



Sun Communities, Inc.

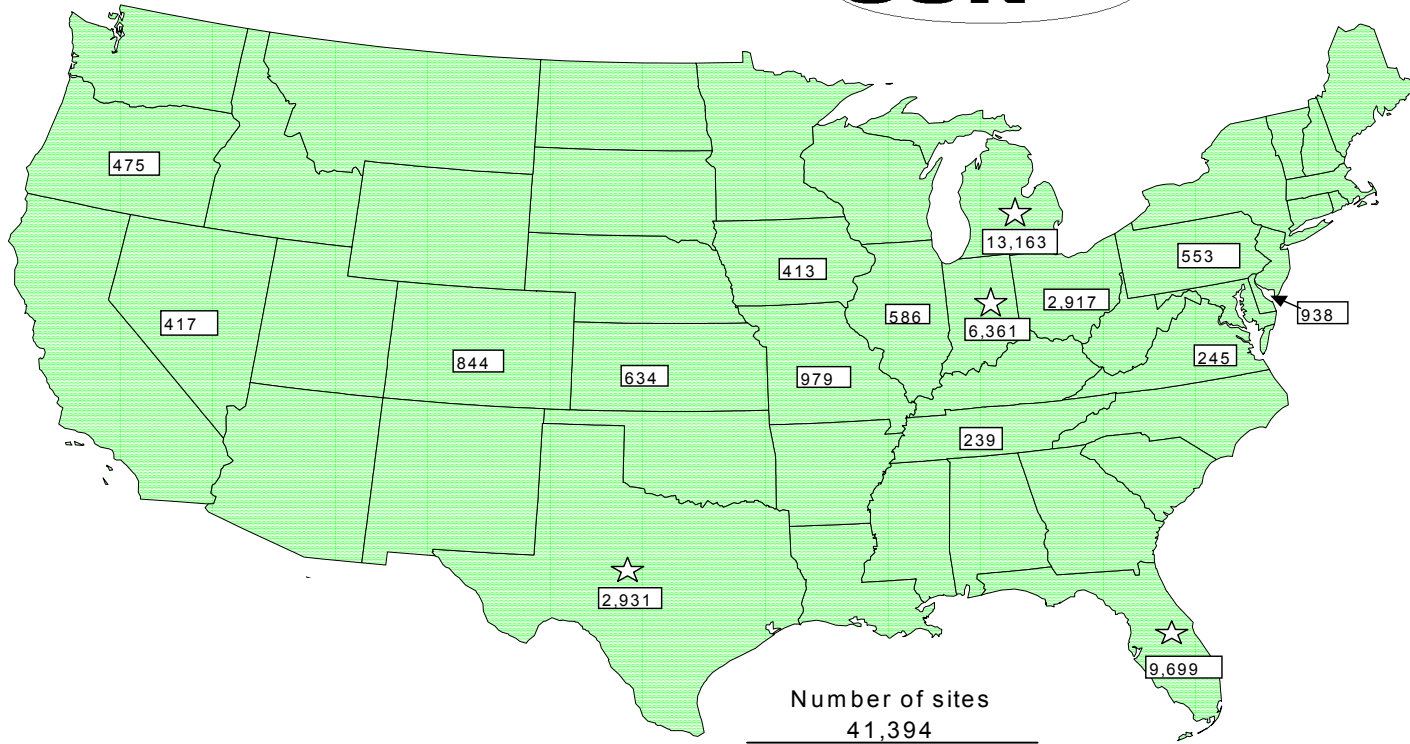
Supplemental Operating and Financial Data

For the Quarter Ended September 30, 2002



This Supplemental Operating and Financial Data is not an offer to sell or a solicitation to buy any of the securities of the Company. Any offers to sell or solicitations to buy any of the Company securities of the Company shall be made by means of a prospectus.

Portfolio Overview



Number of sites
41,394

Management Offices



SUN COMMUNITIES, INC.
SUPPLEMENTAL INFORMATION
3rd QUARTER 2002

INDEX

	<u>Pages</u>
Press Release	1-6
Investor Information	7
Company Overview	8
Financial Statements	
Balance Sheet	9
Debt Analysis	10
Statement of Operations	11
Statement of Operations as a Percentage of Total Revenues	12
Statement of Operations Per Share	13
Selected Financial Information	
Return on Equity / Net Asset Value	14
Statement of Operations - Same Property	15
Statement of Operations - Same Property - Percentage Growth	16
Other Information	
Capital Improvements, Development, and Acquisitions	17
Property Summary	18-19
Development Summary	20
Summary of Acquisition Activity	21
Operating Statistics	22
Development Model	23(a-d)

FOR FURTHER INFORMATION:

AT THE COMPANY:

Jeffrey P. Jorissen
Chief Financial Officer
(248) 932-3100

FOR IMMEDIATE RELEASE

October 23, 2002

**SUN COMMUNITIES, INC. REPORTS THIRD QUARTER RESULTS;
SUNCHAMP PURCHASE**

Farmington Hills, MI, October 23, 2002 - Sun Communities, Inc. (NYSE: SUI), a real estate investment trust (REIT) that owns and operates manufactured housing communities, today reported third quarter results.

