants which representation letter is required to enable an independent public accountant to render an opinion on such financial statements. Notwithstanding anything contained in this Section 9.2 to the contrary, however, SCOLP acknowledges and agrees that the preparation of such audited financial statement(s) shall not be a condition precedent to Closing, shall not be required to be completed prior to Closing and in no event shall the preparation and/or delivery of such financial statement(s) or information delay the Closing Date as provided in this Agreement.

10. CONDITIONS.

10.1 The obligation of SCOLP to consummate the acquisition of the Membership Interests is expressly conditioned upon the following, each of which constitutes a condition precedent to the obligations of SCOLP hereunder which, if not performed or determined to be acceptable to SCOLP on or before the Closing Date (unless a different time for performance is expressly provided herein), shall permit SCOLP, at its sole option, to declare this Agreement null and void and of no further force and effect by written notice to Contributors, whereupon (x) the Deposit shall be returned to SCOLP, and (y) neither Contributors nor SCOLP shall have any further duties or obligations under this Agreement except that (i) if any such condition was not satisfied as a result of any default or breach of this Agreement by Contributors, SCOLP may pursue such legal and equitable rights and remedies that may be available to it pursuant to the terms of this Agreement, and (ii) SCOLP's indemnity obligations under Section 9.1 shall survive (provided that SCOLP shall have the right to waive any one or all of such conditions):

(a) On the Closing Date, (i) title to each Project shall be held by the applicable New Owner in the condition required by this Agreement, (ii) the Title Company shall deliver "marked-up" Commitments agreeing to issue the title policies pursuant to the Commitments, and (ii) each Contributor shall own one hundred percent (100%) of the Membership Interest in the New Owner identified as being owned by such Contributor on the attached Schedule 7.1(o) in the condition required under this Agreement.

(b) The Contributors shall have complied with and performed, in all material respects, all covenants, agreements and conditions on their part to be performed under this Agreement within the time herein provided for such performance.

(c) Subject to the provisions of Section 7 hereof, the representations and warranties of Contributors, set forth in Section 7 hereof, are and shall be true and correct as of the Closing Date in all material respects.

(d) The Loan Assumption Approvals shall have been obtained from the Lenders.

(e) No action, suit, proceeding or investigation shall have been instituted before any court or governmental body, or instituted by any governmental agency to restrain or prevent consummation of the transactions under this Agreement.

(f) The sale of the Owned Homes and the MH Contracts by RSC to SHS pursuant to the Asset Purchase Agreement shall close prior to or contemporaneously with the closing of the transactions contemplated in this Agreement.

(e) From and after the date hereof to the Closing Date, there shall have been no material adverse change in or to any Project, the business conducted thereon, or any New Owner.

10.2 The obligation of Contributors to consummate the sale of the Membership Interests is expressly conditioned upon the following, each of which constitutes a condition precedent to the obligations of Contributors hereunder which, if not performed or determined to be acceptable to Contributors on or before the Closing Date (unless a different time for performance is expressly provided herein), shall permit Contributors, at their sole option, to declare this Agreement null and void and of no further force and effect by written notice to the SCOLP, whereupon neither Contributors nor SCOLP shall have any further duties or obligations under this Agreement except that (i) if any such condition was not satisfied as a result of any default or breach of this Agreement by SCOLP, Contributors shall be entitled to receive the Deposit in accordance with the terms of this Agreement and the Deposit Escrow Agreement, and (ii) SCOLP's indemnity obligations under Section 9.1 shall survive (provided that Contributors shall have the right to waive any one or all of such conditions):

(a) SCOLP shall have complied with and performed all covenants, agreements and conditions on its part to be performed under this Agreement within the time herein provided for such performance.

(b) The representations, warranties and agreements of SCOLP contained herein and in all documents and agreements executed pursuant hereto are and shall be true and correct as of the date hereof and as of the Closing Date in all material respects.

(c) The Loan Assumption Approvals shall have been obtained from the Lenders.

(d) No action, suit, proceeding or investigation shall have been instituted before any court or governmental body, or instituted by any governmental agency, to restrain or prevent consummation of the transactions under this Agreement.

(e) The sale of the Owned Homes and the MH Contract by RSC to SHS pursuant to the Asset Purchase Agreement shall close prior to or contemporaneously with the closing of the transactions contemplated in this Agreement and RSC shall have received the total purchase price to be paid by SHS to RSC equal to (i) a sum equal to one hundred (100%) percent of RSC's cost to acquire, refurbish and install, as applicable, the inventory of manufactured homes then owned by RSC as of the Closing Date, plus (ii) a sum equal to the outstanding principal balances then due under all of the MH Contracts owned by RSC as of the Closing Date which are less than 60 days delinquent and for those which are 60 or more days delinquent, the lower of the current principal balance or 70% of NADA Blue Book value of the manufactured home which is subject of the delinquent MH Contract..

10.3 SCOLP acknowledges and agrees that it is obligated to close simultaneously on the Membership Interests of each of the New Owners and in no event shall Contributors be obligated

to sell any of the Membership Interests unless SCOLP acquires all of the Membership Interests and SCOLP's failure to acquire any of the Membership Interests in accordance with the terms of this Agreement shall be deemed a default by SCOLP hereunder.

11. OPERATION OF PROJECTS.

11.1 From and after the date hereof to the Closing Date, Contributors shall: (a) continue to maintain, operate and conduct business at each Project consistent with past practices; (b) keep each Project insured against all usual risks and will maintain in effect all insurance policies now maintained on the same; (c) except with respect to leases to residents of the Projects, not otherwise sell, assign or convey any right, title or interest in any part of any Project; and (d) not execute, amend or extend any Tenant Lease for a term in excess of one (1) year (unless otherwise approved by SCOLP) and only at rental rates equal to or greater than the rental rents identified on the Schedule of Rents attached hereto as Schedule 11.1 and shall offer any concessions other than the concessions shown on the Schedule of Concessions attached hereto as Schedule 11.1, or otherwise terminate or waive any rights under the Tenant Leases other than consistent with past practices.

11.2 SCOLP or the New Owners shall have the right, but not the obligation, to hire those employees of Contributors working on-site at the Projects, effective as of the Closing Date. Upon the consummation of the transactions contemplated herein, such employees will remain employees of Contributors or such manager unless expressly retained by SCOLP or the New Owners at the Closing, and all compensation and fees due such employees, including any amount payable or that becomes payable as a result of the termination of the employees, and all costs and taxes attributable to such employment, shall be paid by Contributors. Effective as of the Closing Date, Contributors shall terminate the existing manager of the Projects and any Non-Assumed Project Contracts.

12. DESTRUCTION OF PROJECTS.

12.1 In the event any part of any Project shall be "materially damaged" prior to the Closing Date, Contributors shall notify SCOLP thereof, which notice shall include a description of the damage and all pertinent insurance information. For purposes of this Agreement, "materially damaged" shall be deemed to be damage the cost to repair of which exceeds Five Hundred Thousand and 00/100 (\$500,000.00) Dollars or the destruction of more the twenty (20%) percent of the manufactured homes which are subject to Tenant Leases. In the event that of any such material damage to a Project, SCOLP shall have the right to terminate this Agreement by notifying Contributors within ten (10) days following the date SCOLP receives notice of such occurrence or on the Closing Date, whichever occurs first, whereupon (x) the Deposit shall be returned to SCOLP, and (y) neither Contributors nor SCOLP shall have any further duties or obligations under this Agreement except that SCOLP's indemnity obligations under Section 9.1 shall survive. If SCOLP does not elect to terminate this Agreement, or shall fail to timely notify Contributors within the required time period, on the Closing Date, which may be extended by Contributors or SCOLP to accommodate compliance with this Section 12.1, Contributors shall assign to SCOLP or the New Owners all of Contributors' right, title and interest in and to the proceeds of the fire and extended coverage insurance presently carried by or payable directly or indirectly to Contributors or the New Owners, less any amounts incurred by Contributors prior to Closing to repair any such damage or out-of-pocket costs and expenses incurred in connection with the obtaining of such insurance proceeds, and the Purchase Price shall be reduced by the amount of any deductible applicable to such insurance.

13. CONDEMNATION.

13.1 If, prior to the Closing Date, any Contributor or SCOLP receives or obtains notice that any governmental authority having jurisdiction intends to commence or has commenced proceedings for the taking of any portion of any Project by the exercise of any power of condemnation or eminent domain, or notice of any such taking is recorded among the public records of the State of Michigan or the county where the Project is located, and such taking results in a reduction of the number of home sites within the Project or SCOLP determines that such taking will materially adversely affect the operation of the Project (it being acknowledged and agreed that notices regarding road widenings which do not impact the number of homesites, access, or parking spaces located within a Project shall not be a basis for SCOLP to exercise its termination right under this Section), SCOLP shall have the option to terminate this Agreement by notifying Contributors within ten (10) days following SCOLP's receipt of such notice or on the Closing Date, whichever is earlier, whereupon (x) the Deposit shall be returned to SCOLP, and (y) neither Contributors nor SCOLP shall have any further duties or obligations under this Agreement except that SCOLP's indemnity obligations under Section 9.1 shall survive. If SCOLP does not elect or does not have the right to terminate this Agreement or shall fail to timely notify Contributors, SCOLP shall close the transaction as if no such notice had been received, obtained or recorded or proceedings commenced, and in such event, any proceeds or awards made in connection with such taking shall be the sole property of SCOLP and the applicable New Owner, and not Contributors, less any out-of-pocket costs and expenses incurred by Contributors with respect to restoration resulting from such condemnation or out-of-pocket costs and expenses incurred in connection with the collection of any such condemnation proceeds.

14. DEFAULT.

14.1 In the event any Contributor shall fail to perform any of its material obligations hereunder, SCOLP's sole and exclusive remedies shall be to (i) terminate this Agreement by written notice delivered to Contributors at or prior to the Closing Date in which event the Deposit shall be returned to SCOLP and thereafter neither party to this Agreement shall have any further rights or obligations hereunder other than arising under any provision herein that expressly provides that it survives the termination of this Agreement (provided, however, that other than Contributors' failure to close on the Closing Date, SCOLP shall be required to first provide Contributors with written notice identifying any default and a five (5) day period thereafter in order to cure such default), (ii) waive the condition and proceed to close on its acquisition of all of the Projects, or (iii) seek specific performance of this Agreement by Contributors and SCOLP specifically acknowledges that SCOLP shall have no right to damages pursuant to this Section or otherwise under this Agreement, other than pursuant to the indemnification provisions set forth herein or in the Closing Documents. As a condition precedent to exercise by SCOLP of any rights SCOLP may have to bring an action for specific performance hereunder, SCOLP must commence an action within one hundred twenty (120) days after the occurrence of Contributors' default. SCOLP agrees that its failure to timely commence such an action for specific performance within such one hundred twenty (120) day period shall be deemed a waiver by SCOLP of its right to commence an action for specific performance.

14.2 In the event SCOLP is in material default of any of its obligations hereunder or fails to close on its purchase of the Membership Interests on the Closing Date in accordance with the terms of this Agreement, then Contributors' sole and exclusive remedy shall be to terminate this

Agreement by written notice to SCOLP; provided, however, that other than SCOLP's failure to close on the Closing Date, Contributors shall be required to first provide SCOLP with written notice identifying any default and a five (5) day period thereafter in order to cure such default. If this Agreement is so terminated by Contributors as a result of SCOLP's default under this Agreement, then, Contributors shall be entitled to retain the Deposit referenced under Section 2.2 hereof as liquidated damages and SCOLP hereby acknowledges Contributors' right to receive the Deposit, and thereafter, neither party to this Agreement shall have any further rights or obligations hereunder other than any arising under any Section or provision herein that expressly provides that it survives the termination of this Agreement. Contributors and SCOLP agree that in the event of a default by SCOLP under this Agreement, the Contributors' damages would be difficult or impossible to ascertain, and the amount of the Deposit represents a reasonable estimate of such damages. Neither SCOLP nor any designee, transferee or assignee of SCOLP, nor any officers, directors, shareholders or partners, general or limited, of SCOLP or such designee, transferee or assignee, shall be personally or individually liable with respect to any obligation under this Agreement, all such personal and individual liability, if any, being hereby waived by Contributors on their behalf and on behalf of all persons claiming by, through or under them.

15. LIABILITY; INDEMNIFICATION.

15.1 Except as otherwise specified in this Agreement, SCOLP does not and shall not assume any liability for any claims arising out of the occurrence of any event or the existence of any condition prior to the Closing Date with respect to the Projects. Except for the liability of the New Owners under the Mortgage Documents, Assumed Project Contracts, Tenant Leases and operating permits arising on or after the Closing Date, all accounts payable, obligations and liabilities of the Contributors and the New Owners, accrued or unaccrued, foreseen or unforeseen, contingent or liquidated, incurred as of the Closing Date or arising out of events or occurrences prior to the Closing Date, including under the Non-Assumed Project Contracts (collectively, the "Pre-Closing Liabilities") shall be the responsibility of, and paid by, Contributors, and not by SCOLP or the New Owners.

15.2 Contributors, jointly and severally, agree to indemnify and hold harmless the New Owners and SCOLP and their respective successors, assigns, constituent members and partners, employees, agents and representatives, from and against any and all claims, penalties, damages, liabilities, actions, causes of action, costs and expenses (including reasonable attorneys' fees and costs) arising out of, as a result of or as a consequence of: (i) any breach by Contributors of any of their representations, warranties, or obligations set forth in Section 7 hereof or the Closing Documents, subject to the limitations of Section 7 and 15.3 hereof; (ii) any claims, liabilities, costs, expenses, property damage or injuries to person arising out of slip and fall type actions covered by insurance and occurring prior to the Closing Date; (iii) any breach of the lessor's obligations under the Tenant Leases which occur prior to the Closing Date; (iv) any breach of any Contributors or any New Owners obligations under any Project Contract which occurred prior to the Commencement Date; (v) the termination of the employees of any Contributor, any New Owner or any manager of any Project on or prior to the Closing Date pursuant to Section 11.2 hereof; (vi) any and all liabilities and obligations of Contributors or the New Owners under any Non-Assumed Project Contracts; and (vii) all costs and expenses required to be paid by any Contributor under Sections 6.1, 19.1 and/or 20.1.

15.3 Contributors shall hold and maintain a minimum of One Million Five Hundred and 00/100 (\$1,500,000.00) Dollars in cash (or other liquid assets) until eighteen (18) months after the Closing Date unless SCOLP shall make a claim against Contributors under this Agreement or under the Guaranty executed and delivered by Contributors pursuant to the Asset Purchase Agreement prior to eighteen (18) months after the Closing Date (in which event Contributors shall hold and maintain such cash and/or assets until the full and final resolution of such claim). Additionally, in the event SCOLP has claims outstanding against the Contributors arising from a breach of a representation or warranty made by Contributors pursuant to Section 7 hereof or in the Closing Documents, then, following the entry of a non-appealable judgment against Contributors with respect to such claim(s), SCOLP shall have the right to offset the amount of such claims against the Property Tax Escrow (as defined in Section 18.2 herein) pursuant to the terms of the Property Tax Escrow Agreement.

15.4 Notwithstanding anything to the contrary in this Agreement, the representations and warranties set forth in Sections 7 and 8 of this Agreement shall survive for a period of twelve (12) months after the Closing Date; provided, however, that (a) the representations and warranties contained in Sections 7.1(f), 7.1(g), 7.1(m), 7.1(n), 7.1(p), 7.1 (q), 8.1(a), 8.1(b) and 8.1(c) shall survive until the expiration of the applicable statute of limitations. All other covenants and agreements of the parties contained herein which are expressly set forth to survive the Closing, shall survive the Closing indefinitely. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved. Except as provided above, no party shall be liable to any other party with respect to any claim under this Agreement unless such claiming party delivers written notice of such claim to the other party prior to 5:00 p.m. Eastern time on the expiration date of the applicable survival period.

16. DUE DILIGENCE INVESTIGATION.

16.1 SCOLP acknowledges and agrees that prior to the execution date of this Agreement, it has completed its due diligence investigations and has waived its right to terminate this Agreement as a result of such due diligence investigations.

17. INTENTIONALLY OMITTED.

18. CLOSING.

18.1 Subject to the provisions of Section 5.1, satisfaction or waiver by SCOLP of the conditions set forth in Section 10.1 hereof and satisfaction or waiver by Contributors of the conditions set forth in Section 10.2 hereof, the closing ("Closing") of the transactions contemplated herein shall take place at the offices of Jaffe, Raitt, Heuer & Weiss, P.C., 27777 Franklin Road, Suite 2500, Southfield, Michigan 48034 at 10:00 A.M., local time, on a date designated by SCOLP (the "Closing Date") which is not more than ten (10) days after the date the Loan Assumption Approvals are obtained from the Lenders, and in all events, not later than November 30, 2012. In the event that the conditions set forth in Section 10.1 hereof or the conditions set forth in Section 10.2 have not been satisfied and/or waived by November 30, 2012, through no fault of either party, then in such event, either party shall have the right to terminate this Agreement, in which event the

Deposit shall be refunded to SCOLP and this Agreement shall be deemed terminated except with respect to those provisions which expressly survive the termination hereof.

18.2 At Closing:

(a) Each Contributor shall execute and deliver to SCOLP an Assignment of Membership Interest in the form attached hereto as Exhibit I, transferring all of its Membership Interests to SCOLP.

(b) The Deposit shall be delivered to Contributors as contemplated in Section 2.1(b) above and the Deposit Escrow Agreement, and SCOLP shall deliver the Cash Payment to the Contributors, by wire transfer of immediately available funds in such proportions as the Contributors designate.

(c) Contributors shall cause the Commitments referred to in Section 4.1 hereof to be recertified and updated to the Closing Date, and shall cause the policy of title insurance to be issued to the New Owners pursuant to such updated Commitments.

(e) Contributors shall deliver to SCOLP updated Rent Rolls, which shall be certified by Contributors as true and correct in all material respects.

(f) Contributors shall deliver to the New Owners and SCOLP or make available at the Projects, and to the extent in its possession or control, originals of: (i) the Tenant Leases, including all amendments thereto and modifications thereof; (ii) all Assumed Contracts; (iii) all architectural plans and specifications pertaining to the development of the Projects, if applicable, and (iv) certificates of title for all vehicles owned by Contributors and identified on the Personal Property list attached hereto as Exhibit B-1.

(g) Contributors shall deliver to SCOLP an affidavit certifying that they and all persons or entities holding an interest in Contributors are not non-resident aliens or foreign entities, as the case may be, such that Contributors and such interest holders are not subject to tax under the Foreign Investment and Real Property Tax Act of 1980.

(h) SCOLP shall deliver \$3,000,000 from the Purchase Price (the "Tax Escrow Amount") to the Title Company, as escrow agent, to be held and disbursed pursuant to the terms of a Tax Escrow Agreement in the form of the attached Exhibit J (the "Tax Escrow Agreement"), which shall be executed and delivered by the Contributors, SCOLP and the Title Company, as escrow agent. All interest earned on the Tax Escrow Amount shall belong to Contributors. As more fully described in, and subject to the terms and conditions of, the Tax Escrow Agreement, the Tax Escrow Amount shall be distributed to SCOLP in the event the property taxes on the Projects exceed certain amounts during the five (5) tax years following the Closing Date, and all remaining portions of the Tax Escrow Amount shall be distributed to Contributors at the end of such five-year period. In the event of a conflict between the terms of this Agreement and the terms of the Tax Escrow Agreement, the terms of the Tax Escrow Agreement shall control.

(i) Contributors and SCOLP shall each deliver such documents or instruments as shall reasonably be required by the Title Company to consummate the transaction

contemplated herein and/or to cause the issuance of the policy of title insurance which, in all events, shall not increase such party's liability hereunder or decrease such party's rights hereunder.

19. COSTS.

19.1 SCOLP and Contributor shall each be responsible for their own counsel fees and travel expenses. As provided for herein, Contributors shall pay: (a) the documentary, intangible and transfer taxes, if any, due on the conveyance of the Membership Interests to SCOLP; and (b) the title insurance premiums for the policy of title insurance as specified in Section 4.1 hereof. As provided for herein, SCOLP shall pay: (i) all recording fees; (ii) costs associated with the Surveys and UCC and tax lien searches described in Section 4.3 hereof; (iii) costs associated with obtaining title insurance for the benefit of SCOLP's lenders, the lenders with respect to the Assumed Debt and any endorsements SCOLP may request with respect to the owner's policies of title insurance to be provided by Contributors as specified in Section 4.1 hereof or with respect to any title insurance policies obtained for the benefit of its lenders or the lenders under the Assumed Debt; iv) all costs associated with SCOLP's inspection of the Projects; and (v) all Assumption Costs.

20. BROKERS.

20.1 Other than Sunstone MH Consultants, LLC whose commission shall be paid by Contributors pursuant to the terms of a separate agreement, SCOLP and Contributors represent and warrant to each other that the parties making the representation have not dealt with any brokers or finders or created or incurred any obligation for a commission, finder's fee or similar remuneration in connection with this transaction and agree to indemnify, warrant and defend each other against and from all liability, loss, damages, claims or expenses, including reasonable attorney fees, arising from the breach or asserted breach of such representation.

21. ASSIGNMENT.

21.1 Neither SCOLP nor Contributors shall have the right to assign its rights or obligations under this Agreement without the prior written consent of the other party; provided, however, that SCOLP may assign its rights and obligations hereunder to a wholly-owned subsidiary of SCOLP without the prior written consent of Contributors.

22. CONTROLLING LAW.

22.1 This Agreement shall be controlled, construed and enforced in accordance with the laws of the State of Michigan, without regard to conflicts-of-laws principles that would require the application of any other law.

23. ENTIRE AGREEMENT.

23.1 This Agreement (together with the Exhibits and Schedules hereto), the Confidentiality Agreement and the Access and Indemnification Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, among the Contributors and SCOLP with respect to the subject matter hereof, including, without limitation, that certain Term Sheet dated

July 25, 2012. There is no statement, promise, agreement or obligation in existence which may conflict with the terms of this Agreement or which may modify, enlarge or invalidate this Agreement or any provision hereof. None of the prior and/or contemporaneous negotiations, preliminary drafts, or prior versions of this Agreement leading up to its execution and not set forth herein shall be used by any of the parties to construe or affect the validity of this Agreement.

24. AMENDMENTS.

24.1 This Agreement may not be amended or modified except by an instrument in writing signed by, or on behalf of, SCOLP and Contributors.

25. DESIGNATED REPRESENTATIVE.

25.1 Contributors hereby designate Graham A. Orley and Gregg L. Orley (collectively, the “Designated Representative”) to represent, act for and bind all of the Contributors. Any notice or other communication to the Designated Representative in accordance with this Agreement or any other document contemplated by this Agreement shall constitute notice or communication to all of the Contributors, and any act or waiver by the Designated Representative shall constitute an act or waiver by all of the Contributors for all purposes under this Agreement or any other document contemplated by this Agreement. By way of illustration and not limitation, the Designated Representative shall have full power and authority, for and on behalf of the Contributors, to: (i) receive notices or service of process, (ii) negotiate, determine, compromise, settle and take any other action permitted or called for by the Contributors under this Agreement or any other document contemplated by this Agreement, and (iii) execute and deliver on behalf of the Contributors any termination, amendment or waiver to this Agreement or any other document contemplated by this Agreement. The Contributors may replace the Designated Representative only by delivering to SCOLP a notice executed by all of the Contributors naming a new Designated Representative.

26. NOTICES.

26.1 All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by an internationally recognized overnight courier service, by facsimile or registered or certified mail (postage prepaid, return receipt requested) to the respective parties hereto at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 26.1):

If to the Contributors:

Mr. Graham A. Orley
201 W. Big Beaver Road, Suite 720
Troy, MI 48084-5297
Fax: (248) 689-2221

Mr. Gregg L. Orley
40900 Woodward Avenue, Suite 130
Bloomfield Hills, Michigan 48304
Fax: (248) 593-0323

With a required copy to:

Maddin, Hauser, Wartell, Roth & Heller, P.C.
28400 Northwestern Hwy., 3rd Floor
Southfield, MI 48034-1839
Attn: Lowell D. Salesin, Esq.
Fax: (248) 359-6189

If to SCOLP:

Mr. Gary A. Shiffman
Sun Communities, Inc.
27777 Franklin Road, Suite 200
Southfield, Michigan 48034
Fax: (248) 208-2645

With a required copy to:

Jaffe, Raitt, Heuer & Weiss, P.C.
27777 Franklin Road, Suite 2500
Southfield, Michigan 48034
Attn: Mark P. Krysinski, Esq.
Fax: (248) 351-3082

27. BINDING.

27.1 The terms hereof shall be binding upon and shall inure to the benefit of the parties hereto, their successors, transferees and permitted assigns.

28. PARAGRAPH HEADINGS.

28.1 The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit SCOLP or intent of this Agreement or any of the provisions hereof.

29. SURVIVAL AND BENEFIT.

29.1 Except as otherwise expressly provided herein, each agreement, representation or warranty made in this Agreement by or on behalf of either party, or in any instruments delivered pursuant hereto or in connection herewith, shall survive the Closing Date and the consummation of the transactions provided for herein.

29.2 The covenants, agreements and undertakings of each of the parties hereto are made solely for the benefit of, and may be relied on only by, the other parties hereto, their transferees and assigns, and are not made for the benefit of, nor may they be relied upon, by any other person whatsoever.

29.3 This Agreement shall not be construed more strictly against one party than against the other, merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being recognized that Contributors and SCOLP have contributed substantially and materially to the preparation of this Agreement.

30. COUNTERPARTS.

30.1 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Copies (whether photostatic, facsimile or otherwise) of this Agreement may be made and relied upon to the same extent as an original.

32. PUBLICITY.

32.1 Contributors and SCOLP each hereby covenant that neither party shall issue any press release related to this transaction either prior to or after Closing without the written consent of the other party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, however, nothing herein shall be deemed a limitation on SCOLP's rights to issue statements required by or in order to comply with any applicable law, including any requirements promulgated by the U.S. Securities and Exchange Commission.

33. NO RECORDING.

33.1 SCOLP agrees that it shall not record this Agreement or any memorandum or notice hereof and any such actions taken by SCOLP shall be deemed a default hereunder.

34. FURTHER ASSURANCES.

34.1 From time to time after the Closing Date, without payment of additional consideration, Contributors and SCOLP shall execute and deliver, or cause to be executed and delivered, such further reasonable and customary instruments and documents, and shall do, or cause to be done, such further reasonable and customary acts and things as may reasonably be requested by another party hereto for the purpose of assigning, transferring and delivering the Membership Interests to SCOLP or otherwise accomplishing the transactions contemplated herein which, in all events, shall not increase such party's liability hereunder or decrease such party's rights hereunder, and all at no out-of-pocket costs to the other party.

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

CONTRIBUTORS:

**RUDGATE SILVER SPRINGS COMPANY,
L.L.C.**, a Michigan limited liability company

By: /s/ Graham A. Orley
Name: Graham A. Orley
Title: Authorized Signatory

And

By: /s/ Gregg L. Orley
Name: Gregg L. Orley
Title: Authorized Signatory

RUDGATE HUNTERS CROSSING, LLC, a Michigan limited liability company

By: /s/ Graham A. Orley
Name: Graham A. Orley
Title: Authorized Signatory

And

By: /s/ Gregg L. Orley
Name: Gregg L. Orley
Title: Authorized Signatory

RUDGATE WEST COMPANY LIMITED PARTNERSHIP, a Michigan limited partnership

By: /s/ Graham A. Orley
Name: Graham A. Orley
Title: Authorized Signatory

And

By: /s/ Gregg L. Orley
Name: Gregg L. Orley
Title: Authorized Signatory

[Signatures Continue on Following Page]

#PageNum#

[Additional Signature Page to Contribution Agreement]

RUDGATE EAST COMPANY LIMITED PARTNERSHIP, a Michigan limited partnership

By: /s/ Graham A. Orley
Name: Graham A. Orley
Title: Authorized Signatory

And

By: /s/ Gregg L. Orley
Name: Gregg L. Orley
Title: Authorized Signatory

RUDGATE EAST COMPANY II LIMITED PARTNERSHIP, a Michigan limited partnership

By: /s/ Graham A. Orley
Name: Graham A. Orley
Title: Authorized Signatory

And

By: /s/ Gregg L. Orley
Name: Gregg L. Orley
Title: Authorized Signatory

SCOLP:

SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership

By: Sun Communities, Inc., its General Partner

By: /s/ Gary Shiffman
Name: Gary Shiffman
Title: President

LIST OF EXHIBITS

<u>Exhibit</u>	<u>Description</u>
Exhibit A	Projects/Legal Description of Land
Exhibit B-1	Schedule of Personal Property
Exhibit B-2	Schedule of Excluded Personal Property
	Exhibit C Owned Homes
	Exhibit D Manufactured Home Contracts
	Exhibit E Contributors and New Owners
Exhibit F	Form of Asset Purchase Agreement
Exhibit G	Form of Deposit Escrow Agreement
Exhibit H	Non-Assumed Project Contracts
Exhibit I	Assignment of Membership Interest
Exhibit J	Form of Tax Escrow Agreement

LIST OF SCHEDULES

Schedule 3.1(c) – Rent Roll and Concession Report
Schedule 6.1(l) –List of Homes Under Relocation Program
Schedule 7.1(b) – Enforcement Actions and Legal / Code Violations
Schedule 7.1(c) – Litigation or Administrative Proceedings (other than evictions)
Schedule 7.1(d) – Unpaid Special Assessments
Schedule 7.1(e) – Project Contracts
Schedule 7.1(g) – Government Approvals Needed for LLC Interest Transfer
Schedule 7.1(h) – Contracts for Labor / Materials That Will Not Be Paid Pre-Closing
Schedule 7.1(i) – Employees and Managers
Schedule 7.1(j) – Operating Permits and Licenses
Schedule 7.1(k) – Personal Property
Schedule 7.1(l) – Environmental Reports
Schedule 7.1(n) – New Owners
Schedule 7.1(q) – Assumed Debt -- Mortgage Documents
Schedule 7.1(r) – Employee Plans
Schedule 7.1(s) – Audited Financials for 12/31/11 and Management-Prepared Financials for 7 months ended 7/31/12
Schedule 11.1 – Rent Roll and Concessions

SUN RUDGATE LENDER LLC
27777 Franklin Road, Suite 200
Southfield, Michigan 48034

October 3, 2012

Rudgate Village Company Limited Partnership
Rudgate Clinton Company Limited Partnership
Rudgate Clinton Estates L.L.C.
201 W. Big Beaver Road, Suite 1050
Troy, Michigan 48084
Attention: Messrs. Graham Orley and Gregg Orley

Gentlemen:

We are pleased to advise you that Sun Rudgate Lender LLC (“Sun”) hereby commits to provide the Borrowers (as defined below) with a mezzanine loan (the “Loan”) subject to the following terms and conditions:

1. **Loan Terms.**

(a) **Type of Credit:** Mezzanine Loan.

(b) **Purpose:** The proceeds of the Loan will be used for retiring prior debt and/or distributions to Borrowers’ owners. Borrowers shall have the right to direct Sun to place the Loan funds into an account from which proceeds will be used to satisfy amounts due the current lenders who hold mortgages on the Properties (as defined below).

(c) **Amount:** \$60,700,000.00 *minus* the net proceeds of the Senior Loan (defined below) received by the Property Owners (defined below). The proposed first mortgage loan to the Property Owners to be provided by Ladder Capital Finance LLC (“Ladder” or “Senior Lender”) is expected to be \$45,900,000.00 (the “Senior Loan”), all as set forth in that certain Loan Application, dated August 17, 2012 (the “Senior Loan Application”), submitted by the Property Owners to Ladder.

(d) **Co-Borrowers:** Three newly formed Michigan limited liability companies, jointly and severally:

(i) Rudgate Village Holdings, LLC (“Rudgate Village”);

(ii) Rudgate Clinton Holdings, LLC (“Rudgate Clinton”); and

(iii) Rudgate Clinton Estates Holdings, LLC (“Rudgate Clinton Estates,” and collectively with Rudgate Village and Rudgate Clinton, the “Borrowers”).

Rudgate Village will be the sole member of Rudgate Village SPE, LLC, a Delaware limited liability company (“Village Owner”), which will hold title to Rudgate Village (Manor) Manufactured Home Community. Rudgate Clinton will be the sole member of Rudgate Clinton SPE, LLC, a Delaware limited liability company (“Clinton Owner”), and Rudgate Clinton Estates will be the sole member of Rudgate Clinton Estates SPE, LLC, a Delaware limited liability company (“Clinton Estates Owner”, and collectively with Clinton Owner and Village Owner, the “Property Owners”). Rudgate Clinton and Rudgate Clinton Estates each hold title to a portion of the Rudgate Clinton Manufactured Home Community, and operate the Community as a single project.

Borrowers will be single purpose entities with no assets other than their ownership interests in the respective Property Owners. The single purpose entity requirements applicable to the Property Owners, as contained in the Senior Loan documentation, will apply to the Borrowers. Each of the Property Owners will be single purpose entities, with no assets other than their respective interests in the Properties (defined below). The sole manager of each of the Borrowers shall be Rudgate Manager, LLC (the “Manager”). The Manager shall be a single purpose entity, with no material assets. At all times during the term of the Loan, the sole members of the Manager shall be Four O Group, LLC and the Graham A. Orley Revocable Trust dated January 29, 1991, as amended and/or restated.

Rudgate Clinton Manufactured Home Community and Rudgate Village (Manor) Manufactured Home Community, together are referred to herein as the “Properties” and individually, each is referred to as a “Property”. Rudgate Village shall be wholly-owned by Rudgate Village Company, LLC, Rudgate Clinton shall be wholly-owned by Rudgate Clinton Company, LLC, and Rudgate Clinton Estates shall be wholly-owned by Rudgate Clinton Estates L.L.C. Collectively, Rudgate Village Company, LLC, Rudgate Clinton Company, LLC and Rudgate Clinton Estates L.L.C. shall be referred to as the “Member Companies.”

(e) **Guaranty of Recourse Carve outs:** The Loan will be non-recourse to the Borrowers; except the Borrowers shall be obligated with respect to the recourse carve-outs, set forth on Exhibit A hereto, which shall also be guaranteed by Gregg L. Orley and Randall C. Orley (jointly and severally, the “Guarantors”).

(f) **Interest:** The interest rate charged on the outstanding principal balance of the Loan shall equal 24% per annum (the “Note Rate”), and the minimum cash payment rate shall be 2% per annum (the “Pay Rate”). Interest only shall be payable monthly under the Loan; however, if after application of all cash flow in accordance with the terms of Section 4 below, there are insufficient funds from the Property to pay the difference between interest accrued under the Loan at the Note Rate and interest accrued under the Loan at the Pay Rate, the Borrowers may borrower such shortfall from Sun as and when such interest is payable under the Loan, and all such sums advanced by Sun shall be reflected in, and be treated as

advances under, a promissory note (the "PIK Note") to be executed and delivered by the Borrowers at closing. The interest rate charged on the outstanding principal balance of the PIK Note shall be equal to the Note Rate. All accrued and unpaid principal and interest under the Loan and PIK Note shall be due and payable upon the maturity date of the Loan. In the event there are insufficient funds to pay such Pay Rate, Lender's remedy shall be to institute a cash sweep of all excess cash flow to be held in a cash management account and to be utilized to fund the waterfall as provided in Section 4 below. In the event of a default under the Loan the default rate of interest shall be 24% per annum.

(g) **Term:** Ten (10) years from the date of the Closing (as defined below).

(h) **Exit Fee:** The principal balance of the Loan and PIK Note may be repaid, whether voluntarily, involuntarily, by reason of acceleration or otherwise, only upon the simultaneous payment of the Exit Fee. For purposes hereof, the "Exit Fee" shall equal 5% of the aggregate outstanding principal balance and unpaid accrued interest of the Loan and the PIK Note.

(i) **Prepayment:** The Loan may not be prepaid in whole or in part, except as follows: (i) Borrowers may prepay the Loan in whole only, without penalty or premium, during the ninety (90) days prior to the Maturity Date so long as the Property Owners also prepay the Senior Loan; and (ii) after the 7th anniversary of the closing date the Borrowers may prepay the Loan in whole, but not in part, in the event that the Property Owners prepay the Senior Loan, provided that the Borrowers pay to Sun the unpaid principal balance of the Loan, together with all unpaid accrued interest, and all other amounts otherwise owing to Sun under the Loan together with the Prepayment Premium and Exit Fee. For purposes hereof, the "Prepayment Premium" shall equal the sum of all interest payments which the Borrowers would have paid to Sun on a monthly basis during the remaining term of the Loan based on the then outstanding principal balance of the Loan and presuming no prepayments of principal and each monthly interest payment included interest computed at the Note Rate.

(j) **Assignment:** Assignment of direct and indirect interests in the Borrowers, Property Owners and their respective constituent members and partners shall be prohibited, except that transfers for estate planning purposes and transfers between Member Companies and/or transfers between the members of the Member Companies (directly or indirectly) shall be permitted and shall not require prior written notice and/or consent of Sun (collectively, the "Permitted Transfers"), provided, however, that Borrowers shall provide copies of all notices required to be furnished to the Senior Lender with respect to all assignments or transfers as and when delivered to the Senior Lender. Except with respect to the Permitted Transfers, other assignments or transfers shall be prohibited in accordance with the terms of the definitive loan documentation.

(k) **Other Debt:** No other debt of the Borrowers or Property Owners shall be permitted, other than the Senior Loan to the Property Owners and trade payables and other

liabilities permitted under the Senior Loan; provided, however, debt resulting from the actions or omissions of the Property Manager shall not cause a default under the Loan.

(l) **Financial Reporting.** Borrowers will provide Sun, or cause the Property Manager (as defined below) to provide Sun with, among other things, quarterly certified rent rolls for the Properties and quarterly and annual income statements and balance sheets, certified by the Borrowers or Property Manager; provided, however, Borrowers' obligations to furnish Sun with information shall be subject to it receiving such information from the Property Manager.

2. **Security.** The Loan will be secured by a first security interest in all the assets of the Borrowers, including, without limitation, a collateral assignment of the Borrowers' membership interests in the Property Owners, along with all proceeds received by the Borrowers in respect of such interests. The recourse carveouts, set forth on Exhibit A, shall be guaranteed by the Guarantors.

3. **Intercreditor Agreement and Subordination.** The Loan shall be subordinate to the Senior Loan in accordance with the terms of a commercially reasonable intercreditor agreement between the Senior Lender and Sun (the "Intercreditor Agreement").

4. **The Waterfall.** Borrowers shall cause the cash flow of the Property Owners to be utilized in the following order of priority:

(a) First, to pay operating expenses of the Properties, as determined by Property Manager.

(b) Second, to pay scheduled payments of interest, principal and other amounts due under the Senior Loan.

(c) Third, to pay a 3% management fee payable to the Property Manager, including any accrued and unpaid property management fees.

(d) Fourth, for distributions to the Borrowers in an amount sufficient to pay the Pay Rate of interest on the Loan.

(e) Fifth, an aggregate amount of \$135,000 per year shall be made available for distribution to the Borrowers which shall be permitted to be distributed to the equity owners of the Borrowers.

(f) Sixth, to pay a 4% asset management fee, payable to the Property Manager, together with reimbursable expenses to the Property Manager, including any accrued and unpaid asset management fees and reimbursable expenses.

(g) Seventh, to the establishment of such reserves as the Property Manager shall deem necessary for the benefit of the Properties in its sole and absolute discretion.

(h) Thereafter, for distributions to the Borrowers to be used solely to pay accrued but unpaid interest, and all principal owing, on the Loan and pursuant to the PIK Note.

5. **Costs and Expenses.** Sun shall pay all costs and expenses incurred by Sun in connection with preparing for, and closing, the Loan, including, but not limited to, all legal fees and expenses and costs associated with the perfection of the security interests granted to Sun in connection with the Loan. Borrowers shall pay all costs and expenses incurred by the Borrowers in connection with the Loan, including, but not limited to, legal fees and expenses; provided, however, other than with respect to Borrowers' legal fees and costs, any third party expenses incurred by Borrowers shall be paid directly by Sun.

6. **Cross-Default.** The Loan will be cross-defaulted to the Senior Loan with respect to all events of default that are not cured or waived within the time period specified in the Senior Loan documents.

7. **Conditions to Closing.** Before closing of the Loan or contemporaneous therewith, and as an express condition precedent, the following must occur:

(a) Execution of loan documentation consistent with the Senior Loan Documents (the "Loan Documents"), including but not limited to, a loan agreement, promissory note, and pledge and security agreement; provided, however, representations and warranties to be set forth in the loan agreement shall be limited to and consistent with representations and warranties set forth in the "Contribution Agreement" (as defined herein) and in no event shall the Property Manager's actions or omissions cause Borrowers to be in default under the Loan Documents.

(b) Title to each Property shall be held by the applicable Property Owner in the condition approved or deemed approved by Sun pursuant to Section 8(c) below, as reflected in the "marked-up" Commitments or pro forma policies furnished to the Senior Lender in connection with the closing of the Senior Loan, and at Closing each Borrower shall own one hundred percent (100%) of the Membership Interest in the respective Property Owner.

(c) Closing and funding of the Senior Loan.

(d) Execution of a Property Management Agreement for each of the Properties, in the form attached as Exhibit B, between the respective Property Owner and an affiliate of Sun (the "Property Manager"), which will govern the management of the property and the related assets.

(e) Execution of a Reciprocal Reimbursement Agreement among the Property Owners, Guarantors and Rudgate Key Principals (as defined in the Senior Loan Application) (collectively, the "Rudgate Parties") and Sun Communities Operating Limited Partnership ("SCOLP") pursuant to which, (i) SCOLP will indemnify, defend and hold harmless the Rudgate Parties for all liabilities, costs and expenses they sustain under the "non-

recourse carve out guarantee” they deliver to Senior Lender as a result of the acts or omissions of SCOLP or its affiliates, and (ii) the Rudgate Parties will indemnify, defend and hold harmless SCOLP for all liabilities, costs and expenses its sustains under the “non-recourse carve out guarantee” it delivers to Senior Lender as a result of the acts or omissions of the Rudgate Parties, or their affiliates, in the form attached hereto as Exhibit C.

(f) Execution of the Intercreditor Agreement by Sun and Ladder, in the form contemplated under Section 3 hereof.

(g) Collateral Assignments of Membership Interests in each of the Property Owners and certificates of such membership interest, together with all other documentation necessary to perfect Sun’s security interest in the collateral.

(h) No action, suit, proceeding or investigation shall have been instituted before any court or governmental body, or instituted by any governmental agency to restrain or prevent consummation of the Loan.

(i) Counsel to the Borrowers, Madden, Hauser, Wartell, Roth & Heller, P.C., shall have delivered a legal opinion to Sun opining on matters of authority, organization, litigation, consents, conflicts with other agreements and similar matters, in form reasonably acceptable to Sun.

8. **Pre-Closing Deliveries.** Before closing of the Loan, and as an express condition precedent, Borrowers must furnish Sun with the following materials (all of which must be acceptable to Sun):

(a) Certified copies of the current operating agreements (which must include language opting into Article 8 of the Uniform Commercial Code) and duly filed articles of organization for the Borrowers, together with satisfactory evidence of the authority of the individual signatories to execute the Loan Documents.

(b) Certified copies of the articles of organization and operating agreements, if any, for each of the Property Owners, each of the members of each of the Borrowers, and the Manager of each of the Borrowers and Property Owners.

(c) Copies of existing surveys and title commitments and instruments of record with respect to each Property. If a title commitment or survey discloses exceptions which are not acceptable to Sun, in its sole discretion, Sun shall notify the Borrowers in writing of its objections to such exceptions not later than October 12, 2012. If Borrowers notify Sun that they are unable or unwilling to remedy any title objection, Sun will have five (5) business days after receipt of such notice to either terminate this Commitment or to waive such title objection(s), and in the event Sun fails to terminate this Commitment by such date, then such title objection(s) shall be deemed waived by Sun and, at Closing, the condition of title as reflected in the surveys and title commitments will be in the form reviewed by Sun prior to

October 12, 2012, as modified based upon items Borrowers have notified Sun will be remedied by Borrowers at or prior to Closing..

(d) Copies (without duplication) of those due diligence materials, reports (including, without limitation, environmental and engineering reports), schedules, projections, forecasts, appraisals, business plans, development plans, capital expenditure schedules, rent rolls, schedules, exhibits and other documents delivered by or on behalf of the Property Owners to Ladder in connection with the Senior Loan, all of which shall be in form and substance satisfactory to Sun. Notwithstanding the foregoing, however, Sun hereby acknowledges and agrees that it has reviewed and approved all such due diligence materials, reports, etc. and such condition has been satisfied.

9. **Legal Documentation.** Loan Documents shall be prepared by Sun's legal counsel and the execution of such Loan Documents shall be a condition to Closing as provided in Section 7.A hereof.

10. **Assignability.** This commitment may not be assigned by the Borrowers except with the written consent of Sun.

11. **Cancellation.**

(a) This commitment may be terminated at the sole option of Sun upon notice in writing to the Borrowers, upon the occurrence of any of the following events:

(i) If Borrowers fail to comply with any of the material terms and conditions of this Commitment, which failure is not cured within 5 business days after Borrowers receive notice of Sun's intention to terminate this Commitment; or

(ii) The termination of the Senior Loan Application or the failure of the closing of the Senior Loan, as a result of Borrowers' failure to comply with the terms of such Senior Loan Application or Borrowers' failure to close on the Senior Loan or as a result of Borrowers' or its affiliates failure to satisfy conditions within the control of Borrowers or its affiliates; or

(iii) In the event of the filing by or against any of the Borrowers or Property Owners of a petition in bankruptcy or insolvency, or for reorganization, or for the appointment of a receiver or trustee, or in the event of any assignment for the benefit of creditors or the filing of a petition for arrangement by any of the Borrowers or Property Owners; or

(iv) In the event of the filing by or against any of the Guarantors of a petition in bankruptcy or insolvency, or for reorganization, or for the appointment of a receiver or trustee, or in the event of any assignment for the benefit of creditors or the filing of a petition for arrangement by any of the Guarantors; or

(v) In the event that any of the representations and warranties to be set forth in the Loan Documents were untrue or incorrect when made in any material respect.

(b) This commitment may be terminated at the sole option of the Borrowers upon notice in writing to Sun, upon the occurrence of any of the following events:

(i) If Sun fails to comply with any of the material terms and conditions of this Commitment; or

(ii) The termination of the Senior Loan Application or the failure of the closing of the Senior Loan as a result of any actions or omissions by Sun or its affiliates in breach of the Senior Loan Application or this Commitment or as a result of Sun's or its affiliates' failure to satisfy conditions within the control of Sun or its affiliates.

12. **Commitment Acceptance and Expiration.** This commitment letter constitutes an offer to enter into the transactions described herein and will constitute a contract binding upon Sun and the Borrowers only upon acceptance by the Borrowers on or before October 5, 2012. This commitment may be accepted in whole and not in part.

13. **Closing.** The Closing shall occur concurrently with the closing of the Senior Loan and the closing of the transaction contemplated by the Contribution Agreement executed on even date herewith (the "Contribution Agreement") and in all events, Closing shall occur not later than November 30, 2012. In the event the Closing does not occur as set forth above as a result of the failure of Sun or its affiliates to close on the transactions contemplated by the Contribution Agreement in breach of the terms thereof, or because the Senior Loan did not close as a result of any actions or omissions by Sun or its affiliates in breach of the Senior Loan Application or as a result of Sun's or its affiliates' failure to satisfy conditions within the control of Sun or its affiliates, or as a result of a default by Sun under this Commitment, Sun shall be deemed to be in default under the terms of this Commitment. In the event the Closing does not occur as set forth above as a result of Borrowers' or its affiliates' failure to close on the Senior Loan or the transactions contemplated by the Contribution Agreement in breach of the terms thereof or as a result of Borrowers' or its affiliates' failure to satisfy conditions within the control of Borrowers or its affiliates, or as a result of a default by Borrowers under this Commitment, Borrowers shall be deemed to be in default under this Commitment and in such event, Sun's sole remedies shall be to terminate this Commitment upon delivering written notice to Borrowers or seek specific performance of this Commitment and Sun acknowledges that Sun shall have no right to damages. As a condition precedent to exercise by Sun of any rights Sun may have to bring an action for specific performance hereunder, Sun must commence an action within one hundred twenty (120) days after the occurrence of Borrowers' default. Sun agrees that its failure to timely commence such an action for specific performance within such one hundred twenty (120) day period shall be deemed a waiver by Sun of its right to commence an action for specific performance.

14. **Miscellaneous.** Any invalidation or waiver of any of the provisions of this commitment shall not invalidate or waive any other provision hereof. This commitment and the enforcement hereof shall be construed in accordance with the laws of the State of Michigan. Time is of the essence. This commitment letter constitutes the entire agreement of the parties with respect to the Loan and supersedes all previous letters, agreements or understandings with respect to the Loan.

SUN RUDGATE LENDER LLC, a Michigan limited liability company

By: Sun Communities Operating Limited Partnership, a Michigan limited partnership
Its: Sole Member

By: Sun Communities, Inc., a Maryland corporation
Its: General Partner

By: /s/ Gary Shiffman
Name: Gary Shiffman
Its: President

(BORROWER AND GUARANTOR SIGNATURES ON NEXT PAGE)

Accepted this 3rd day of October, 2012

Rudgate Village Company Limited Partnership

By: /s/ Graham A. Orley
Name: Graham A. Orley
Its: Authorized Signatory

And

By: /s/ Gregg L. Orley
Name: Gregg L. Orley
Its: Authorized Signatory

Rudgate Clinton Company Limited Partnership

By: /s/ Graham A. Orley
Name: Graham A. Orley
Its: Authorized Signatory

And

By: /s/ Gregg L. Orley
Name: Gregg L. Orley
Its: Authorized Signatory

Rudgate Clinton Estates L.L.C.

By: /s/ Graham A. Orley
Name: Graham A. Orley
Its: Authorized Signatory

And

By: /s/ Gregg L. Orley
Name: Gregg L. Orley
Its: Authorized Signatory

/s/ Gregg L. Orley
Gregg L. Orley

/s/ Randall C. Orley
Randall C. Orley

EXHIBIT A
RECOURSE CARVE-OUTS

The Borrowers and Guarantors shall be liable for any and all actual loss, damage, cost, expense, liability, claim or other obligation incurred or suffered by Sun (including reasonable attorneys' fees and costs reasonably incurred) arising out of the following if caused by an action or omission of any one of the Borrowers, Property Owners or Guarantors, or an Affiliate of one of the foregoing, and for purposes hereof, any act or omission of the Property Manager or its affiliates shall not be considered to have been done by an Affiliate of the Borrowers, Property Owners or Guarantors and Borrowers and Guarantors shall have no liability to the extent such liability results from the actions or omissions of Property Manager or its affiliates:

- A.1 material physical waste or the removal or disposal of any portion of the Property in violation of the Loan Documents and caused by any Borrower, Property Owner, Guarantor or any Affiliate of a Borrower, Property Owner or Guarantor;
- A.2 the misapplication, misappropriation or conversion of (A) any Insurance Proceeds paid by reason of any loss, damage or destruction to the Property and not used in compliance with the Senior Loan Documents and the Loan Documents, (B) any Awards or other amounts received in connection with the Condemnation of all or a portion of the Property and not used in compliance with the Senior Loan Documents and the Loan Documents, (C) any Gross Revenues (whether before or after an Event of Default), to the extent such misapplication, misappropriation or conversion consists of a failure to deposit such Gross Revenues into the Clearing Account in accordance with the terms of the Senior Loan Documents, or (D) any Gross Revenues after an Event of Default (including, without limitation, any security deposits, advance deposits or any other deposits collected by Borrowers with respect to the Property (including the failure to deliver any such deposits to the Senior Lender or upon a foreclosure of the Property or an action in lieu thereof, except to the extent any such deposits were applied in accordance with the terms and conditions of the applicable Lease prior to the occurrence of the Event of Default giving rise to such foreclosure or action in lieu thereof)) and; provided, however, in no event shall the payment of the Gross Revenues to the Senior Lender or the utilization of such Gross Revenues to pay for operating, maintenance, repair and/or replacement costs associated with the Properties be deemed to be a misapplication, misappropriation or conversion of such Gross Revenues;
- A.3 in connection with the Loan or the Property, any Borrower, Property Owner, Guarantor, or any Affiliate of a Borrower, Property Owner or Guarantor, engages in any action constituting fraud or willful and material misrepresentation or willful misconduct;

- A.4 the forfeiture by Property Owners of the Properties (or one of them), including by reason of any claim under the Racketeer Influenced and Corrupt Organizations Act (“RICO”), that results from conduct of criminal activity by any Property Owner, Borrower or Guarantor or any of their respective Affiliates;
- A.5 Borrowers or Property Owners fail to comply with any of the material single purpose representations, warranties or covenants set forth in the Loan Documents or Senior Loan Documents and which failure is not cured within thirty (30) days after Borrowers’ receipt of written notice identifying such non-compliance, to the extent such non-compliance may be cured, provided, however, that if the Borrowers are diligently working to cure the noncompliance, then Sun shall grant the Borrowers an additional thirty (30) days to cure such non-compliance;
- A.6 any Guarantor, any Property Owner, any Borrower or any Affiliate of any of the foregoing, in connection with any enforcement action or exercise or assertion of any right or remedy by or on behalf of Sun under or in connection with the Guaranty, the Note, or any other Loan Document, seeks a defense, judicial intervention or injunctive or other equitable relief of any kind or asserts in a pleading filed in connection with a judicial proceeding any defense against Sun or any right in connection with any security for the Loan and which the Court in any such action or proceeding determines in a final, non-appealable order is frivolous, brought in bad faith or wholly without basis in fact or law.

If the Management Agreement is no longer in effect as a result of Borrowers’ termination of the Management Agreement, then the Borrowers and Guarantors shall be liable for any and all actual loss, damage, cost, expense, liability, claim or other obligation incurred or suffered by Sun (including reasonable attorneys' fees and costs reasonably incurred) arising out of or in connection with the following:

- B.1 the failure to pay charges for labor or materials or other charges that can create Liens on any portion of a Property to the extent such Liens are not bonded over or discharged in accordance with the Loan Documents and Senior Loan Documents, except with respect to any Liens which exist due to the Property Owner’s inability to make the required payments because they do not have access to the Gross Revenues to pay such charges or because there is not sufficient Rents from the Property to make such payments so long as the Property Owners have not applied the Rents from the Property in violation of the Loan Documents and Senior Loan Documents and the Property Owners contracted for such labor or materials in the ordinary course of business in accordance with the terms of the Loan Documents and with the good faith belief that there would be sufficient funds to timely pay such sums;

- B.2 the failure to pay (A) Taxes or (B) obtain and maintain the fully paid for policies of insurance in accordance with the Senior Loan Documents and Loan Documents, except if such failure to pay arose because (1) they do not have access to the Gross Revenues to pay such charges or because there was not sufficient Rents from the Properties to make such payments so long as the Borrowers and Property Owners have not applied the Rents from the Properties in violation of the Loan Documents or Senior Loan Documents, or (2) funds in the Tax Account or Insurance Account, as applicable, held by the Senior Lender were not used for such purpose or applied by the Senior Lender in any other manner; provided however, any such liability for Taxes and Insurance Premiums shall cease with respect to Taxes and Insurance Premiums payable after the Borrowers, the Property Owners and their Affiliates are not in possession or control of the Properties;

Notwithstanding anything to the contrary, (A) Sun shall not be deemed to have waived any right which Sun may have under Section 506(a), 506(b), 1111(b) or any other provisions of the Bankruptcy Code to file a claim for the full amount of the Loan and all obligations thereunder or to require that all collateral shall continue to secure the Loan owing to Sun in accordance with the Loan Documents, and (B) the Loan and all obligations thereunder shall be fully recourse to Borrowers and Guarantors in the event that any of the following occur, unless caused by the acts or omissions of the Property Manager or its affiliates in violation of the Property Management Agreement:

- C.1 Borrowers or Property Owners fail to comply with any representation, warranty or covenant set forth in Loan Documents or Senior Loan Documents with respect to single purpose structure, and a court of competent jurisdiction orders a substantive consolidation of the assets and liabilities of any Borrower or Property Owner with those of any other Person based on such failure.
- C.2 Borrowers or Property Owners fail to obtain Sun's prior consent to any indebtedness for borrowed money (which, for clarification, shall not mean trade payables, operating expenses, capital expenditures, property taxes, sums due the Property Manager or to the Senior Lender or indebtedness for borrowed money created through the acts or omissions of the Property Manager) or any voluntary Lien encumbering the Properties or any portion thereof or interest therein, except to the extent expressly permitted by the Loan Documents and excluding any Liens described in subparagraph 7 above and further excluding voluntary liens created through the acts or omissions of Property Manager or its affiliates;
- C.3 Borrowers, Property Owners or their constituent members or partners fail to obtain Sun's prior consent to any transfer, except for Permitted Transfers or as otherwise expressly permitted by the Loan Documents including, without

limitation, a transfer to the Senior Lender following an occurrence of an event of default under the Senior Loan;

- C.4 Borrowers or Property Owners file a voluntary petition under the Bankruptcy Code or any other federal, state, local or foreign bankruptcy or insolvency law;
- C.5 an Affiliate, officer, director or representative which controls, directly or indirectly, any Borrower or Property Owner files, or joins in the filing of, an involuntary petition against Borrowers or Property Owners (or any one of them) under the Bankruptcy Code or any other federal, state, local or foreign bankruptcy or insolvency law, or solicits or causes to be solicited petitioning creditors for any involuntary petition against Borrowers or Property Owners (or any one of them) from any Person;
- C.6 Borrowers or Property Owners (or any one of them) file an answer consenting to, or otherwise acquiescing in, or joining in, any involuntary petition filed against it, by any other Person under the Bankruptcy Code or any other federal, state, local or foreign bankruptcy or insolvency law, or solicits or causes to be solicited petitioning creditors for any involuntary petition from any Person;
- C.7 any Affiliate, officer, director or representative which controls any Borrower or Property Owner consents to, or acquiesces in, or joins in, an application for the appointment of a custodian, receiver, trustee or examiner for any Borrower, Property Owners or any portion of the Properties, other than at the request of Sun or the Senior Lender; or
- C.8 Borrowers or Property Owners (or any one of them) make an assignment for the benefit of creditors, or admit in any legal proceeding its insolvency or inability to pay its debts as they become due unless to do otherwise would require a false statement or violate Rule 9011 of the Federal Rules of Bankruptcy Procedure or other applicable rules requiring a sufficient legal and factual basis for filing papers in a proceeding under Federal or state insolvency law.

EXHIBIT B
FORM OF PROPERTY MANAGEMENT AGREEMENT

PROPERTY MANAGEMENT AGREEMENT

(Rudgate Manor)

This **PROPERTY MANAGEMENT AGREEMENT** (this "Agreement") is made and entered into this ___ day of _____, 2012 (the "Effective Date"), among **RUDGATE VILLAGE SPE, LLC**, a Delaware limited liability company ("Owner"), and **SUN HOME SERVICES, INC.**, a Michigan corporation ("Manager").

RECITALS

A. Owner is the owner of that certain manufactured housing community known as Rudgate Manor, which is further described on the attached Exhibit A, including, without limitation, land, easements, buildings, structures, improvements, manufactured home sites, fixtures attached to or used at the property, parking, facilities, walkways, ramps, machinery, equipment, goods, licenses, permits and franchises issued with respect to the use, occupancy, maintenance or operation of the property, and all other items and rights now or hereafter belonging to Owner and used in any manner and in relation thereto (the "Property").

B. Owner, Rudgate Clinton SPE, LLC, a Delaware limited liability company ("RC SPE"), and Rudgate Clinton Estates SPE, LLC, a Delaware limited liability company ("RC Estates SPE," and together with Owner and RC SPE, the "Senior Loan Borrowers"), have obtained from Ladder Capital Finance LLC, (the "Senior Lender") a loan (the "Senior Loan") secured by first mortgages on the Property and that certain manufactured housing community owned by RC SPE and RC Estates SPE (collectively, the "Rudgate Clinton Owners") known as Rudgate Clinton ("Rudgate Clinton"), pursuant to that certain Loan Agreement dated _____, 2012 (the "Senior Loan Agreement") among the Senior Loan Borrowers and the Senior Lender.

C. Rudgate Village Holdings, LLC, a Michigan limited liability company ("RV Holdings"), is the sole member of Owner, Rudgate Clinton Holdings, LLC, a Michigan limited liability company ("RC Holdings"), is the sole member of RC SPE, and Rudgate Clinton Estates Holdings, LLC, a Michigan limited liability company ("RC Estate Holdings," and together with RV Holdings and RC Holdings, the "Mezzanine Borrowers"), is the sole member of RC Estate SPE.

D. The Mezzanine Borrowers have obtained from Sun Rudgate Lender LLC (the "Mezzanine Lender") a mezzanine loan (the "Mezzanine Loan") secured by, among other things, their respective membership interests in the Owner and the Rudgate Clinton Owners, pursuant to that certain Mezzanine Loan Agreement, dated _____, 2012 (the "Mezzanine Loan Agreement") among the Mezzanine Borrowers and the Mezzanine Lender.

E. Owner desires to (i) engage and appoint Manager to perform the property management and leasing services more particularly described in this Agreement, and (ii)

engage and appoint Manager to act as asset manager of the Property and to perform the asset management services more particularly described in this Agreement, and Manager desires to accept such engagement and appointment, all upon and subject to the terms and conditions hereinafter set forth.

F. Manager and the Rudgate Clinton Owners have entered into a Property Management Agreement dated the date hereof (the "Rudgate Clinton Management Agreement") under which the Rudgate Clinton Owners have engaged Manager to perform property management, leasing and asset management services with respect to Rudgate Clinton on terms substantially the same as those set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth below, Owner and Manager agree as follows:

1. Appointment of Manager. Owner hereby appoints Manager as the exclusive managing and leasing agent for the Property, and as Owner's agent to perform asset management services and otherwise coordinate ownership activities for the Property, and Manager hereby accepts such appointment, each upon and subject to the terms and conditions set forth in this Agreement. Manager shall be deemed to be an independent contractor and no partnership or joint venture relationship between Owner and Manager is created or is intended by this Agreement.

2. Effective Date; Term. Except as otherwise set forth in Section 8 herein, this Agreement shall commence on the date hereof and continue until the tenth anniversary of the date of this Agreement.

3. Manager's Duties and Powers as Property Manager.

(a) General Scope. Manager shall manage, coordinate and supervise the proper conduct of the business and affairs pertaining to the operation, maintenance and management of the Property (all such activities being hereinafter collectively referred to as "Management Activities"), consistent with the same standards and practices Manager employs in connection with managing properties for Sun Communities Operating Limited Partnership and its affiliates (the "Applicable Standards"). Except as otherwise specifically provided in this Agreement, Manager shall have full control and decision-making authority over the operation, maintenance and management of the Property. Manager shall have such responsibilities, and shall perform and take, or cause to be performed or taken, all such services and actions customarily performed or taken by managing agents of property of similar nature, location and character to that of the Property as shall be necessary or advisable for the proper conduct of the Management Activities, including, without limitation, the duties and powers set forth in Sections 3(b) through 3(l) below. Unless otherwise specifically provided in this Agreement, all services and actions which Manager is required or permitted to perform or take, or cause to be performed or taken, under this Agreement in connection with the

Management Activities shall be performed or taken, as the case may be, for and on behalf of Owner and at Owner's sole expense including, without limitation, Manager's travel expenses, Manager's on-site personnel, including the property manager, and Manager's contracting with third parties for certain services as provided for herein. All Property Revenue (as defined in Section 3(c) below) shall be made available to Manager to be used in conducting the Management Activities. If, in the judgment of Manager, such Property Revenue is not sufficient to permit the Manager to conduct the Management Activities, Owner may, but shall not be required to, contribute cash in an amount equal to any such shortfall to permit the Manager to conduct the Management Activities. In no event shall Owner be deemed to be in default under this Agreement in the event Owner does not contribute cash to fund any such shortfalls. To the extent Owner does not elect to so contribute cash to make up any such shortfall, and Manager reasonably determines that such funds are needed in order for Manager to perform the Management Activities in accordance with Applicable Standards, the Owner shall be required to cause the Mezzanine Borrowers to request additional advances under the Mezzanine Loan to fund such shortfalls and to the extent such Mezzanine Borrowers receive any additional advances under the Mezzanine Loan to fund such shortfalls, Mezzanine Borrowers shall cause such funds to be contributed to Owner and then funded to Manager to make up any remaining shortfall.

(b) Budget; Reconciliation. Manager shall cause to be prepared on an annual operating budget (the "Operating Budget") for the operation, maintenance, repair and leasing of the Property in accordance with the Applicable Standards for the immediately succeeding calendar year. Manager shall deliver a copy of the Operating Budget to Owner at Owner's written request.

(c) Rent and Collections. Manager shall endeavor in accordance with the Applicable Standards to collect from all persons and/or entities occupying or using space in the Property (individually a "Tenant" and collectively "Tenants") all fixed, based and minimum rent and all other amounts payable by such Tenants, including, without limitation, taxes and electricity or other utility services, if applicable (all such fixed, base or minimum rents and other amounts, if any, being sometimes hereinafter collectively referred to as "Rent") under their respective leases or license, occupancy or similar agreements (individually a "Lease" and collectively "Leases"), and in connection therewith, shall prepare and deliver to Tenants all "late payment," default and other appropriate notices, requests, bills, demands and statements, including notices of taxes, electricity and other utility services increases. Manager may retain counsel, collection agencies and such other persons and firms as Manager shall deem appropriate or advisable, to enforce by legal action the rights and remedies of Owner against any Tenant in default in the performance of its obligations under the Lease and shall be entitled to utilize "Property Revenue" (as defined below) in order to pay all costs and expenses incurred in connection therewith. In the event a portion of any Rent received by Manager represents such Tenant's installment payment towards its manufactured home, Manager shall cause such installment payment to be paid to holder to the installment contract for such manufactured home. On the Effective Date, Manager and Owner shall make the following adjustments to Property Revenue:

(i) Real estate taxes and personal property taxes which are a lien upon or levied against any portion of the Project prior to the Effective Date and which become delinquent prior to the Effective Date (other than current taxes), and all installments of special assessments levied on any portion of the Project prior to the Effective Date and which become delinquent prior to the Effective Date, shall be paid by Owner prior to the Effective Date. Current real estate taxes, current installments of special assessments and current personal property taxes levied against any portion of any Project paid by Owner and applicable to the period after the Effective Date shall be prorated and adjusted between the parties on the due date basis of the taxing authority (it being agreed such taxes are payable in advance) and the portion allocable to the period on and after the Effective Date shall be paid by Manager to Owner on the Effective Date.

(ii) The amount of all unpaid water and other utility bills for the Project which are not directly billed to the tenants of the Project, and all other operating and other expenses incurred with respect to the Project relating to the period prior to the Effective Date, shall be paid by Owner on or prior to the Effective Date or, if not paid, as soon as possible after Closing following receipt of an invoice therefor and if prepaid by Owner, such amounts shall be reimbursed by Manager to Owner on the Effective Date. In the event water is submetered and billed to the tenants, then the company completing such submetering shall continue to bill such tenants for the water services utilized through the date of Closing and shall remit all amounts received to the Owner as and when received for periods through the Effective Date. In the event that Manager receives any payments from residents of the Projects which are payments for water bills for periods through the Effective Date, Manager shall promptly remit such amounts to Owner as and when received.

(iii) Charges under service, utility, supply, maintenance and employment contracts and agreements and all other continuing contractual obligations affecting any Owner or the ownership, operation or development of any Project, and all amendments thereto and which will not be terminated as of the Effective Date (the "Project Contracts") attributable to the period prior to the Effective Date shall be paid by Owner prior to the Effective Date, or, if not paid, the amount due shall be paid by Owner to Manager on the Effective Date and if prepaid by Owner, such amounts shall be reimbursed by Manager to Owner on the Effective Date.

(iv) All prepaid rental and other revenues collected up to the Effective Date which are allocable to the period from and after the Effective Date shall be Property Revenue and as such paid by Owner to Manager for application in accordance with Section 3(d) below. Current resident rents shall be prorated and adjusted as of the date of Closing based upon the actual number of days in the month of Closing with Manager being paid credited for rents on the date of Closing. All rental and other revenues actually collected by Manager attributable to rent due for such month of Closing and received by Manager within sixty (60) days following the Effective Date, shall be prorated between Owner and Manager based on the number of days in such month with Owner receiving rents from the first (1st) day of such month through the Effective Date and with Manager receiving such rents from

the Effective Date through the last day of the month. Except as provided in the preceding paragraph, to the extent Manager collects, within one hundred eighty (180) after the Closing, any rental or revenues allocable to the period prior to the Effective Date, Manager shall pay the same to Owner and Manager shall use its good faith efforts to collect all such rent or revenues allocable to the period prior to the Effective Date, but Manager shall not be required to commence litigation or institute evictions with respect to such tenants; provided, however, and except as otherwise set forth above, Manager is assuming no obligation whatsoever for the collection of such rentals or revenues and all rentals and revenues collected subsequent to the Effective Date shall always, in the first instance, be applied first to the most current rentals and revenues, if any, then due under the tenant leases or otherwise. Further, Owner shall not have the right to seek collection, through litigation or otherwise, of unpaid rent from any person while they remain a tenant of the Property, nor shall Owner institute any eviction or lockout proceedings against any residents to recover delinquent rents. Owner shall retain one hundred (100%) percent of the right to receive any past due rents with respect to residents who are no longer residents of the Property.

(v) An amount equal to all expenses of the Property which were paid prior to the Effective Date and for which Manager will benefit after the Effective Date including, without limitation, annual license and permit fees, shall be paid by Manager to Owner on the Effective Date, and an amount equal to all expenses of the Property which were incurred prior to the Effective Date and are due or paid after the Effective Date shall be paid by Manager from Project Revenues.

(vi) All compensation, fringe benefits and other amounts due the employees of any Owner or any manager of the Property for the period prior to the Effective Date, whether as hourly pay, salaries, overtime, bonus, vacation or sick pay, severance pay, pensions or otherwise, and all amounts due for the payment of employment taxes with respect thereto, shall be paid by Owner on or prior to the Effective Date, or as soon as reasonably possible following the Effective Date.

(vii) Manager acknowledges and agrees that Owner may have entered into certain cable agreements prior to the date hereof and in the event Owner received any door fees or lump sum payments with respect to such cable agreements, such amounts shall be Owner' sole and exclusive property and shall not be prorated and in no event shall Manager receive a credit with respect to any such door fees or lump sum payments.

(d) Property Revenue after the Effective Date. From and after the Effective Date, each month, and except as otherwise set forth above, Manager shall apply the Rent so collected and any and all other revenue pertaining to the Property from whatever source (together with Rent, "Property Revenue") as follows:

(i) First, to the payment of all operating and other expenses incurred in connection with the Property in order to manage the Property in accordance with the Applicable Standards, which are not otherwise payable by third parties, as reasonably

determined by the Manager, including, but not limited to, all expenses incurred by Manager in performing its obligations under this Agreement, all capital expenditures, the cost of maintaining the Property, any and all repair, maintenance and other obligations under any Lease, the cost of all operation, maintenance, improvement, protection, preservation, display, marketing, leasing or other activities on or with respect to the Property, including without limitation, real estate taxes, insurance premiums and assessments (collectively, the "Operating Expenses"). Operating Expenses shall also include, without limitation, all costs and expenses incurred by Owner and/or Manager related to corporate annual registration payments, resident agent fees, bank fees, independent director fees, loan servicing and related costs, expenses and fees, accounting fees and other costs and expenses incurred as a result of reporting requirements imposed under any mortgage loans (in excess of those incurred by Owner in the absences of such requirements) and all other similar excess costs and expenses incurred in order to comply with the requirements of any mortgage loans. In the event that Property Revenue collected for any month is insufficient to pay that month's Operating Expenses in full, Manager may provide such funds as necessary to cover the Operating Expenses shortfall. Any funds advanced by Manager for Operating Expense shortfalls will accrue interest until repaid at a rate equal twenty-four (24%) percent per annum and shall be reimbursable to Manager (including interest thereon) from future collected Property Revenue.

(ii) Second, to the payment of the debt service obligations of the Senior Loan Borrowers to the Senior Lender, under the Senior Loan Agreement. It is acknowledged and agreed that a portion of the revenue from Rudgate Clinton will also be used to repay such debt service obligations pursuant to Section 3(c)(ii) of the Rudgate Clinton Management Agreement. It is further acknowledged and agreed that the obligation to apply Property Revenue to such debt obligations under this Section 3(c)(ii) shall be satisfied only when repayments under the Senior Loan Agreement pursuant to this Section 3(c)(ii) and Section 3(c)(ii) of the Rudgate Clinton Management Agreement are in the aggregate sufficient to satisfy all such current debt service obligations, regardless of the relative portions of such repayments made under this Agreement and the Rudgate Clinton Management Agreement.

(iii) Third, to the payment of the Property Management Fees to Manager pursuant to the provisions of Section 7 of this Agreement, including any accrued and unpaid Property Management Fees.

(iv) Fourth, to the payment of that portion of the accrued and unpaid interest owing to the Mezzanine Lender under the Mezzanine Loan Agreement determined by applying a 2.0% annual interest rate on the principal outstanding under the Mezzanine Loan Agreement and the related promissory notes. It is acknowledged and agreed that a portion of the revenue from Rudgate Clinton will also be used to repay the same amount of interest under the Mezzanine Loan Agreement pursuant to Section 3(c)(iv) of the Rudgate Clinton Management Agreement. It is further acknowledged and agreed that the obligation to apply Property Revenue to such portion of the Mezzanine Loan interest under this Section 3(c)(iv) shall be satisfied only when payments of such interest pursuant to this Section 3(c)(iv) and Section 3(c)(iv) of the Rudgate Clinton Management Agreement are in the aggregate sufficient

to satisfy the interest payment requirement set forth above, regardless of the relative portions of such repayments made under this Agreement and the Rudgate Clinton Management Agreement.

(v) Fifth, to the payment to the Owner of up to \$135,000 per year, payable within thirty (30) days of the end of each calendar year of the Property, to permit the Owner to make distributions to its direct and indirect equity owners, including any accrued but unpaid amounts payable pursuant to this Section 3(c)(v) for prior years, less any unpaid amounts owed by Owner under the Guaranty executed by Owner in connection with that certain Asset Purchase Agreement (the "APA") dated as of the date hereof between Owner, certain affiliates of Owner, and Sun Communities Operating Limited Partnership ("SCOLP") which unpaid amounts which are not disputed by Owner shall be paid to SCOLP. If the unpaid amounts under the Guaranty are disputed by Owner, Manager shall retain the disputed amount until instructed otherwise by a court of competent jurisdiction or in writing jointly by Owner and SCOLP or, if appropriate, interplead the disputed amount in to a court of competent jurisdiction, which the parties agree is the Oakland County, Michigan Circuit Court. It is acknowledged and agreed that a portion of the revenue from Rudgate Clinton will also be used to pay up to \$135,000 per year to the Rudgate Clinton Owners pursuant to Section 3(c)(v) of the Rudgate Clinton Management Agreement. It is further acknowledged and agreed that, notwithstanding anything to the contrary in this Agreement or the Rudgate Clinton Management Agreement, the aggregate payments to the Owner under this Section 3(c)(v) and to the Rudgate Clinton Owners pursuant to Section 3(c)(v) of the Rudgate Clinton Management Agreement shall not exceed \$135,000, regardless of the relative amounts of the payments to Owner and the Rudgate Clinton Owners hereunder and thereunder.

(vi) Sixth, to the payment of the Asset Management Fees and reimbursable expenses to Manager pursuant to the provisions of Section 7 of this Agreement, including any accrued and unpaid Asset Management Fees and reimbursable expenses.

(vii) Seventh, to the establishment of such reserves as Manager shall deem necessary for the benefit of the Property in its sole and absolute discretion.

(viii) Eighth, to the payment of all interest and principal payable to the Mezzanine Lender under the Mezzanine Loan Agreement and the related promissory notes that have not been previously paid under Section 3(c)(iv) of this Agreement, which payments shall be applied first to accrued and unpaid interest and then to unpaid principal. It is acknowledged and agreed that a portion of the revenue from Rudgate Clinton will also be used to repay principal and interest under the Mezzanine Loan Agreement pursuant to Section 3(c)(viii) of the Rudgate Clinton Management Agreement. It is further acknowledged and agreed that the obligation to apply Property Revenue to such principal and interest repayment obligations under this Section 3(c)(viii) shall be satisfied only when repayments of Mezzanine Loan principal and interest pursuant to this Section 3(c)(viii) and Section 3(c)(viii) of the Rudgate Clinton Management Agreement are in the aggregate sufficient to satisfy repay the

Mezzanine Loan in full, regardless of the relative portions of such repayments made under this Agreement and the Rudgate Clinton Management Agreement.

(e) Employees.

(i) To the extent Manager deems necessary for the conduct of the Management Activities, Manager shall hire personnel who, in each instance, shall be employees of Manager. In no event shall Owner be obligated to hire any employees with respect to the Property. The wages and benefits of any personnel hired by Manager shall be paid as provided in Section 3(c) above. Manager shall direct and supervise all personnel hired by Manager in the performance of their duties and shall discharge all personnel whose employment Manager shall determine to be unnecessary or undesirable. Manager shall use all reasonable efforts to minimize duplication of services among its employees and to avoid overtime whenever reasonably possible. Manager shall select the personnel it employs to perform the Management Activities in accordance with the Applicable Standards.

(ii) Manager shall (A) pay all wages and other benefits properly payable to the employees hired by Manager under Section 3(d)(i) above, (B) maintain adequate payroll records, (C) remit to the proper authorities all required income and social security withholding taxes, unemployment insurance payments, workmen's compensation payments and such other amounts with respect to the wages and other benefits payable to such employees as may be required under applicable laws, together in each case with all required reports or other filings, and (D) obtain, maintain and administer all medical, disability and other insurance benefits and other fringe benefits as may from time to time be required under any union or other agreements or arrangements pertaining to Manager's employment, as the case may be, of such personnel.

(f) Professionals and Contractors. To the extent Manager deems necessary in connection with the Management Activities, Manager shall (i) identify and enter into contracts with architects, engineers, accountants, attorneys, tradesmen and other independent contractors qualified to perform services at the Property, and (ii) supervise the administration, and monitor the performance, of all work to be performed and services to be rendered under all such contracts. Manager shall use due care in the selection of all such contracts. Manager shall select all such professionals and other independent contractors in accordance with the Applicable Standards. All contracts entered into in connection with the performance of the Management Activities shall be entered into in the name of Manager.

(g) Maintenance.

(i) Manager shall cause the Property, including common areas thereof, sidewalks, signs, parking lots and landscaping, to be maintained in good and safe condition. In connection with such maintenance obligations, Manager shall be permitted to use the equipment and vehicles owned by Owner and located on the Property and Manager shall obtain insurance for such equipment and fund the costs thereof from Property Revenue.

(ii) To the extent of the capacity of all equipment and systems located in or servicing the Property, Manager shall cause all such equipment and systems to be operated effectively and maintained in good repair. Further, Manager shall cause to be provided or made available to Tenants those services which Owner is required to provide or to make available under Leases.

(iii) Manager shall enter into such service and maintenance contracts as Manager shall reasonably deem necessary or appropriate for the operation and maintenance of the Property, including, but not limited to, the equipment and systems located in or servicing the Property, contracts for utilities, telephone service, landscape maintenance, rubbish removal, fuel, security, food vending and vermin extermination. Manager shall purchase in reasonable quantities and at reasonable prices all supplies, materials, tools and equipment which Manager shall deem necessary or appropriate for the proper operation and maintenance of the Property. Manager shall be required to utilize Property Revenue in order to pay any and all amounts due under such service and maintenance contracts, to pay for all utilities and to pay for all such supplies, materials, tools and equipment.

(h) Supervision of Tenants.

(i) Manager shall plan and coordinate the moving in and moving out of Tenants in the Property in order to insure a minimum of disturbance to the operation of the Property and to other Tenants then occupying or preparing to occupy space in the Property.

(ii) Manager shall receive and use all reasonable efforts to attend to and resolve any complaints, disputes or disagreements by or among Tenants.

(iii) Manager shall take steps in accordance with the Applicable Standards to cause the Tenants' compliance with the terms and provisions of their respective Leases.

(iv) Manager may terminate tenancies, evict Tenants and recover possession of premises occupied by them, and sue in Owner's name to recover Rents and other sums due, and shall be required to utilize Property Revenue in order to pay all actual attorneys' fees, court costs and legal expenses incurred in connection with such actions.

(i) Insurance. Manager shall procure and maintain in full force and effect at all times insurance coverage to adequately protect Owner and the Property, which shall be in compliance with the terms of the Senior Loan Agreement and the Mezzanine Loan Agreement, and in compliance with Applicable Standards and all insurance costs shall be funded by Manager by applying Property Revenue to all such insurance costs. In all events, the insurance maintained by Manager with respect to the Property shall be consistent with the insurance obtained by Manager with respect to the other similar manufactured home communities managed by Manager or its affiliates in southeast Michigan. In the event that the insurance maintained by Manager does not provide coverages for the benefit of Owner

consistent with the insurance previously maintained by Owner, as evidenced by the certificate which is attached hereto as Exhibit B, then, in such event, Manager shall indemnify, defend and hold Owner harmless with respect to all liabilities incurred by Owner which would have been covered by such insurance in the event Manager had maintained such insurance set forth on Exhibit B and Sun Communities Operating Limited Partnership shall guarantee such indemnity for the benefit of Owner by joining in this Agreement as provided below. Pursuant to Section 3(c), Manager shall pay all premiums for such insurance coverage as part of Operating Expenses. Additionally, Manager agrees and covenants to carry at all times Workers' Compensation and Employers' Liability coverage and shall be entitled to utilize Property Revenue to pay for such insurance coverages. Manager shall be required to cause the Senior Lender to be identified as the loss payee with respect to any casualty insurance and shall be required to identify Owner as a named insured and any other parties reasonably designated by Owner as additional insureds on all insurance policies and shall provide Owner with copies of insurance certificates promptly upon request by Owner and shall provide Owner with such additional information regarding such insurance policies as Owner or Owner's insurance agent may reasonably request including, without limitation, copies of all such insurance policies. All insurance obtained by Manager shall state that the insurance shall be considered primary and non-contributory with any similar coverage maintained by additional insureds. In the event that Manager self-insures any of the insurance coverage otherwise required to be obtained hereunder, then, in such event, Manager shall be directly liable to Owner for all amounts which would have otherwise been receivable by Owner under such insurance policies, Manager shall be permitted to utilize Property Revenues to fund this liability to Owner, and Sun Communities Operating Limited Partnership joins in this Agreement solely for the purpose of guarantying payment to Owner of all such amounts and payment of all insurance deductibles related to claims under such insurance policies and guarantying payment under the indemnity by Manager to Owner set forth above.

(j) Advertising - Public Relations. Manager may, but shall not be required to, hire such advertising services, place such advertisements and generally supervise and attend to all promotional matters pertaining to the operation of the Property as Manager shall deem advisable.

(k) Litigation. To the extent Manager in its sole discretion deems it prudent, Manager shall institute legal or other actions, in the name of the Owner, to enforce the collection of rent or other income from the Property, and to dispossess tenants or other persons from the Property, and to enforce the rules and regulations thereof; provided, however, Manager shall be obligated to utilize Property Revenue to pay all actual attorneys' fees, court costs and legal expenses incurred in connection with such actions including payment of any sums which may become due as a result of counter and/or cross-claims in such actions. In the event that there are insufficient funds to pay any and all such actual attorneys' fees, court costs and legal expenses or other sums due in connection with such action(s), Manager shall be required to fund such shortfalls. In connection with such legal action, Manager may engage legal counsel reasonably acceptable to Owner. All such suits and proceedings shall be brought in the name of Owner but shall be handled in such manner as Manager directs; provided,

however, in the event that a suit or proceeding could result in liability to Owner in excess of \$10,000, then Owner shall be entitled to retain separate counsel to defend Owner in connection with such suit or proceeding. Unless counsel engaged by Manager is prohibited from representing Owner due to a conflict of interest, Owner's separate counsel shall be engaged by Owner at its expense. Owner shall be entitled to join in any settlements of any such suits and proceedings if the settlement could reasonably be expected to create a material liability for the Owner which is not required to be satisfied by the Manager, and any such settlements will require Owner's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. All legal expenses incurred in bringing such suits or proceedings or defending against all such suits and proceedings in conformance with this Section 3(j) (other than for Owner's separate counsel if no conflict exists) shall be reimbursable Operating Expenses to Manager.

(l) Permits and Licenses. Manager shall apply for, obtain and maintain, in the name of Owner, all licenses and permits required by any federal, state, county or municipal authority in connection with the management or operation of the Property.

(m) Compliance. In accordance with the Applicable Standards, Manager shall take or cause to be taken such actions in and about or affecting the Property as Manager shall deem advisable to comply with all legal requirements applicable to the Property. Manager agrees not to permit the use of the Property for any purpose in violation of the Applicable Standards which may void any policy of insurance, which may render any loss thereunder uncollectible or which would be in violation of any governmental laws, regulations or restrictions.

Manager shall, without Owner's prior written approval, take or cause to be taken any such actions without limitation as to cost if failure to do so would or might, in Manager's reasonable judgment, expose Owner or Manager to criminal liability. Manager and Owner shall each promptly notify the other of any violation, order, rule or determination affecting the Property of any governmental authority or agency.

In accordance with the Applicable Standards, Manager shall take or cause to be taken such actions in and about or affecting the Property as Manager shall deem advisable to comply with all terms and conditions contained in any ground lease, space lease, mortgage, deed of trust or other security instrument affecting the Property.

Owner may, without Manager's prior written approval, take or cause to be taken any actions which reasonably must be taken by Owner to prevent Owner from incurring exposure for criminal liability or civil liability and all costs and expenses incurred by Owner in connection therewith shall be paid by Owner, unless Manager has failed to act in accordance with the Applicable Standards with respect to such matter, in which event the cost thereof shall be a reimbursable Operating Expense, to be repaid by Manager to Owner from the Property Revenue within thirty (30) days after written request therefor.

(n) In the event Owner incurs any costs or expenses associated with the operation, maintenance, repair, replacement and/or management of the Property, Owner shall be reimbursed from Property Revenue for all such costs and expenses and Manager shall cause such reimbursement to occur within thirty (30) days after written request therefor by Owner.

(o) All service, utility, supply, maintenance and employment contracts and agreements and all other continuing contractual obligations affecting Owner or the ownership, operation or development of the Project, and all amendments thereto and which will not be terminated as of the Effective Date (collectively, the "Project Contracts") are listed on the attached Exhibit C. True, correct and complete copies of all Project Contracts have been delivered to Manager. Those Project Contracts identified on Exhibit C as being assumed by Manager after the Effective Date and shall be the "Assumed Project Contracts". To Owner's knowledge, each Assumed Project Contract is in full force and effect, Owner has complied in all material respects with the provisions of each Assumed Project Contract to which it is a party and is not in material default under any such Assumed Project Contract and, to the actual knowledge of Owner, no other party to any Assumed Project Contract has failed to comply in any material respect with, or is in default under, the provisions of any Assumed Project Contract. Prior to or at the Effective Date, Owner shall terminate (x) any contract of Owner not identified as Project Contracts, and (y) the contracts listed on Exhibit C (the "Non-Assumed Project Contracts"). Prior to and after the Closing, Owner shall be responsible for all liabilities and obligations of Owner under the Non-Assumed Project Contracts, and shall indemnify and hold harmless Manager from all such liabilities and obligations.

4. Manager's Duties and Powers as Leasing Manager.

(a) Duties. Manager shall use all reasonable efforts, consistent with normal and customary practices in the manufactured home leasing business, to negotiate and consummate Leases for all space in the Property available for rent from time to time, at rentals and upon such other terms and conditions as shall be consistent with the relevant market for the Property, as reasonably determined by Manager. Owner acknowledges that Manager and its affiliates own manage and operate other manufactured home communities in the vicinity of the Property. In connection with such leasing activities, Manager shall be required to comply with the Applicable Standards and to comply in all material respects with all applicable laws, rules and regulations of all applicable governmental authorities and agencies which could reasonable be expected to expected to create a material liability for the Owner which is not required to be satisfied by the Manager hereunder.

(b) Powers. Subject to the terms and conditions of this Agreement, Manager shall have the power to:

(i) negotiate on behalf of Owner, on such terms as may be designated by Owner to Manager from time to time, with respect to the rental of space at the

Property, the extension or renewal of existing Leases and the modification or termination of Leases and other agreements pertaining to all of the above;

(ii) prepare or cause to be prepared, using Manager's form of Lease, all new Leases and modifications or terminations of existing Leases; and

(iii) authorize or provide for advertisements and other promotional activities, including, leasing plans and signs and circular matter, contemplated under the marketing and promotional program developed by Owner.

5. Manager's Duties and Powers as Asset Manager. In connection with its appointment as asset managers hereunder, Manager shall perform the following services:

(a) oversee the preservation of the assets and properties associated with the Property in an efficient and satisfactory manner, and all property management and leasing functions in connection with the Property;

(b) review the financial performance of the Property;

(c) handle the financial reporting and cash management requirements of Owner relative to the Property including, without limitation, all reporting and cash management requirements associated with the Senior Loan and/or Mezzanine Loan;

(d) maintain proper books of accounts and other records with respect to Owner's interest in the Property;

(e) compile information relating to the Property as necessary for the preparation of tax returns by the Owner and provide such information to the tax return preparers and advisers designated by Owner not later than April 1st of each year;

(f) handle all loan compliance procedures and reporting with the Senior Lender, the Mezzanine Lender and their successors and assigns;

(g) investigate, select and manage relationships with accountants, legal counsel, property managers, brokers, investors, builders and developers, banks and other lenders in connection with the Senior Loan and the Mezzanine Loan, and others as necessary in connection with the business of Owner; and

(h) manage, on behalf of Owner, the collection and disbursement of funds derived from the Property, payment of the debts and fulfillment of the obligations of Owner as to the Property, and subject to the limitations set forth in this Agreement, handle, prosecute and settle any claims of Owner as to the Property.

In performing its asset management services under this Agreement, the Manager may from time to time call upon and utilize various facilities, personnel and support services of other persons including one or more affiliates of the Manager. The Manager shall have the authority to execute agreements, contracts and other documents as asset manager pursuant to this Agreement to the extent such documentation is necessary or appropriate to carry out Manager's asset management responsibilities hereunder, and no separate approval or consent of Owner shall be required as to such documentation, as long as the execution of such documentation does not create any material adverse impact on Owner and does not violate the terms and conditions of the loan documents with respect to the Senior Loan and/or the Mezzanine Loan.

6. Books, Accounts, Records and Remittances.

(a) Books and Records. Manager shall establish and maintain such books of account, records and other documentation pertaining to the operation and maintenance of the Property as Manager determines are customarily maintained by managing agents of Property similar in location and size to that of the Property. Owner and any representative of Owner shall have the right to inspect such records and audit any and all statements during all business hours, and make photocopies of same at Owner's expense and such right of inspection, audit and photocopying shall survive the expiration or termination of this Agreement.

(b) Operating Accounts. Manager shall open and maintain an account or accounts separate from Manager's personal account (collectively, "Operating Accounts"), as Manager shall deem necessary, in a banking institution or institutions designated from time to time by Manager. Manager shall deposit in the Operating Accounts all funds collected by Manager under this Agreement, and shall make withdrawal from the Operating Accounts, pursuant to Section 3(c) above.

(c) Security Deposits. If and when required by law and/or Lease, Manager shall deposit in separate accounts all security deposits, if any, of Tenants. Notwithstanding the foregoing, irrespective of whether Manager holds security deposits in a separate account, in all events, Manager shall be required to repay all security deposits collected by Manager to the Tenants (to the extent required by law and/or such Tenant's Lease) and Manager shall indemnify, defend and hold Owner harmless with respect to liabilities incurred by Owner as a result of any unpaid security deposits.

(d) Year-End Reports. As soon as practicable after the end of each Operating Year but in no event later than one hundred twenty (120) days after the end of each Operating Year, Manager shall prepare detailed statements of all receipts, expenses and charges pertaining to the operation and maintenance of the Property during the preceding Operating Year. Manager shall deliver such other reports as are created by Manager in accordance with the Applicable Standards or which are required to be prepared under any mortgage loan documents (which it may legally distribute to Owner in accordance with applicable law).

Owner shall be responsible for the preparation of its own federal, state and local tax returns, including income and informational tax returns.

7. Compensation

(a) Property Management Fees. Manager shall be paid Manager's property management fee (the "Property Management Fee") from Property Revenue for its performance of the Management Activities an amount equal to three percent (3%) of the Property Revenue actually collected by or for the account of Owner in each calendar month, or proportion thereof, during the term of this Agreement. Subject to the terms of Section 3(c) above, the Property Management Fee shall be payable monthly, on or about the 10th day of each calendar month, based upon Property Revenue actually collected during the immediately preceding month, and in accordance with Section 3(c) above. Manager shall be entitled to receive any accrued and unpaid Property Management Fees for prior months to the extent there is Property Revenue available to pay such accrued and unpaid Property Management Fee. If this Agreement is terminated and the effective date of such termination is a day other than the last day of any calendar month, the Property Management Fee earned by Manager for such month shall be prorated and adjusted based on the Property Revenue collected for such month.

(b) Asset Management Fees and Reimbursement.

(i) Manager shall be paid Manager's asset management fees (the "Asset Management Fee") from Property Revenue for its performance of its asset management services hereunder, an amount equal to four percent (4%) of the Property Revenue actually collected by or for the account of Owner in each calendar month, or proportion thereof, during the term of this Agreement. Subject to the terms of Section 3(c) above, the Asset Management Fee shall be payable monthly, on or about the 10th day of each calendar month, based upon Property Revenue actually collected during the immediately preceding month, and in accordance with Section 3(c) above. Manager shall be entitled to receive any accrued and unpaid Asset Management Fees for prior months to the extent there is Property Revenue available to pay such accrued and unpaid Asset Management Fees. If this Agreement is terminated and the effective date of such termination is a day other than the last day of any calendar month, the Asset Management Fees earned by Manager for such month shall be prorated and adjusted based on the Property Revenue collected for such month.

(ii) In addition, Manager shall be reimbursed from Property Revenue for all costs and expenses incurred by the Manager in connection with performing its asset management duties set forth in this Agreement; provided, however, the Manager shall not reimburse the Manager for any such asset management expenses related to the Manager's overhead and other internal expenses, personnel expenses of employees located at the Manager's home office and costs attributable to losses arising from criminal acts, gross negligence, willful misconduct or fraud by the Manager or the Manager's employees.

8. Termination.

(a) Termination. This Agreement may be terminated:

(i) by the mutual written agreement of Owner and Manager;

(ii) by either Owner or Manager, if the entire Property is condemned or acquired by eminent domain;

(iii) by Manager, if Owner is in default of its obligations under this Agreement, which such default remains uncured for a period of thirty (30) days following receipt by Owner of written notice from Manager of such default, or for such longer period as may be reasonably necessary to cure the default if Manager is diligently pursuing a cure of such default;

(iv) by Manager, at any time on not less than 60 days' prior written notice to Owner;

(v) by Manager, at any time, if the Rudgate Clinton Management Agreement is validly terminated pursuant to Section 8(a)(iii) thereof.

(vi) by Owner, if Manager commits a fraud against Owner or a crime consisting of moral turpitude or in the event of embezzlement or any other felony which is likely to materially impact Owner.

(vii) by Owner, to the extent Owner is required to terminate the Agreement as a result of the requirements of the Senior Lender or Mezzanine Lender;

(viii) by Owner, if Manager is in material default of its obligations under this Agreement, which such default remains uncured for a period of thirty (30) days following receipt by Manager of written notice from Owner of such default provided however, if such default is not capable of cure within such thirty (30) day period, Manager shall have such additional time as may be needed so long as Manager is diligently pursuing such default, such default will create a material adverse liability to Owner; provided, however, in the event Manager disputes that it has created such a default, this Agreement shall not be terminated by Owner until a court of competent jurisdiction has determined that Manager has in fact defaulted under the terms of this Agreement and Manager has failed to satisfy the judgment within sixty (60) days after it has become final and un-appealable.

(b) Upon the expiration of the initial term of this Agreement, in the event that Mezzanine Loan remains outstanding, and except as otherwise provided in Subsections 8(a)(vi), (vii) and (viii) hereof, Owner shall not replace the Manager with respect to the Property without first obtaining the prior written consent of the Mezzanine Lender and until such time as Owner has obtained such consent, Manager shall continue to operate the Property in accordance with the terms of this Agreement and shall be entitled to receive all amounts

due hereunder including reimbursement of costs and expenses incurred during such extended management period.

(c) Survival of Obligations. Upon the expiration or termination of this Agreement, (i) Owner's appointment of Manager hereunder shall cease and terminate and, except as otherwise specifically provided hereunder, Owner and Manager shall have no further obligation or liability to the other, (ii) Manager shall no longer have any authority to represent Owner or take or cause to be taken any actions on Owner's behalf, and (iii) Owner shall remain liable to Manager to pay all Property Management Fees, Asset Management Fees and other fees, expenses and amounts payable to Manager hereunder which shall have accrued through the date of termination; provided, however, Owner's obligation to fund such amounts shall be limited to available net cash flow received from Property Revenue not otherwise used to pay Operating Expenses. The provisions of this Section shall survive any such expiration or termination.

(d) Continuation of Services. In the event this Agreement is terminated as a result of actions taken by the Senior Lender and/or Mezzanine Lender, then, at the request of Owner, Manager shall continue to manage the Property until such time as a successor property management company and/or receiver has been appointed in order to insure a continuation of management services without interruption and, subject to the Senior Lender and/or Mezzanine Lender making sums available to pay Manager all sums due hereunder, Manager shall continue to have the right to be paid all fees due hereunder and to be reimbursed for all amounts due hereunder during such extended management period.

9. No Encumbrance; Cooperation. Owner agrees that during the term of this Agreement, neither Owner nor Manager shall, absent mutual consent: (a) permit any liens to be placed upon the Property, other than to the Senior Lender under the Senior Loan Agreement and the Mezzanine Lender under the Mezzanine Loan Agreement; or (b) grant any easements, rights of way, surface oil or mineral rights, or other encumbrances. Owner and Manager will, if required, or deemed reasonably necessary or desirable by both Owner and Manager, join and assist in the preparation and/or filing by Manager, the execution of all permits, applications, and other written requests, reports and documents, including, but not limited to, rezoning and site plan approval applications for easements, tax splits, challenges to or reduction of real estate taxes and any other documents necessary for Owner's use of the Property, and appear at zoning and site plan approval hearings. Owner agrees not to hinder or object to any site plan approval applications submitted by or on behalf of Manager, which site plan approval application is intended to improve the value or operation of the Property in the reasonable opinion of Manager.

10. Indemnification.

(a) Scope.

(i) Subject to the limitations set forth in this Section 10(a)(i) below, Owner shall indemnify, defend and hold harmless Manager and its principals, officers,

directors, shareholders, partners, employees and agents (individually and collectively, the “Owner’s Indemnitees”) from and against any and all liabilities, claims, suits, damages, judgments, costs and expenses of whatever nature, including reasonable counsel fees and disbursements (collectively, “Damages”) incurred by reason of or arising out of Owner’s breach of this Agreement, willful misconduct or bad faith. Owner shall not be required to indemnify, hold harmless or reimburse Owner’s Indemnitees with respect to any matter arising out of Manager’s, Manager’s officers’ and/or directors’ or employees’ gross negligence, willful misconduct or fraud. Notwithstanding the foregoing, Owner’s liability and obligation to indemnify Owner’s Indemnitees under this Section 10(a)(i) shall be paid by the Property Revenue only and otherwise shall be non-recourse to Owner.

(ii) Manager shall indemnify, defend and hold harmless Owner and its principals, officers, directors, shareholders, members, partners, employees and agents (individually and collectively, the “Manager’s Indemnitees”) from and against any and all Damages incurred by reason of or arising out of (A) Manager’s breach of this Agreement, gross negligence, willful misconduct or bad faith, and (B) any injury to or death of any person(s), damage to property, loss or use of any property or otherwise in connection with the performance by Manager of Manager’s obligations under this Agreement, (C) any claim, proceeding or suit involving an alleged violation by Manager, its agents or employers, of any law pertaining to (1) fair employment, fair credit reporting, rent control, payment of employment or other taxes which are the responsibility of Manager, or fair housing, including, but not limited to, any law prohibiting or making illegal discrimination on the basis of race, sex, creed, family status, age, color, religion, national origin or mental or physical handicap, or (2) any law pertaining to environmental matters, provided, however, Manager only shall be liable for the indemnity under this Section 10(a)(ii)(B)(2) if Manager, its agents or employees is finally adjudged to have violated any such law pertaining to environmental matters. Manager shall not be required to indemnify, hold harmless or reimburse Manager’s Indemnitees with respect to any matter arising out of Owner’s, Owner’s officers’, directors’, members’ or employees’ gross negligence, willful misconduct or fraud, and (D) Manager’s failure to fund any shortfall needed to pay for amounts due by Manager under this Agreement to the extent Manager is obligated to fund such amounts irrespective of whether Property Revenue is available. Furthermore, Manager shall indemnify Owner against, all expenses incurred by Owner including, without limitation, actual attorneys’ fees, court costs and legal expenses and any liability, fines, penalties or the like, in connection with any claim, proceeding or suit involving an alleged violation of law by Manager, its agents or employees or with respect to the payment of any employment or other taxes required to be paid by Owner and which are the responsibility of Manager or to be funded from Property Revenue. Manager shall be permitted to utilize Property Revenues to fund its liability and obligation to indemnify Manager’s Indemnities under this Section 10(a)(ii) hereof.

(b) Conditions. The obligation of Owner or Manager to indemnify, hold harmless and reimburse Manager’s Indemnitees or Owner’s Indemnitees, respectively, under Section 10(a) above are subject to the condition that Manager’s Indemnitees or Owner’s Indemnitees, as applicable, shall not take or fail to take any actions, including the prompt

notification of the indemnitor or an admission of liability, which would bar Owner or Manager, as the case may be, from enforcing any applicable coverage under policies of insurance or would prejudice any defense of Owner or Manager, as the case may be, in any appropriate legal proceedings pertaining to any such matter or otherwise prevent Owner or Manager, as the case may be, from defending itself with respect to any such matter.

(c) Survival. The provisions of this Section 10 shall survive the expiration and any termination of this Agreement.

(d) Release from Liability. Each party hereby releases the other in respect of any claim (including a claim for negligence) that it might otherwise have against the other party for loss, damage or destruction with respect to its property by fire or other casualty occurring during the term of this Agreement if, and to the extent, covered under the fire insurance policy covering the Property or any other insurance policy carried by Owner or Manager. Owner and Manager shall be named insureds under the fire and extended coverage, rent insurance and "all risk" insurance covering the Property, as well as any other insurance carried by Owner or Manager in respect of the Property. The foregoing release shall not apply to the extent Manager self-insures for any of the insurance otherwise required to be carried by Manager under this Agreement.

11. Timely Performance. Owner and Manager shall each perform all of their respective obligations under this Agreement in a proper, prompt and timely manner. Each shall furnish the other with such information and assistance as the other may from time to time reasonably request in order to perform its responsibilities hereunder. Owner and Manager each shall take all such actions as the other may from time to time reasonably request and otherwise cooperate with the other so as to avoid or minimize any delay or impairment of either party's performance of its obligations under this Agreement.

12. Assignment.

(a) Manager's Permissible Assignments. Manager may assign this Agreement or delegate its responsibilities hereunder to any entity controlled by Manager or any entity that controls or is under common control with Manager. Further, Manager may assign this Agreement or delegate its responsibilities hereunder as a part of any sale of all or substantially all of its assets. Manager shall not otherwise assign this Agreement or delegate its responsibilities hereunder, except as contemplated by this Agreement, without the prior written consent of Owner, which consent shall not be unreasonably withheld or delayed.

(b) Owner's Permissible Assignment. Owner shall not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of Manager which consent may be withheld by Manager for any reason.

(c) Assumption and Release. Each permitted assignee of this Agreement shall agree in writing to personally assume, perform and be bound by all of the terms, covenants, conditions and agreements contained in this Agreement, and thereupon the assignor

of this Agreement shall be relieved of all obligations hereunder except those which shall have accrued prior to the effectiveness of such assignment.

13. Notices. Any and all notices or other communications given under this Agreement shall be deemed duly served (i) when personally served; (ii) three (3) days after deposited in the U.S. certified mail, return receipt requested; (iii) upon receipt if sent by telephone facsimile with fax acceptance sheet verifying receipt; or (iv) one (1) day after being sent via “overnight” courier service, addressed to the parties at the following address:

If to the Owner:

Rudgate Village SPE, LLC
Attn: Mr. Graham A. Orley
201 W. Big Beaver Road, Suite 720
Troy, MI 48084-5297
Fax: (248) 689-2221

And to:

Mr. Gregg L. Orley
40900 Woodward Avenue, Suite 130
Bloomfield Hills, Michigan 48304
Fax: (248) 593-0323

With a required copy to:

Maddin, Hauser, Wartell, Roth & Heller, P.C.
28400 Northwestern Hwy., 3rd Floor
Southfield, MI 48034-1839
Attn: Mr. Lowell D. Salesin
Fax: (248) 359-6189

If to the Manager:

Sun Home Services, Inc.
Attn: Jeff Davidson
27777 Franklin Road, Suite 200
Southfield, Michigan 48034
Fax: (248) 208-2645

With a required copy to:

Jaffe, Raitt, Heuer & Weiss, P.C.
27777 Franklin Road, Suite 2500
Southfield, Michigan 48034
Attn: Mr. Mark P. Krysinski
Fax: (248) 351-3082

Any party may change its address for the giving of notices under this Agreement by delivering to the other party ten (10) days' written notice of such change of address.

14. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan, without regard to conflicts-of-laws principles that would require the application of any other law.

15. Compliance with the Law. Manager, in fulfilling its obligations under this Agreement, shall comply with all applicable law.

16. Government Orders. In the event that any governmental agency, authority or department should order the repair, alteration or removal of any structure or matter in the Property and if after written notice of the same to Owner by such body or by Manager, Owner fails to authorize Manager or others to make such repairs, alterations or removal, Manager shall be released from any responsibility in connection therewith, and Owner shall be answerable to such body for any and all penalties and fines whatsoever imposed because of such failure on Owner's part. Notwithstanding the foregoing, however, Manager is hereby expressly authorized and shall comply with any governmental agency, authority or department order promptly following receipt thereof and may do so without first obtaining Owner prior written consent and, subject to any limitation set forth herein, shall be entitled to be reimbursed for any and all costs and expenses incurred in connection therewith from Property Revenue.

17. Subordination and Assignment Agreements. Manager shall enter into such customary assignments and/or subordination agreements as may be requested by the Senior Lender and/or the Mezzanine Lender, all promptly after written request therefor.

18. Attorneys' Fees. Should either party retain an attorney to enforce any of the provisions hereof or to protect its interest in any manner arising under this Agreement, or to recover damages for the breach of this Agreement, then the non-prevailing party in any action agrees to pay to the prevailing party all reasonable costs, damages and expenses, including reasonable attorneys' fees expended or incurred in connection therewith.

19. Waiver of Trial by Jury. OWNER AND MANAGER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT. OWNER AND MANAGER REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

20. Property Sale Restrictions. Prior to any offer or sale of the Property, Owner shall comply with the following restrictions:

(a) At least sixty (60) days prior to offering the Property for sale or soliciting offers for the sale of the Property, Owner shall give Manager written notice thereof,

together with a summary of the material terms of the sale (a "Sale Notice"). If Manager responds in writing to the Sale Notice within ten (10) days after the receipt thereof stating that it wishes to Purchase the Property upon the terms set forth in the Sale Notice, Owner and Manager shall have a period of thirty (30) days ("Negotiation Period") within which to negotiate the terms of and execute a binding purchase and sale agreement for the Property.

(b) If such an agreement is not executed within the Negotiation Period, or if Manager fails to timely respond to the Sale Notice, then for a period of six (6) months after the expiration of the Negotiation Period or Manager's failure to timely respond to the Sale Notice, as applicable, (the "Offer Period") Owner, may offer the Property for sale and shall be permitted to sell the Property to a purchaser for the Property based upon terms no more favorable to Owner than the terms and conditions set forth in the Sale Notice. In the event Owner intends to offer the Property on terms other than the terms and conditions set forth in the Sale Notice, then Owner shall again be required to provide Manager with a revised Sales Notice incorporating a summary of the modified terms of the sale. If Owner intends to enter into a binding agreement with a purchaser for the sale of the Property ("Sale Agreement") within the Offer Period, Owner shall give Manager written notice thereof accompanied by a copy of the proposed Sale Agreement pertaining to the sale of the Property (a "Third Party Sale Notice"). For a period of ten (10) days thereafter, Manager shall have the right to enter into the Sale Agreement by written notice to Owner, in which event the Sale Agreement shall constitute a binding agreement between Owner and Manager, and the named purchaser under the Sale Agreement shall have no further rights or obligations thereunder. If Manager does not enter into such Sale Agreement within such ten (10) day period, then Owner may sell the Property to the named purchaser pursuant to the Sale Agreement; provided, however, that any material modification of the Sale Agreement shall be considered a new Sale Agreement, which will entitle Manager to a new Third Party Sale Notice and the right to assume the obligation of the named purchaser within ten (10) days following the Manager's receipt of the new Third Party Sale Notice as aforesaid. If a Sale Agreement is not entered into within the Offer Period, or Owner fails to close upon the sale of the Property pursuant to the Sale Agreement, then Owner may not sell the Property, offer the Property for sale or solicit offers for the sale of the Property without giving Manager a new Sale Notice, in which event the provisions of this Section 20 shall be applicable with respect to such new Sale Notice.

(c) At Manager's request, Owner shall join in the execution and acknowledgement of a memorandum setting forth the provisions of this Section 20, which may be recorded.

21. Miscellaneous. This Agreement embodies the entire agreement and understanding between the parties and supersedes all prior agreements and understandings relating to the management of the Property. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted. This Agreement may not be modified, amended or terminated, nor may any term or provision hereof be waived or discharged, except by instrument signed by Owner and Manager. All of the terms of this Agreement, whether so expressed or not, shall

be binding upon the respective successors and permitted assigns of the parties hereto and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. If any of the provisions of this Agreement shall to any extent be invalid or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and every provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. The headings of this Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning hereof. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any references in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Property Management Agreement as of the day and year first above written.

MANAGER:

SUN HOME SERVICES, INC.,
a Michigan corporation

By: _____

Name: _____

Title: _____

OWNER:

RUDGATE VILLAGE SPE, LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

AND

By: _____

Name: _____

Title: _____

JOINDER

THE UNDERSIGNED hereby joins in this Agreement solely for purposes of agreeing to fund the obligations to the extent set forth under Section 3(i) hereof.

**SUN COMMUNITIES OPERATING
LIMITED PARTNERSHIP**, a Michigan
limited partnership

By: Sun Communities, Inc., its General Partner

By: _____
Name: _____
Title: _____

PROPERTY MANAGEMENT AGREEMENT

(Rudgate Clinton)

This **PROPERTY MANAGEMENT AGREEMENT** (this “Agreement”) is made and entered into this ___ day of _____, 2012 (the “Effective Date”), among **RUDGATE CLINTON SPE, LLC**, a Delaware limited liability company (“RC SPE”), **RUDGATE CLINTON ESTATES SPE, LLC**, a Delaware limited liability company (“RC Estates SPE,” and together with RC SPE, the “Owner”), and **SUN HOME SERVICES, INC.**, a Michigan corporation (“Manager”).

RECITALS

A. Owner is the owner of that certain manufactured housing community known as Rudgate Clinton, which is further described on the attached Exhibit A, including, without limitation, land, easements, buildings, structures, improvements, manufactured home sites, fixtures attached to or used at the property, parking, facilities, walkways, ramps, machinery, equipment, goods, licenses, permits and franchises issued with respect to the use, occupancy, maintenance or operation of the property, and all other items and rights now or hereafter belonging to Owner and used in any manner and in relation thereto (the “Property”).

B. Owner and Rudgate Manor SPE, LLC, a Delaware limited liability company (“RM SPE” and together with Owner, the “Senior Loan Borrowers”), have obtained from Ladder Capital Finance LLC, (the “Senior Lender”) a loan (the “Senior Loan”) secured by first mortgages on the Property and that certain manufactured housing community owned by RM SPE (the “Rudgate Manor Owner”) known as Rudgate Manor (“Rudgate Manor”), pursuant to that certain Loan Agreement dated _____, 2012 (the “Senior Loan Agreement”) among the Senior Loan Borrowers and the Senior Lender.

C. Rudgate Village Holdings, LLC, a Michigan limited liability company (“RV Holdings”), is the sole member of RM SPE, Rudgate Clinton Holdings, LLC, a Michigan limited liability company (“RC Holdings”), is the sole member of RC SPE, and Rudgate Clinton Estates Holdings, LLC, a Michigan limited liability company (“RC Estate Holdings,” and together with RV Holdings and RC Holdings, the “Mezzanine Borrowers”), is the sole member of RC Estates SPE.

D. The Mezzanine Borrowers have obtained from Sun Rudgate Lender LLC (the “Mezzanine Lender”) a mezzanine loan (the “Mezzanine Loan”) secured by, among other things, their respective membership interests in the Owner and Rudgate Manor Owner, pursuant to that certain Mezzanine Loan Agreement, dated _____, 2012 (the “Mezzanine Loan Agreement”) among the Mezzanine Borrowers and the Mezzanine Lender.

E. Owner desires to (i) engage and appoint Manager to perform the property management and leasing services more particularly described in this Agreement, and (ii) engage and appoint Manager to act as asset manager of the Property and to perform the asset

management services more particularly described in this Agreement, and Manager desires to accept such engagement and appointment, all upon and subject to the terms and conditions hereinafter set forth.

F. Manager and the Rudgate Manor Owner have entered into a Property Management Agreement dated the date hereof (the "Rudgate Manor Management Agreement") under which the Rudgate Manor Owner has engaged Manager to perform property management, leasing and asset management services with respect to Rudgate Manor on terms substantially the same as those set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth below, Owner and Manager agree as follows:

1. Appointment of Manager. Owner hereby appoints Manager as the exclusive managing and leasing agent for the Property, and as Owner's agent to perform asset management services and otherwise coordinate ownership activities for the Property, and Manager hereby accepts such appointment, each upon and subject to the terms and conditions set forth in this Agreement. Manager shall be deemed to be an independent contractor and no partnership or joint venture relationship between Owner and Manager is created or is intended by this Agreement.

2. Effective Date; Term. Except as otherwise set forth in Section 8 herein, this Agreement shall commence on the date hereof and continue until the tenth anniversary of the date of this Agreement.

3. Manager's Duties and Powers as Property Manager.

(a) General Scope. Manager shall manage, coordinate and supervise the proper conduct of the business and affairs pertaining to the operation, maintenance and management of the Property (all such activities being hereinafter collectively referred to as "Management Activities"), consistent with the same standards and practices Manager employs in connection with managing properties for Sun Communities Operating Limited Partnership and its affiliates (the "Applicable Standards"). Except as otherwise specifically provided in this Agreement, Manager shall have full control and decision-making authority over the operation, maintenance and management of the Property. Manager shall have such responsibilities, and shall perform and take, or cause to be performed or taken, all such services and actions customarily performed or taken by managing agents of property of similar nature, location and character to that of the Property as shall be necessary or advisable for the proper conduct of the Management Activities, including, without limitation, the duties and powers set forth in Sections 3(b) through 3(l) below. Unless otherwise specifically provided in this Agreement, all services and actions which Manager is required or permitted to perform or take, or cause to be performed or taken, under this Agreement in connection with the Management Activities shall be performed or taken, as the case may be, for and on behalf of Owner and at Owner's sole expense including, without limitation, Manager's travel expenses,

Manager's on-site personnel, including the property manager, and Manager's contracting with third parties for certain services as provided for herein. All Property Revenue (as defined in Section 3(c) below) shall be made available to Manager to be used in conducting the Management Activities. If, in the judgment of Manager, such Property Revenue is not sufficient to permit the Manager to conduct the Management Activities, Owner may, but shall not be required to, contribute cash in an amount equal to any such shortfall to permit the Manager to conduct the Management Activities. In no event shall Owner be deemed to be in default under this Agreement in the event Owner does not contribute cash to fund any such shortfalls. To the extent Owner does not elect to so contribute cash to make up any such shortfall, and Manager reasonably determines that such funds are needed in order for Manager to perform the Management Activities in accordance with Applicable Standards, the Owner shall be required to cause the Mezzanine Borrowers to request additional advances under the Mezzanine Loan to fund such shortfalls and to the extent such Mezzanine Borrowers receive any additional advances under the Mezzanine Loan to fund such shortfalls, Mezzanine Borrowers shall cause such funds to be contributed to Owner and then funded to Manager to make up any remaining shortfall.

(b) Budget; Reconciliation. Manager shall cause to be prepared on an annual operating budget (the "Operating Budget") for the operation, maintenance, repair and leasing of the Property in accordance with the Applicable Standards for the immediately succeeding calendar year. Manager shall deliver a copy of the Operating Budget to Owner at Owner's written request.

(c) Rent and Collections. Manager shall endeavor in accordance with the Applicable Standards to collect from all persons and/or entities occupying or using space in the Property (individually a "Tenant" and collectively "Tenants") all fixed, based and minimum rent and all other amounts payable by such Tenants, including, without limitation, taxes and electricity or other utility services, if applicable (all such fixed, base or minimum rents and other amounts, if any, being sometimes hereinafter collectively referred to as "Rent") under their respective leases or license, occupancy or similar agreements (individually a "Lease" and collectively "Leases"), and in connection therewith, shall prepare and deliver to Tenants all "late payment," default and other appropriate notices, requests, bills, demands and statements, including notices of taxes, electricity and other utility services increases. Manager may retain counsel, collection agencies and such other persons and firms as Manager shall deem appropriate or advisable, to enforce by legal action the rights and remedies of Owner against any Tenant in default in the performance of its obligations under the Lease and shall be entitled to utilize "Property Revenue" (as defined below) in order to pay all costs and expenses incurred in connection therewith. In the event a portion of any Rent received by Manager represents such Tenant's installment payment towards its manufactured home, Manager shall cause such installment payment to be paid to holder to the installment contract for such manufactured home. On the Effective Date, Manager and Owner shall make the following adjustments to Property Revenue:

(i) Real estate taxes and personal property taxes which are a lien upon or levied against any portion of the Project prior to the Effective Date and which become delinquent prior to the Effective Date (other than current taxes), and all installments of special assessments levied on any portion of the Project prior to the Effective Date and which become delinquent prior to the Effective Date, shall be paid by Owner prior to the Effective Date. Current real estate taxes, current installments of special assessments and current personal property taxes levied against any portion of any Project paid by Owner and applicable to the period after the Effective Date shall be prorated and adjusted between the parties on the due date basis of the taxing authority (it being agreed such taxes are payable in advance) and the portion allocable to the period on and after the Effective Date shall be paid by Manager to Owner on the Effective Date.

(ii) The amount of all unpaid water and other utility bills for the Project which are not directly billed to the tenants of the Project, and all other operating and other expenses incurred with respect to the Project relating to the period prior to the Effective Date, shall be paid by Owner on or prior to the Effective Date or, if not paid, as soon as possible after Closing following receipt of an invoice therefor and if prepaid by Owner, such amounts shall be reimbursed by Manager to Owner on the Effective Date. In the event water is submetered and billed to the tenants, then the company completing such submetering shall continue to bill such tenants for the water services utilized through the date of Closing and shall remit all amounts received to the Owner as and when received for periods through the Effective Date. In the event that Manager receives any payments from residents of the Projects which are payments for water bills for periods through the Effective Date, Manager shall promptly remit such amounts to Owner as and when received.

(iii) Charges under service, utility, supply, maintenance and employment contracts and agreements and all other continuing contractual obligations affecting any Owner or the ownership, operation or development of any Project, and all amendments thereto and which will not be terminated as of the Effective Date (the "Project Contracts") attributable to the period prior to the Effective Date shall be paid by Owner prior to the Effective Date, or, if not paid, the amount due shall be paid by Owner to Manager on the Effective Date and if prepaid by Owner, such amounts shall be reimbursed by Manager to Owner on the Effective Date.

(iv) All prepaid rental and other revenues collected up to the Effective Date which are allocable to the period from and after the Effective Date shall be Property Revenue and as such paid by Owner to Manager for application in accordance with Section 3(d) below. Current resident rents shall be prorated and adjusted as of the date of Closing based upon the actual number of days in the month of Closing with Manager being paid credited for rents on the date of Closing. All rental and other revenues actually collected by Manager attributable to rent due for such month of Closing and received by Manager within sixty (60) days following the Effective Date, shall be prorated between Owner and Manager based on the number of days in such month with Owner receiving rents from the first (1st) day of such month through the Effective Date and with Manager receiving such rents from

the Effective Date through the last day of the month. Except as provided in the preceding paragraph, to the extent Manager collects, within one hundred eighty (180) after the Closing, any rental or revenues allocable to the period prior to the Effective Date, Manager shall pay the same to Owner and Manager shall use its good faith efforts to collect all such rent or revenues allocable to the period prior to the Effective Date, but Manager shall not be required to commence litigation or institute evictions with respect to such tenants; provided, however, and except as otherwise set forth above, Manager is assuming no obligation whatsoever for the collection of such rentals or revenues and all rentals and revenues collected subsequent to the Effective Date shall always, in the first instance, be applied first to the most current rentals and revenues, if any, then due under the tenant leases or otherwise. Further, Owner shall not have the right to seek collection, through litigation or otherwise, of unpaid rent from any person while they remain a tenant of the Property, nor shall Owner institute any eviction or lockout proceedings against any residents to recover delinquent rents. Owner shall retain one hundred (100%) percent of the right to receive any past due rents with respect to residents who are no longer residents of the Property.

(v) An amount equal to all expenses of the Property which were paid prior to the Effective Date and for which Manager will benefit after the Effective Date including, without limitation, annual license and permit fees, shall be paid by Manager to Owner on the Effective Date, and an amount equal to all expenses of the Property which were incurred prior to the Effective Date and are due or paid after the Effective Date shall be paid by Manager from Project Revenues.

(vi) All compensation, fringe benefits and other amounts due the employees of any Owner or any manager of the Property for the period prior to the Effective Date, whether as hourly pay, salaries, overtime, bonus, vacation or sick pay, severance pay, pensions or otherwise, and all amounts due for the payment of employment taxes with respect thereto, shall be paid by Owner on or prior to the Effective Date, or as soon as reasonably possible following the Effective Date.

(vii) Manager acknowledges and agrees that Owner may have entered into certain cable agreements prior to the date hereof and in the event Owner received any door fees or lump sum payments with respect to such cable agreements, such amounts shall be Owner' sole and exclusive property and shall not be prorated and in no event shall Manager receive a credit with respect to any such door fees or lump sum payments.

(d) Property Revenue after the Effective Date. From and after the Effective Date, each month, and except as otherwise set forth above, Manager shall apply the Rent so collected and any and all other revenue pertaining to the Property from whatever source (together with Rent, "Property Revenue") as follows:

(i) First, to the payment of all operating and other expenses incurred in connection with the Property in order to manage the Property in accordance with the Applicable Standards, which are not otherwise payable by third parties, as reasonably

determined by the Manager, including, but not limited to, all expenses incurred by Manager in performing its obligations under this Agreement, all capital expenditures, the cost of maintaining the Property, any and all repair, maintenance and other obligations under any Lease, the cost of all operation, maintenance, improvement, protection, preservation, display, marketing, leasing or other activities on or with respect to the Property, including without limitation, real estate taxes, insurance premiums and assessments (collectively, the "Operating Expenses"). Operating Expenses shall also include, without limitation, all costs and expenses incurred by Owner and/or Manager related to corporate annual registration payments, resident agent fees, bank fees, independent director fees, loan servicing and related costs, expenses and fees, accounting fees and other costs and expenses incurred as a result of reporting requirements imposed under any mortgage loans (in excess of those incurred by Owner in the absences of such requirements) and all other similar excess costs and expenses incurred in order to comply with the requirements of any mortgage loans. In the event that Property Revenue collected for any month is insufficient to pay that month's Operating Expenses in full, Manager may provide such funds as necessary to cover the Operating Expenses shortfall. Any funds advanced by Manager for Operating Expense shortfalls will accrue interest until repaid at a rate equal twenty-four (24%) percent per annum and shall be reimbursable to Manager (including interest thereon) from future collected Property Revenue.

(ii) Second, to the payment of the debt service obligations of the Senior Loan Borrowers to the Senior Lender, under the Senior Loan Agreement. It is acknowledged and agreed that a portion of the revenue from Rudgate Manor will also be used to repay such debt service obligations pursuant to Section 3(c)(ii) of the Rudgate Manor Management Agreement. It is further acknowledged and agreed that the obligation to apply Property Revenue to such debt obligations under this Section 3(c)(ii) shall be satisfied only when repayments under the Senior Loan Agreement pursuant to this Section 3(c)(ii) and Section 3(c)(ii) of the Rudgate Manor Management Agreement are in the aggregate sufficient to satisfy all such current debt service obligations, regardless of the relative portions of such repayments made under this Agreement and the Rudgate Manor Management Agreement.

(iii) Third, to the payment of the Property Management Fees to Manager pursuant to the provisions of Section 7 of this Agreement, including any accrued and unpaid Property Management Fees.

(iv) Fourth, to the payment of that portion of the accrued and unpaid interest owing to the Mezzanine Lender under the Mezzanine Loan Agreement determined by applying a 2.0% annual interest rate on the principal outstanding under the Mezzanine Loan Agreement and the related promissory notes. It is acknowledged and agreed that a portion of the revenue from Rudgate Manor will also be used to repay the same amount of interest under the Mezzanine Loan Agreement pursuant to Section 3(c)(iv) of the Rudgate Manor Management Agreement. It is further acknowledged and agreed that the obligation to apply Property Revenue to such portion of the Mezzanine Loan interest under this Section 3(c)(iv) shall be satisfied only when payments of such interest pursuant to this Section 3(c)(iv) and Section 3(c)(iv) of the Rudgate Manor Management Agreement are in the aggregate sufficient

to satisfy the interest payment requirement set forth above, regardless of the relative portions of such repayments made under this Agreement and the Rudgate Manor Management Agreement.

(v) Fifth, to the payment to the Owner of up to \$135,000 per year, payable within thirty (30) days of the end of each calendar year of the Property, to permit the Owner to make distributions to its direct and indirect equity owners, including any accrued but unpaid amounts payable pursuant to this Section 3(c)(v) for prior years, less any unpaid amounts owed by Owner under the Guaranty executed by Owner in connection with that certain Asset Purchase Agreement (the "APA") dated as of the date hereof between Owner, certain affiliates of Owner, and Sun Communities Operating Limited Partnership ("SCOLP") which unpaid amounts which are not disputed by Owner shall be paid to SCOLP. If the unpaid amounts under the Guaranty are disputed by Owner, Manager shall retain the disputed amount until instructed otherwise by a court of competent jurisdiction or in writing jointly by Owner and SCOLP or, if appropriate, interplead the disputed amount in to a court of competent jurisdiction, which the parties agree is the Oakland County, Michigan Circuit Court. It is acknowledged and agreed that a portion of the revenue from Rudgate Manor will also be used to pay up to \$135,000 per year to the Rudgate Manor Owner pursuant to Section 3(c)(v) of the Rudgate Manor Management Agreement. It is further acknowledged and agreed that, notwithstanding anything to the contrary in this Agreement or the Rudgate Manor Management Agreement, the aggregate payments to the Owner under this Section 3(c)(v) and to the Rudgate Manor Owner pursuant to Section 3(c)(v) of the Rudgate Manor Management Agreement shall not exceed \$135,000, regardless of the relative amounts of the payments to Owner and the Rudgate Manor Owner hereunder and thereunder.

(vi) Sixth, to the payment of the Asset Management Fees and reimbursable expenses to Manager pursuant to the provisions of Section 7 of this Agreement, including any accrued and unpaid Asset Management Fees and reimbursable expenses.

(vii) Seventh, to the establishment of such reserves as Manager shall deem necessary for the benefit of the Property in its sole and absolute discretion.

(viii) Eighth, to the payment of all interest and principal payable to the Mezzanine Lender under the Mezzanine Loan Agreement and the related promissory notes that have not been previously paid under Section 3(c)(iv) of this Agreement, which payments shall be applied first to accrued and unpaid interest and then to unpaid principal. It is acknowledged and agreed that a portion of the revenue from Rudgate Manor will also be used to repay principal and interest under the Mezzanine Loan Agreement pursuant to Section 3(c)(viii) of the Rudgate Manor Management Agreement. It is further acknowledged and agreed that the obligation to apply Property Revenue to such principal and interest repayment obligations under this Section 3(c)(viii) shall be satisfied only when repayments of Mezzanine Loan principal and interest pursuant to this Section 3(c)(viii) and Section 3(c)(viii) of the Rudgate Manor Management Agreement are in the aggregate sufficient to satisfy repay the

Mezzanine Loan in full, regardless of the relative portions of such repayments made under this Agreement and the Rudgate Manor Management Agreement.

(e) Employees.

(i) To the extent Manager deems necessary for the conduct of the Management Activities, Manager shall hire personnel who, in each instance, shall be employees of Manager. In no event shall Owner be obligated to hire any employees with respect to the Property. The wages and benefits of any personnel hired by Manager shall be paid as provided in Section 3(c) above. Manager shall direct and supervise all personnel hired by Manager in the performance of their duties and shall discharge all personnel whose employment Manager shall determine to be unnecessary or undesirable. Manager shall use all reasonable efforts to minimize duplication of services among its employees and to avoid overtime whenever reasonably possible. Manager shall select the personnel it employs to perform the Management Activities in accordance with the Applicable Standards.

(ii) Manager shall (A) pay all wages and other benefits properly payable to the employees hired by Manager under Section 3(d)(i) above, (B) maintain adequate payroll records, (C) remit to the proper authorities all required income and social security withholding taxes, unemployment insurance payments, workmen's compensation payments and such other amounts with respect to the wages and other benefits payable to such employees as may be required under applicable laws, together in each case with all required reports or other filings, and (D) obtain, maintain and administer all medical, disability and other insurance benefits and other fringe benefits as may from time to time be required under any union or other agreements or arrangements pertaining to Manager's employment, as the case may be, of such personnel.

(f) Professionals and Contractors. To the extent Manager deems necessary in connection with the Management Activities, Manager shall (i) identify and enter into contracts with architects, engineers, accountants, attorneys, tradesmen and other independent contractors qualified to perform services at the Property, and (ii) supervise the administration, and monitor the performance, of all work to be performed and services to be rendered under all such contracts. Manager shall use due care in the selection of all such contracts. Manager shall select all such professionals and other independent contractors in accordance with the Applicable Standards. All contracts entered into in connection with the performance of the Management Activities shall be entered into in the name of Manager.

(g) Maintenance.

(i) Manager shall cause the Property, including common areas thereof, sidewalks, signs, parking lots and landscaping, to be maintained in good and safe condition. In connection with such maintenance obligations, Manager shall be permitted to use the equipment and vehicles owned by Owner and located on the Property and Manager shall obtain insurance for such equipment and fund the costs thereof from Property Revenue.

(ii) To the extent of the capacity of all equipment and systems located in or servicing the Property, Manager shall cause all such equipment and systems to be operated effectively and maintained in good repair. Further, Manager shall cause to be provided or made available to Tenants those services which Owner is required to provide or to make available under Leases.

(iii) Manager shall enter into such service and maintenance contracts as Manager shall reasonably deem necessary or appropriate for the operation and maintenance of the Property, including, but not limited to, the equipment and systems located in or servicing the Property, contracts for utilities, telephone service, landscape maintenance, rubbish removal, fuel, security, food vending and vermin extermination. Manager shall purchase in reasonable quantities and at reasonable prices all supplies, materials, tools and equipment which Manager shall deem necessary or appropriate for the proper operation and maintenance of the Property. Manager shall be required to utilize Property Revenue in order to pay any and all amounts due under such service and maintenance contracts, to pay for all utilities and to pay for all such supplies, materials, tools and equipment.

(h) Supervision of Tenants.

(i) Manager shall plan and coordinate the moving in and moving out of Tenants in the Property in order to insure a minimum of disturbance to the operation of the Property and to other Tenants then occupying or preparing to occupy space in the Property.

(ii) Manager shall receive and use all reasonable efforts to attend to and resolve any complaints, disputes or disagreements by or among Tenants.

(iii) Manager shall take steps in accordance with the Applicable Standards to cause the Tenants' compliance with the terms and provisions of their respective Leases.

(iv) Manager may terminate tenancies, evict Tenants and recover possession of premises occupied by them, and sue in Owner's name to recover Rents and other sums due, and shall be required to utilize Property Revenue in order to pay all actual attorneys' fees, court costs and legal expenses incurred in connection with such actions.

(i) Insurance. Manager shall procure and maintain in full force and effect at all times insurance coverage to adequately protect Owner and the Property, which shall be in compliance with the terms of the Senior Loan Agreement and the Mezzanine Loan Agreement, and in compliance with Applicable Standards and all insurance costs shall be funded by Manager by applying Property Revenue to all such insurance costs. In all events, the insurance maintained by Manager with respect to the Property shall be consistent with the insurance obtained by Manager with respect to the other similar manufactured home communities managed by Manager or its affiliates in southeast Michigan. In the event that the insurance maintained by Manager does not provide coverages for the benefit of Owner

consistent with the insurance previously maintained by Owner, as evidenced by the certificate which is attached hereto as Exhibit B, then, in such event, Manager shall indemnify, defend and hold Owner harmless with respect to all liabilities incurred by Owner which would have been covered by such insurance in the event Manager had maintained such insurance set forth on Exhibit B and Sun Communities Operating Limited Partnership shall guarantee such indemnity for the benefit of Owner by joining in this Agreement as provided below. Pursuant to Section 3(c), Manager shall pay all premiums for such insurance coverage as part of Operating Expenses. Additionally, Manager agrees and covenants to carry at all times Workers' Compensation and Employers' Liability coverage and shall be entitled to utilize Property Revenue to pay for such insurance coverages. Manager shall be required to cause the Senior Lender to be identified as the loss payee with respect to any casualty insurance and shall be required to identify Owner as a named insured and any other parties reasonably designated by Owner as additional insureds on all insurance policies and shall provide Owner with copies of insurance certificates promptly upon request by Owner and shall provide Owner with such additional information regarding such insurance policies as Owner or Owner's insurance agent may reasonably request including, without limitation, copies of all such insurance policies. All insurance obtained by Manager shall state that the insurance shall be considered primary and non-contributory with any similar coverage maintained by additional insureds. In the event that Manager self-insures any of the insurance coverage otherwise required to be obtained hereunder, then, in such event, Manager shall be directly liable to Owner for all amounts which would have otherwise been receivable by Owner under such insurance policies, Manager shall be permitted to utilize Property Revenues to fund this liability to Owner, and Sun Communities Operating Limited Partnership joins in this Agreement solely for the purpose of guarantying payment to Owner of all such amounts and payment of all insurance deductibles related to claims under such insurance policies and guarantying payment under the indemnity by Manager to Owner set forth above.

(j) Advertising - Public Relations. Manager may, but shall not be required to, hire such advertising services, place such advertisements and generally supervise and attend to all promotional matters pertaining to the operation of the Property as Manager shall deem advisable.

(k) Litigation. To the extent Manager in its sole discretion deems it prudent, Manager shall institute legal or other actions, in the name of the Owner, to enforce the collection of rent or other income from the Property, and to dispossess tenants or other persons from the Property, and to enforce the rules and regulations thereof; provided, however, Manager shall be obligated to utilize Property Revenue to pay all actual attorneys' fees, court costs and legal expenses incurred in connection with such actions including payment of any sums which may become due as a result of counter and/or cross-claims in such actions. In the event that there are insufficient funds to pay any and all such actual attorneys' fees, court costs and legal expenses or other sums due in connection with such action(s), Manager shall be required to fund such shortfalls. In connection with such legal action, Manager may engage legal counsel reasonably acceptable to Owner. All such suits and proceedings shall be brought in the name of Owner but shall be handled in such manner as Manager directs; provided,

however, in the event that a suit or proceeding could result in liability to Owner in excess of \$10,000, then Owner shall be entitled to retain separate counsel to defend Owner in connection with such suit or proceeding. Unless counsel engaged by Manager is prohibited from representing Owner due to a conflict of interest, Owner's separate counsel shall be engaged by Owner at its expense. Owner shall be entitled to join in any settlements of any such suits and proceedings if the settlement could reasonably be expected to create a material liability for the Owner which is not required to be satisfied by the Manager, and any such settlements will require Owner's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. All legal expenses incurred in bringing such suits or proceedings or defending against all such suits and proceedings in conformance with this Section 3(j) (other than for Owner's separate counsel if no conflict exists) shall be reimbursable Operating Expenses to Manager.

(l) Permits and Licenses. Manager shall apply for, obtain and maintain, in the name of Owner, all licenses and permits required by any federal, state, county or municipal authority in connection with the management or operation of the Property.

(m) Compliance. In accordance with the Applicable Standards, Manager shall take or cause to be taken such actions in and about or affecting the Property as Manager shall deem advisable to comply with all legal requirements applicable to the Property. Manager agrees not to permit the use of the Property for any purpose in violation of the Applicable Standards which may void any policy of insurance, which may render any loss thereunder uncollectible or which would be in violation of any governmental laws, regulations or restrictions.

Manager shall, without Owner's prior written approval, take or cause to be taken any such actions without limitation as to cost if failure to do so would or might, in Manager's reasonable judgment, expose Owner or Manager to criminal liability. Manager and Owner shall each promptly notify the other of any violation, order, rule or determination affecting the Property of any governmental authority or agency.

In accordance with the Applicable Standards, Manager shall take or cause to be taken such actions in and about or affecting the Property as Manager shall deem advisable to comply with all terms and conditions contained in any ground lease, space lease, mortgage, deed of trust or other security instrument affecting the Property.

Owner may, without Manager's prior written approval, take or cause to be taken any actions which reasonably must be taken by Owner to prevent Owner from incurring exposure for criminal liability or civil liability and all costs and expenses incurred by Owner in connection therewith shall be paid by Owner, unless Manager has failed to act in accordance with the Applicable Standards with respect to such matter, in which event the cost thereof shall be a reimbursable Operating Expense, to be repaid by Manager to Owner from the Property Revenue within thirty (30) days after written request therefor.

(n) In the event Owner incurs any costs or expenses associated with the operation, maintenance, repair, replacement and/or management of the Property, Owner shall be reimbursed from Property Revenue for all such costs and expenses and Manager shall cause such reimbursement to occur within thirty (30) days after written request therefor by Owner.

(o) All service, utility, supply, maintenance and employment contracts and agreements and all other continuing contractual obligations affecting Owner or the ownership, operation or development of the Project, and all amendments thereto and which will not be terminated as of the Effective Date (collectively, the "Project Contracts") are listed on the attached Exhibit C. True, correct and complete copies of all Project Contracts have been delivered to Manager. Those Project Contracts identified on Exhibit C as being assumed by Manager after the Effective Date and shall be the "Assumed Project Contracts". To Owner's knowledge, each Assumed Project Contract is in full force and effect, Owner has complied in all material respects with the provisions of each Assumed Project Contract to which it is a party and is not in material default under any such Assumed Project Contract and, to the actual knowledge of Owner, no other party to any Assumed Project Contract has failed to comply in any material respect with, or is in default under, the provisions of any Assumed Project Contract. Prior to or at the Effective Date, Owner shall terminate (x) any contract of Owner not identified as Project Contracts, and (y) the contracts listed on Exhibit C (the "Non-Assumed Project Contracts"). Prior to and after the Closing, Owner shall be responsible for all liabilities and obligations of Owner under the Non-Assumed Project Contracts, and shall indemnify and hold harmless Manager from all such liabilities and obligations.

4. Manager's Duties and Powers as Leasing Manager.

(a) Duties. Manager shall use all reasonable efforts, consistent with normal and customary practices in the manufactured home leasing business, to negotiate and consummate Leases for all space in the Property available for rent from time to time, at rentals and upon such other terms and conditions as shall be consistent with the relevant market for the Property, as reasonably determined by Manager. Owner acknowledges that Manager and its affiliates own manage and operate other manufactured home communities in the vicinity of the Property. In connection with such leasing activities, Manager shall be required to comply with the Applicable Standards and to comply in all material respects with all applicable laws, rules and regulations of all applicable governmental authorities and agencies which could reasonable be expected to expected to create a material liability for the Owner which is not required to be satisfied by the Manager hereunder.

(b) Powers. Subject to the terms and conditions of this Agreement, Manager shall have the power to:

(i) negotiate on behalf of Owner, on such terms as may be designated by Owner to Manager from time to time, with respect to the rental of space at the

Property, the extension or renewal of existing Leases and the modification or termination of Leases and other agreements pertaining to all of the above;

(ii) prepare or cause to be prepared, using Manager's form of Lease, all new Leases and modifications or terminations of existing Leases; and

(iii) authorize or provide for advertisements and other promotional activities, including, leasing plans and signs and circular matter, contemplated under the marketing and promotional program developed by Owner.

5. Manager's Duties and Powers as Asset Manager. In connection with its appointment as asset managers hereunder, Manager shall perform the following services:

(a) oversee the preservation of the assets and properties associated with the Property in an efficient and satisfactory manner, and all property management and leasing functions in connection with the Property;

(b) review the financial performance of the Property;

(c) handle the financial reporting and cash management requirements of Owner relative to the Property including, without limitation, all reporting and cash management requirements associated with the Senior Loan and/or Mezzanine Loan;

(d) maintain proper books of accounts and other records with respect to Owner's interest in the Property;

(e) compile information relating to the Property as necessary for the preparation of tax returns by the Owner and provide such information to the tax return preparers and advisers designated by Owner not later than April 1st of each year;

(f) handle all loan compliance procedures and reporting with the Senior Lender, the Mezzanine Lender and their successors and assigns;

(g) investigate, select and manage relationships with accountants, legal counsel, property managers, brokers, investors, builders and developers, banks and other lenders in connection with the Senior Loan and the Mezzanine Loan, and others as necessary in connection with the business of Owner; and

(h) manage, on behalf of Owner, the collection and disbursement of funds derived from the Property, payment of the debts and fulfillment of the obligations of Owner as to the Property, and subject to the limitations set forth in this Agreement, handle, prosecute and settle any claims of Owner as to the Property.

In performing its asset management services under this Agreement, the Manager may from time to time call upon and utilize various facilities, personnel and support services of other persons including one or more affiliates of the Manager. The Manager shall have the authority to execute agreements, contracts and other documents as asset manager pursuant to this Agreement to the extent such documentation is necessary or appropriate to carry out Manager's asset management responsibilities hereunder, and no separate approval or consent of Owner shall be required as to such documentation, as long as the execution of such documentation does not create any material adverse impact on Owner and does not violate the terms and conditions of the loan documents with respect to the Senior Loan and/or the Mezzanine Loan.

6. Books, Accounts, Records and Remittances.

(a) Books and Records. Manager shall establish and maintain such books of account, records and other documentation pertaining to the operation and maintenance of the Property as Manager determines are customarily maintained by managing agents of Property similar in location and size to that of the Property. Owner and any representative of Owner shall have the right to inspect such records and audit any and all statements during all business hours, and make photocopies of same at Owner's expense and such right of inspection, audit and photocopying shall survive the expiration or termination of this Agreement.

(b) Operating Accounts. Manager shall open and maintain an account or accounts separate from Manager's personal account (collectively, "Operating Accounts"), as Manager shall deem necessary, in a banking institution or institutions designated from time to time by Manager. Manager shall deposit in the Operating Accounts all funds collected by Manager under this Agreement, and shall make withdrawal from the Operating Accounts, pursuant to Section 3(c) above.

(c) Security Deposits. If and when required by law and/or Lease, Manager shall deposit in separate accounts all security deposits, if any, of Tenants. Notwithstanding the foregoing, irrespective of whether Manager holds security deposits in a separate account, in all events, Manager shall be required to repay all security deposits collected by Manager to the Tenants (to the extent required by law and/or such Tenant's Lease) and Manager shall indemnify, defend and hold Owner harmless with respect to liabilities incurred by Owner as a result of any unpaid security deposits.

(d) Year-End Reports. As soon as practicable after the end of each Operating Year but in no event later than one hundred twenty (120) days after the end of each Operating Year, Manager shall prepare detailed statements of all receipts, expenses and charges pertaining to the operation and maintenance of the Property during the preceding Operating Year. Manager shall deliver such other reports as are created by Manager in accordance with the Applicable Standards or which are required to be prepared under any mortgage loan documents (which it may legally distribute to Owner in accordance with applicable law). Owner shall be responsible for the preparation of its own federal, state and local tax returns, including income and informational tax returns.

7. Compensation

(a) Property Management Fees. Manager shall be paid Manager's property management fee (the "Property Management Fee") from Property Revenue for its performance of the Management Activities an amount equal to three percent (3%) of the Property Revenue actually collected by or for the account of Owner in each calendar month, or proportion thereof, during the term of this Agreement. Subject to the terms of Section 3(c) above, the Property

Management Fee shall be payable monthly, on or about the 10th day of each calendar month, based upon Property Revenue actually collected during the immediately preceding month, and in accordance with Section 3(c) above. Manager shall be entitled to receive any accrued and unpaid Property Management Fees for prior months to the extent there is Property Revenue available to pay such accrued and unpaid Property Management Fee. If this Agreement is terminated and the effective date of such termination is a day other than the last day of any calendar month, the Property Management Fee earned by Manager for such month shall be prorated and adjusted based on the Property Revenue collected for such month.

(b) Asset Management Fees and Reimbursement.

(i) Manager shall be paid Manager's asset management fees (the "Asset Management Fee") from Property Revenue for its performance of its asset management services hereunder, an amount equal to four percent (4%) of the Property Revenue actually collected by or for the account of Owner in each calendar month, or proportion thereof, during the term of this Agreement. Subject to the terms of Section 3(c) above, the Asset Management Fee shall be payable monthly, on or about the 10th day of each calendar month, based upon Property Revenue actually collected during the immediately preceding month, and in accordance with Section 3(c) above. Manager shall be entitled to receive any accrued and unpaid Asset Management Fees for prior months to the extent there is Property Revenue available to pay such accrued and unpaid Asset Management Fees. If this Agreement is terminated and the effective date of such termination is a day other than the last day of any calendar month, the Asset Management Fees earned by Manager for such month shall be prorated and adjusted based on the Property Revenue collected for such month.

(ii) In addition, Manager shall be reimbursed from Property Revenue for all costs and expenses incurred by the Manager in connection with performing its asset management duties set forth in this Agreement; provided, however, the Manager shall not reimburse the Manager for any such asset management expenses related to the Manager's overhead and other internal expenses, personnel expenses of employees located at the Manager's home office and costs attributable to losses arising from criminal acts, gross negligence, willful misconduct or fraud by the Manager or the Manager's employees.

8. Termination.

(a) Termination. This Agreement may be terminated:

(i) by the mutual written agreement of Owner and Manager;

(ii) by either Owner or Manager, if the entire Property is condemned or acquired by eminent domain;

(iii) by Manager, if Owner is in default of its obligations under this Agreement, which such default remains uncured for a period of thirty (30) days following receipt by Owner of written notice from Manager of such default, or for such longer period

as may be reasonably necessary to cure the default if Manager is diligently pursuing a cure of such default;

(iv) by Manager, at any time on not less than 60 days' prior written notice to Owner;

(v) by Manager, at any time, if the Rudgate Manor Management Agreement is validly terminated pursuant to Section 8(a)(iii) thereof.

(vi) by Owner, if Manager commits a fraud against Owner or a crime consisting of moral turpitude or in the event of embezzlement or any other felony which is likely to materially impact Owner.

(vii) by Owner, to the extent Owner is required to terminate the Agreement as a result of the requirements of the Senior Lender or Mezzanine Lender;

(viii) by Owner, if Manager is in material default of its obligations under this Agreement, which such default remains uncured for a period of thirty (30) days following receipt by Manager of written notice from Owner of such default provided however, if such default is not capable of cure within such thirty (30) day period, Manager shall have such additional time as may be needed so long as Manager is diligently pursuing such default, such default will create a material adverse liability to Owner; provided, however, in the event Manager disputes that it has created such a default, this Agreement shall not be terminated by Owner until a court of competent jurisdiction has determined that Manager has in fact defaulted under the terms of this Agreement and Manager has failed to satisfy the judgment within sixty (60) days after it has become final and un-appealable.

(b) Upon the expiration of the initial term of this Agreement, in the event that Mezzanine Loan remains outstanding, and except as otherwise provided in Subsections 8(a)(vi), (vii) and (viii) hereof, Owner shall not replace the Manager with respect to the Property without first obtaining the prior written consent of the Mezzanine Lender and until such time as Owner has obtained such consent, Manager shall continue to operate the Property in accordance with the terms of this Agreement and shall be entitled to receive all amounts due hereunder including reimbursement of costs and expenses incurred during such extended management period.

(c) Survival of Obligations. Upon the expiration or termination of this Agreement, (i) Owner's appointment of Manager hereunder shall cease and terminate and, except as otherwise specifically provided hereunder, Owner and Manager shall have no further obligation or liability to the other, (ii) Manager shall no longer have any authority to represent Owner or take or cause to be taken any actions on Owner's behalf, and (iii) Owner shall remain liable to Manager to pay all Property Management Fees, Asset Management Fees and other fees, expenses and amounts payable to Manager hereunder which shall have accrued through the date of termination; provided, however, Owner's obligation to fund such amounts shall be limited to available net cash flow received from Property Revenue not otherwise used to

pay Operating Expenses. The provisions of this Section shall survive any such expiration or termination.

(d) Continuation of Services. In the event this Agreement is terminated as a result of actions taken by the Senior Lender and/or Mezzanine Lender, then, at the request of Owner, Manager shall continue to manage the Property until such time as a successor property management company and/or receiver has been appointed in order to insure a continuation of management services without interruption and, subject to the Senior Lender and/or Mezzanine Lender making sums available to pay Manager all sums due hereunder, Manager shall continue to have the right to be paid all fees due hereunder and to be reimbursed for all amounts due hereunder during such extended management period.

9. No Encumbrance; Cooperation. Owner agrees that during the term of this Agreement, neither Owner nor Manager shall, absent mutual consent: (a) permit any liens to be placed upon the Property, other than to the Senior Lender under the Senior Loan Agreement and the Mezzanine Lender under the Mezzanine Loan Agreement; or (b) grant any easements, rights of way, surface oil or mineral rights, or other encumbrances. Owner and Manager will, if required, or deemed reasonably necessary or desirable by both Owner and Manager, join and assist in the preparation and/or filing by Manager, the execution of all permits, applications, and other written requests, reports and documents, including, but not limited to, rezoning and site plan approval applications for easements, tax splits, challenges to or reduction of real estate taxes and any other documents necessary for Owner's use of the Property, and appear at zoning and site plan approval hearings. Owner agrees not to hinder or object to any site plan approval applications submitted by or on behalf of Manager, which site plan approval application is intended to improve the value or operation of the Property in the reasonable opinion of Manager.

10. Indemnification.

(a) Scope.

(i) Subject to the limitations set forth in this Section 10(a)(i) below, Owner shall indemnify, defend and hold harmless Manager and its principals, officers, directors, shareholders, partners, employees and agents (individually and collectively, the "Owner's Indemnitees") from and against any and all liabilities, claims, suits, damages, judgments, costs and expenses of whatever nature, including reasonable counsel fees and disbursements (collectively, "Damages") incurred by reason of or arising out of Owner's breach of this Agreement, willful misconduct or bad faith. Owner shall not be required to indemnify, hold harmless or reimburse Owner's Indemnitees with respect to any matter arising out of Manager's, Manager's officers' and/or directors' or employees' gross negligence, willful misconduct or fraud. Notwithstanding the foregoing, Owner's liability and obligation to indemnify Owner's Indemnitees under this Section 10(a)(i) shall be paid by the Property Revenue only and otherwise shall be non-recourse to Owner.

(ii) Manager shall indemnify, defend and hold harmless Owner and its principals, officers, directors, shareholders, members, partners, employees and agents (individually and collectively, the "Manager's Indemnitees") from and against any and all Damages incurred by reason of or arising out of (A) Manager's breach of this Agreement, gross negligence, willful misconduct or bad faith, and (B) any injury to or death of any person(s), damage to property, loss or use of any property or otherwise in connection with the performance by Manager of Manager's obligations under this Agreement, (C) any claim, proceeding or suit involving an alleged violation by Manager, its agents or employers, of any law pertaining to (1) fair employment, fair credit reporting, rent control, payment of employment or other taxes which are the responsibility of Manager, or fair housing, including, but not limited to, any law prohibiting or making illegal discrimination on the basis of race, sex, creed, family status, age, color, religion, national origin or mental or physical handicap, or (2) any law pertaining to environmental matters, provided, however, Manager only shall be liable for the indemnity under this Section 10(a)(ii)(B)(2) if Manager, its agents or employees is finally adjudged to have violated any such law pertaining to environmental matters. Manager shall not be required to indemnify, hold harmless or reimburse Manager's Indemnitees with respect to any matter arising out of Owner's, Owner's officers', directors', members' or employees' gross negligence, willful misconduct or fraud, and (D) Manager's failure to fund any shortfall needed to pay for amounts due by Manager under this Agreement to the extent Manager is obligated to fund such amounts irrespective of whether Property Revenue is available. Furthermore, Manager shall indemnify Owner against, all expenses incurred by Owner including, without limitation, actual attorneys' fees, court costs and legal expenses and any liability, fines, penalties or the like, in connection with any claim, proceeding or suit involving an alleged violation of law by Manager, its agents or employees or with respect to the payment of any employment or other taxes required to be paid by Owner and which are the responsibility of Manager or to be funded from Property Revenue. Manager shall be permitted to utilize Property Revenues to fund its liability and obligation to indemnify Manager's Indemnitees under this Section 10(a)(ii) hereof.

(b) Conditions. The obligation of Owner or Manager to indemnify, hold harmless and reimburse Manager's Indemnitees or Owner's Indemnitees, respectively, under Section 10(a) above are subject to the condition that Manager's Indemnitees or Owner's Indemnitees, as applicable, shall not take or fail to take any actions, including the prompt notification of the indemnitor or an admission of liability, which would bar Owner or Manager, as the case may be, from enforcing any applicable coverage under policies of insurance or would prejudice any defense of Owner or Manager, as the case may be, in any appropriate legal proceedings pertaining to any such matter or otherwise prevent Owner or Manager, as the case may be, from defending itself with respect to any such matter.

(c) Survival. The provisions of this Section 10 shall survive the expiration and any termination of this Agreement.

(d) Release from Liability. Each party hereby releases the other in respect of any claim (including a claim for negligence) that it might otherwise have against the other

party for loss, damage or destruction with respect to its property by fire or other casualty occurring during the term of this Agreement if, and to the extent, covered under the fire insurance policy covering the Property or any other insurance policy carried by Owner or Manager. Owner and Manager shall be named insureds under the fire and extended coverage, rent insurance and “all risk” insurance covering the Property, as well as any other insurance carried by Owner or Manager in respect of the Property. The foregoing release shall not apply to the extent Manager self-insures for any of the insurance otherwise required to be carried by Manager under this Agreement.

11. Timely Performance. Owner and Manager shall each perform all of their respective obligations under this Agreement in a proper, prompt and timely manner. Each shall furnish the other with such information and assistance as the other may from time to time reasonably request in order to perform its responsibilities hereunder. Owner and Manager each shall take all such actions as the other may from time to time reasonably request and otherwise cooperate with the other so as to avoid or minimize any delay or impairment of either party’s performance of its obligations under this Agreement.

12. Assignment.

(a) Manager’s Permissible Assignments. Manager may assign this Agreement or delegate its responsibilities hereunder to any entity controlled by Manager or any entity that controls or is under common control with Manager. Further, Manager may assign this Agreement or delegate its responsibilities hereunder as a part of any sale of all or substantially all of its assets. Manager shall not otherwise assign this Agreement or delegate its responsibilities hereunder, except as contemplated by this Agreement, without the prior written consent of Owner, which consent shall not be unreasonably withheld or delayed.

(b) Owner’s Permissible Assignment. Owner shall not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of Manager which consent may be withheld by Manager for any reason.

(c) Assumption and Release. Each permitted assignee of this Agreement shall agree in writing to personally assume, perform and be bound by all of the terms, covenants, conditions and agreements contained in this Agreement, and thereupon the assignor of this Agreement shall be relieved of all obligations hereunder except those which shall have accrued prior to the effectiveness of such assignment.

13. Notices. Any and all notices or other communications given under this Agreement shall be deemed duly served (i) when personally served; (ii) three (3) days after deposited in the U.S. certified mail, return receipt requested; (iii) upon receipt if sent by telephone facsimile with fax acceptance sheet verifying receipt; or (iv) one (1) day after being sent via “overnight” courier service, addressed to the parties at the following address:

If to the Owner:

Rudgate Clinton SPE, LLC
Attn: Mr. Graham A. Orley
201 W. Big Beaver Road, Suite 720
Troy, MI 48084-5297
Fax: (248) 689-2221

And:

Rudgate Clinton Estates SPE, LLC
Attn: Mr. Graham A. Orley
201 W. Big Beaver Road, Suite 720
Troy, MI 48084-5297
Fax: (248) 689-2221

And to:

Mr. Gregg L. Orley
40900 Woodward Avenue, Suite 130
Bloomfield Hills, Michigan 48304
Fax: (248) 593-0323

With a required copy to:

Maddin, Hauser, Wartell, Roth & Heller, P.C.
28400 Northwestern Hwy., 3rd Floor
Southfield, MI 48034-1839
Attn: Mr. Lowell D. Salesin
Fax: (248) 359-6189

If to the Manager:

Sun Home Services, Inc.
Attn: Jeff Davidson
27777 Franklin Road, Suite 200
Southfield, Michigan 48034
Fax: (248) 208-2645

With a required copy to:

Jaffe, Raitt, Heuer & Weiss, P.C.
27777 Franklin Road, Suite 2500
Southfield, Michigan 48034
Attn: Mr. Mark P. Krysinski

Any party may change its address for the giving of notices under this Agreement by delivering to the other party ten (10) days' written notice of such change of address.

14. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan, without regard to conflicts-of-laws principles that would require the application of any other law.

15. Compliance with the Law. Manager, in fulfilling its obligations under this Agreement, shall comply with all applicable law.

16. Government Orders. In the event that any governmental agency, authority or department should order the repair, alteration or removal of any structure or matter in the Property and if after written notice of the same to Owner by such body or by Manager, Owner fails to authorize Manager or others to make such repairs, alterations or removal, Manager shall be released from any responsibility in connection therewith, and Owner shall be answerable to such body for any and all penalties and fines whatsoever imposed because of such failure on Owner's part. Notwithstanding the foregoing, however, Manager is hereby expressly authorized and shall comply with any governmental agency, authority or department order promptly following receipt thereof and may do so without first obtaining Owner prior written consent and, subject to any limitation set forth herein, shall be entitled to be reimbursed for any and all costs and expenses incurred in connection therewith from Property Revenue.

17. Subordination and Assignment Agreements. Manager shall enter into such customary assignments and/or subordination agreements as may be requested by the Senior Lender and/or the Mezzanine Lender, all promptly after written request therefor.

18. Attorneys' Fees. Should either party retain an attorney to enforce any of the provisions hereof or to protect its interest in any manner arising under this Agreement, or to recover damages for the breach of this Agreement, then the non-prevailing party in any action agrees to pay to the prevailing party all reasonably costs, damages and expenses, including reasonable attorneys' fees expended or incurred in connection therewith.

19. Waiver of Trial by Jury. OWNER AND MANAGER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT. OWNER AND MANAGER REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

20. Property Sale Restrictions. Prior to any offer or sale of the Property, Owner shall comply with the following restrictions:

(a) At least sixty (60) days prior to offering the Property for sale or soliciting offers for the sale of the Property, Owner shall give Manager written notice thereof, together with a summary of the material terms of the sale (a "Sale Notice"). If Manager responds in writing to the Sale Notice within ten (10) days after the receipt thereof stating that it wishes to Purchase the Property upon the terms set forth in the Sale Notice, Owner and Manager shall have a period of thirty (30) days ("Negotiation Period") within which to negotiate the terms of and execute a binding purchase and sale agreement for the Property.

(b) If such an agreement is not executed within the Negotiation Period, or if Manager fails to timely respond to the Sale Notice, then for a period of six (6) months after the expiration of the Negotiation Period or Manager's failure to timely respond to the Sale Notice, as applicable, (the "Offer Period") Owner, may offer the Property for sale and shall be permitted to sell the Property to a purchaser for the Property based upon terms no more favorable to Owner than the terms and conditions set forth in the Sale Notice. In the event Owner intends to offer the Property on terms other than the terms and conditions set forth in the Sale Notice, then Owner shall again be required to provide Manager with a revised Sales Notice incorporating a summary of the modified terms of the sale. If Owner intends to enter into a binding agreement with a purchaser for the sale of the Property ("Sale Agreement") within the Offer Period, Owner shall give Manager written notice thereof accompanied by a copy of the proposed Sale Agreement pertaining to the sale of the Property (a "Third Party Sale Notice"). For a period of ten (10) days thereafter, Manager shall have the right to enter into the Sale Agreement by written notice to Owner, in which event the Sale Agreement shall constitute a binding agreement between Owner and Manager, and the named purchaser under the Sale Agreement shall have no further rights or obligations thereunder. If Manager does not enter into such Sale Agreement within such ten (10) day period, then Owner may sell the Property to the named purchaser pursuant to the Sale Agreement; provided, however, that any material modification of the Sale Agreement shall be considered a new Sale Agreement, which will entitle Manager to a new Third Party Sale Notice and the right to assume the obligation of the named purchaser within ten (10) days following the Manager's receipt of the new Third Party Sale Notice as aforesaid. If a Sale Agreement is not entered into within the Offer Period, or Owner fails to close upon the sale of the Property pursuant to the Sale Agreement, then Owner may not sell the Property, offer the Property for sale or solicit offers for the sale of the Property without giving Manager a new Sale Notice, in which event the provisions of this Section 20 shall be applicable with respect to such new Sale Notice.

(c) At Manager's request, Owner shall join in the execution and acknowledgement of a memorandum setting forth the provisions of this Section 20, which may be recorded.

21. Miscellaneous. This Agreement embodies the entire agreement and understanding between the parties and supersedes all prior agreements and understandings relating to the management of the Property. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted. This Agreement may not be modified, amended or terminated, nor

may any term or provision hereof be waived or discharged, except by instrument signed by Owner and Manager. All of the terms of this Agreement, whether so expressed or not, shall be binding upon the respective successors and permitted assigns of the parties hereto and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. If any of the provisions of this Agreement shall to any extent be invalid or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and every provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. The headings of this Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning hereof. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any references in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Property Management Agreement as of the day and year first above written.

MANAGER:

SUN HOME SERVICES, INC.,
a Michigan corporation

By: _____
Name: _____
Title: _____

OWNER:

RUDGATE CLINTON SPE, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

AND

By: _____
Name: _____
Title: _____

RUDGATE CLINTON ESTATES SPE, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

AND

By: _____
Name: _____
Title: _____

JOINDER

THE UNDERSIGNED hereby joins in this Agreement solely for purposes of agreeing to fund the obligations to the extent set forth under Section 3(i) hereof.

SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership

By: Sun Communities, Inc., its General Partner

By: _____
Name: _____
Title: _____

EXHIBIT C

FORM OF RECIPROCAL REIMBURSEMENT AGREEMENT

RECIPROCAL REIMBURSEMENT AGREEMENT

This **RECIPROCAL REIMBURSEMENT AGREEMENT** ("**Agreement**") is made and entered into as of _____, 2012, by and among GREGG L. ORLEY and RANDALL C. ORLEY (individually and collectively, jointly and severally, the "**Rudgate Key Principals**"), RUDGATE VILLAGE COMPANY LIMITED PARTNERSHIP, a Michigan limited partnership, RUDGATE CLINTON COMPANY LIMITED PARTNERSHIP, a Michigan limited partnership, RUDGATE CLINTON ESTATES L.L.C., a Michigan limited liability company (individually and collectively, jointly and severally, the "**Rudgate Owners**") and SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership ("**Sun**" and together with the Rudgate Key Principals, the "**Guarantors**").

RECITALS:

A. Ladder Capital Finance LLC (the "**Lender**") has extended a mortgage loan to Rudgate Village SPE, LLC, a Delaware limited liability company, Rudgate Clinton SPE, LLC, a Delaware limited liability company and Rudgate Clinton Estates SPE, LLC, a Delaware limited liability company (individually and collectively, jointly and severally, the "**Rudgate Borrowers**") in the amount of \$45,900,000 (the "**Loan**"), as evidenced by a certain Loan Agreement, Promissory Note, Mortgage and other loan documents executed pursuant thereto (the "**Loan Documents**"). The Rudgate Borrowers are indirectly wholly owned by the Rudgate Owners.

B. As a condition to providing the Loan, the Lender has required the Rudgate Key Principals and Sun to execute and deliver a Guaranty of Recourse Obligations ("**Guaranty**") in favor of the Lender, which Guaranty provides for (i) the Rudgate Key Principals to unilaterally guaranty certain so-called non-recourse carve outs pertaining to the Loan upon the occurrence of certain events more particularly described therein (the "**Rudgate Unilateral Guaranteed Obligations**"), (ii) Sun to unilaterally guaranty certain so-called non-recourse carve outs pertaining to the Loan upon the occurrence of certain events more particularly described therein (the "**Sun Unilateral Guaranteed Obligations**"), and (iii) the Rudgate Key Principals and Sun to both guaranty certain so-called non-recourse carve outs pertaining to the Loan upon the occurrence of certain events more particularly described therein (the "**Joint Guaranteed Obligations**").

C. Sun has extended a mezzanine mortgage loan to Rudgate Village Holdings, LLC, a Delaware limited liability company, Rudgate Clinton Holdings, LLC, a Delaware limited liability company and Rudgate Clinton Estates Holdings, LLC, a Delaware limited liability company (individually and collectively, jointly and severally, the "**Rudgate Mez Borrowers**") in the amount of \$_____ (the "**Mezzanine Loan**"), as evidenced by a certain Mezzanine Loan Agreement, Promissory Note, Pledge Agreement and other loan documents executed pursuant thereto (collectively, the "**Mez Loan Documents**"). The Rudgate Mez Borrowers wholly own the Rudgate Borrowers, and the Rudgate Owners wholly own the Rudgate Mez Borrowers.

D. Sun Home Services, Inc. ("**SHS**"), an affiliate of Sun, and Rudgate Village SPE, LLC are parties to a Property Management Agreement (the "**Manor Management Agreement**") pursuant to which SHS has been engaged to manage Rudgate Manor Manufactured Home Community (the

“**Manor Project**”), and SHS, Rudgate Clinton SPE, LLC, and Rudgate Clinton Estates SPE, LLC, are parties to a Property Management Agreement (the “**Clinton Management Agreement**”, and together with the Manor Management Agreement, the “**Management Agreements**”) pursuant to which SHS has been engaged to manage Rudgate Clinton Manufactured Home Community (the “**Clinton Project**”).

E. Sun has agreed to execute and deliver the Guaranty and the Rudgate Key Principals have agreed to execute and deliver the Guaranty, and as a condition to such execution and delivery of the Guaranty, the Rudgate Key Principals, Rudgate Owners and Sun have agreed to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, and the agreements and undertakings contained in this Agreement, the parties agree as follows.

1. The Rudgate Key Principals and Rudgate Owners, joint and severally, agree to reimburse Sun and Sun Communities, Inc. (“**SCI**”), the general partner of Sun, for any and all sums paid to Lender and for any reasonable attorneys’ fees, court costs and legal expenses incurred by Sun and SCI, which Sun or SCI are required to pay or which amounts they incur by reason of or in connection with the Sun Unilateral Guaranteed Obligations and which arise as a result of any affirmative act of any Rudgate Borrower, Rudgate Owner, Rudgate Mez Borrower or Rudgate Key Principal, or any of their respective affiliates, agents, employees, representatives, partners, members, managers, officers or directors, which affirmative action occurs after the date hereof and causes Sun or SCI to incur liability under the Sun Unilateral Guaranteed Obligations; provided, however, nothing herein shall require the Rudgate Key Principals, Rudgate Owners, or Rudgate Mez Borrowers to contribute capital or fund any obligations with respect to Manor Project or Clinton Project, and any failure to contribute capital or fund any obligations shall not be deemed an affirmation action of any such party. Furthermore, in no event shall events occurring prior to the date hereof, or conditions existing at the Manor Project or Clinton Project as of the date hereof, create any liability under this Section 1 to the Rudgate Key Principals or Rudgate Owners. For avoidance of doubt, the parties agree that for all purposes of this Agreement neither Sun nor its affiliates, its agents or its employees shall be considered an agent or affiliate of any Rudgate Borrower, Rudgate Owner or Rudgate Key Principal, and in no event shall SHS (or any successor thereto or assign thereof), acting as the property manager of the Manor Project and Clinton Project be deemed to be an agent or affiliate of any Rudgate Borrower, Rudgate Owner or Rudgate Key Principal.

2. Sun agrees to reimburse Rudgate Borrowers and Rudgate Key Principals for any and all sums paid to Lender and for any reasonable attorneys’ fees, court costs and legal expenses which Rudgate Borrower or Rudgate Key Principal are required to pay or which amounts they incur by reason of or in connection with (i) any Joint Guaranteed Obligation as a result of (x) an affirmative act, or (y) an omission which is in violation of the single purpose entity covenants contained in the Loan Documents, and which is made by Sun, SHS or any of their respective affiliates, agents, employees, representatives, partners, members, shareholders, managers, officers or directors, or (ii) the Rudgate Unilateral Guaranteed Obligation requiring Borrower to obtain Lender’s prior written consent to a “Transfer” (as such term is defined under the Loan Documents) of an interest in the Property not expressly permitted by the Loan Documents, and arising as a result of an affirmative act causing a prohibited Transfer made by Sun, SHS or any of their respective affiliates, agents, employees, representatives, partners, members, shareholders, managers, officers or directors, and not approved in writing by a Rudgate Borrower. For avoidance of doubt, the parties agree that for all purposes of

this Agreement none of the Rudgate Borrowers, Rudgate Owners or Rudgate Mez Borrowers or any of their respective affiliates, their agents or their employees shall be considered an agent or affiliate of Sun or SHS.

3. The Rudgate Key Principals and Rudgate Owners, joint and severally, agree to reimburse Sun and SCI for any and all sums paid to Lender and for any reasonable attorneys' fees, court costs or legal expenses incurred by Sun or SCI, which Sun or SCI are required to pay or which amounts they incur by reason of or in connection with any Joint Guaranteed Obligation as a result of any (i) affirmative act, or (ii) an omission which is in violation of the single purpose entity covenants contained in the Loan Documents and which is made by any Rudgate Borrower, Rudgate Owner, Rudgate Mez Borrower or Rudgate Key Principal, or any of their respective affiliates, agents, employees, representatives, partners, members, managers, officers or directors; provided, however, any failure to contribute capital or fund any Obligations shall not be deemed to be gross negligence or willful misconduct of such parties. For avoidance of doubt, the parties agree that for all purposes of this Agreement neither Sun nor its affiliates, its agents or its employees shall be considered an agent or affiliate of any Rudgate Borrower, Rudgate Owner or Rudgate Key Principal, and in no event shall SHS (or any successor thereto or assignee thereof), acting as the property manager of the Manor Project and Clinton Project be deemed to be an agent or affiliate of any Rudgate Borrower, Rudgate Owner or Rudgate Key Principal.

4. The parties agree that the compromise or release of any of the liabilities or obligations arising from or in connection with the Guaranty (collectively, the "**Obligations**"), the renewal or extension of the time of payment of any of the Obligations, the amendment or modification of the terms of any agreement or instrument evidencing any Obligations, the discharge or release of any of the undersigned by reason of the operation of federal or state bankruptcy or insolvency laws, or the extinguishment of any of the Obligations due to the running of any applicable statute of limitations, shall not release the obligations of the undersigned pursuant to this Agreement.

5. Nothing contained in the Agreement is intended to, or shall be construed to, modify, alter, amend, or impact in any way (i) the obligations, rights or remedies of Sun, the Mez Loan Borrowers or the Rudgate Key Principals under the Mezzanine Loan or Mez Loan Documents, or (ii) the obligations, rights and remedies of SHS or the Rudgate Borrowers under the Management Agreements, which shall remain independent from the terms, conditions and obligations of the parties under this Agreement.

6. In the event any action is brought to enforce this Agreement, the non-prevailing party in such action shall reimburse the prevailing party for all reasonable attorney fees, court costs and legal expenses incurred in connection with such action.

7. This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective heirs, legal representatives, successors and assigns.

8. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Michigan, without regard to principals and conflicts of laws.

9. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement.

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

Name: **Gregg L. Orley** _____

Name: **Randall C. Orley** _____

RUDGATE VILLAGE COMPANY LIMITED PARTNERSHIP, a Michigan limited partnership

By: _____
Name: _____
Its: __

and

By: _____
Name: _____
Its: __

RUDGATE CLINTON COMPANY LIMITED PARTNERSHIP, a Michigan limited partnership

By: _____
Name: _____
Its: _____

and

By: _____
Name: _____
Its: __

RUDGATE CLINTON ESTATES L.L.C., a Michigan limited liability company

By: _____
Name: _____
Its: _____

and

By: _____
Name: _____
Its: __

[Signatures Continue on the Following Page]

SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership

By: Sun Communities, Inc., a Maryland corporation
Its: General Partner

By: _____
Name: _____
Its: _____

FOR FURTHER INFORMATION AT THE COMPANY:

Karen J. Dearing
Chief Financial Officer
(248) 208-2500

Sun Communities, Inc. Announces Execution of Acquisition Agreement

Southfield, MI, October 9, 2012 - Sun Communities, Inc. (NYSE: SUI) (the "Company"), a real estate investment trust ("REIT") that owns and operates manufactured housing and recreational vehicle communities, today announced that, on October 3, 2012, it has entered into a purchase agreement with Rudgate Silver Springs Company, L.L.C., Rudgate West Company Limited Partnership, Rudgate East Company Limited Partnership, Rudgate East Company II Partnership, and Rudgate Hunters Crossing, LLC (the "Sellers") to acquire four manufactured housing communities for an aggregate purchase price of \$70.8 million, including the assumption of \$15.7 million of debt with the balance paid in cash. The four communities, which are located in Eastern Michigan, are comprised of 1,996 manufactured housing sites. The closing of this transaction is subject to customary closing conditions, including the consent of the existing lenders, and this transaction is expected to close in November 2012.

The Company will also be providing \$14.8 million of mezzanine financing subordinated to \$45.9 million of third-party senior debt for two additional manufactured housing communities owned by Rudgate Village Company Limited Partnership, Rudgate Clinton Company Limited Partnership and Rudgate Clinton Estates L.L.C. The Company will also enter into management agreements under which it will manage these two communities. The two communities, which are located in Eastern Michigan, are comprised of 1,598 manufactured housing sites.

"We are pleased to announce the execution of agreements to purchase four high-quality communities and to separately finance and manage two other high-quality communities located in one of our strongest growth markets. These communities fit into our strategy by providing growth through occupancy gains and the ability to bring rents to market levels near term. We anticipate closing these transactions, subject to final approval of debt assumption from the lender, within the next 60 days," said Gary A. Shiffman, Chairman and Chief Executive Officer.

Sun Communities, Inc. is a REIT that currently owns and operates a portfolio of 164 communities comprising approximately 57,100 developed sites.

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

Forward Looking Statements

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

These forward-looking statements reflect the Company's current views with respect to future events and financial performance, but involve known and unknown risks, uncertainties, and other factors, some of which are beyond our control. These risks, uncertainties, and other factors may cause the actual results of the Company to be materially different from any future results expressed or implied by such forward-looking statements. Such risks and uncertainties include national, regional and local economic climates, the ability to maintain rental rates and occupancy levels, competitive market forces, changes in market rates of interest, the ability of manufactured home buyers to obtain financing, the level of repossessions by manufactured home lenders and those risks and uncertainties referenced under the headings entitled "Risk Factors" contained in our Form 10-K for the year ended December 31, 2011, and the Company's other periodic filings with the Securities and Exchange Commission.

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