Total revenue increased to \$39.4 million for the third quarter and \$119.1 million for the nine months ended September 30, 2002 compared to \$38.2 million and \$115.3 million in the comparable 2001 periods. Funds From Operations (FFO) of \$16.7 million for the third quarter and \$52.1 million for the nine months ended September 30, 2002 compare to \$17.2 million and \$51.2 million for the comparable 2001 periods. On a diluted per share basis, FFO of \$0.82 for the third quarter and \$2.56 for the nine months ended September 30, 2002 compare to \$0.85 and \$2.54 for the prior year nine month period. Income from continuing operations for the third quarter was \$5.8 million, or \$0.32 per diluted common share, and \$20.6 million, or \$1.16 per diluted common share, for the nine month period ended September 30, 2002 compared with \$7.9 million, or \$0.45 per diluted common share, and \$27.3 million, or \$1.56 per diluted common share for the same periods in the prior year. Included in income from discontinued operations for the nine months ended September 30, 2002 is a net gain of \$0.3 million related to property dispositions and included in income from continuing operations for the nine months ended September 30, 2001 is a net gain of \$4.2 million related to property dispositions.

"Results for the quarter are in line with our expectation when we modified our earnings guidance on October 1, 2002 for costs related to winding down redundant administrative overhead related to SunChamp," said Gary Shiffman, Chairman and Chief Executive Officer. "Performance of core portfolio properties remains solid and development absorption, while slower than two years ago, remains steady. Management is comfortable with current guidance pending a 4th quarter securitization or loan sale by Origen," he added.

October 23, 2002

Page 2

For 103 communities owned throughout both years, revenue increased by 4.8 percent and expenses increased by 3.1 percent, which caused earnings before interest, taxes, depreciation and amortization to increase by 5.4 percent. Occupancy in manufactured housing sites decreased from 94.9 percent in 2001 to 93.8 percent in 2002 while an additional 352 sites were developed in these communities.

On October 15, 2002, the Company entered into a preliminary agreement to acquire the ownership interest of Champion Enterprises in SunChamp LLC for approximately \$5.5 million, payable by delivery of a 7-year note bearing interest at 3.46%. Upon closing, the Company will own 45% of SunChamp, which is developing and leasing eleven communities in four states of which 1,100 of the developed sites are now occupied.

"As a result of the acquisition of Champion Enterprise's interest in the SunChamp properties, operational control will now rest with the Company. The initial development risk is behind us as the first and second phases of various properties continue slow but steady absorption averaging about 30-40 sites per month," Shiffman said.

During the nine months ending September 30, 2002, the Company leased 237 net sites to residents, while selling 373 homes and brokering 460 resales of homes.

Sun Communities, Inc. is a real estate investment trust (REIT) that currently owns and operates or finances a portfolio of 117 communities comprising nearly 41,400 developed sites and 4,250 sites suitable for development, mainly in the Midwest and Southeast United States.

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

This press release contains various "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, and the Company intends that such forward-looking statements will be subject to the safe harbors created thereby. For this purpose, any statements contained in this press release that relate to prospective events or developments are deemed to be forward-looking statements. Words such as "believes," "forecasts," "anticipates," "plans," "expects," "will" and similar expressions are intended to identify forward-looking statements. These forward-looking statements reflect the Company's current views with respect to future events and financial performance, but involve known and unknown risks and uncertainties, both general and specific to the matters discussed in this press release. These risks and uncertainties 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 the ability of manufactured home buyers to obtain financing, the level of repossessions by manufactured home lenders and those referenced under the headings entitled "Factors That May Affect Future Results" or "Risk Factors" contained in the Company's 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 expectations of future events.

SUN COMMUNITIES, INC.
FINANCIAL RESULTS
THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2002 AND 2001
(Amounts in thousands, except per share/OP unit amounts)

	Third Quarter Ended		Nine Months Ended	
	September 30,		September 30,	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Income from property	\$ 38,152	\$34,402	\$ 114,282	\$103,476
Equity in income (loss) from affiliates	(1,457)	433	(2,639)	571
Other income	<u>2,691</u>	<u>3,390</u>	<u>7,487</u>	<u>11,250</u>
Total revenues	<u>39,386</u>	<u>38,225</u>	<u>119,130</u>	<u>115,297</u>
Property operating and maintenance	8,612	7,566	24,500	21,861
Real estate taxes	2,577	2,320	7,701	6,894
Property management	541	640	1,856	2,076
General and administrative	1,130	1,178	3,600	3,520
Depreciation and amortization	9,661	8,123	28,129	24,095
Interest	<u>8,266</u>	<u>7,232</u>	<u>23,834</u>	<u>23,498</u>
Total expenses	<u>30,787</u>	<u>27,059</u>	<u>89,620</u>	<u>81,944</u>
Income before gain from property dispositions, net and minority interests	8,599	11,166	29,510	33,353
Gain from property dispositions, net	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,275</u>
Income before minority interests	8,599	11,166	29,510	37,628
Income allocated to minority interests:				
Preferred OP units	1,951	2,057	5,817	6,074
Common OP units	<u>846</u>	<u>1,217</u>	<u>3,055</u>	<u>4,205</u>
Income from continuing operations	5,802	7,892	20,638	27,349
Income (loss) from discontinued operations	<u>—</u>	<u>(15)</u>	<u>280</u>	<u>(48)</u>
Net income	<u>\$ 5,802</u>	<u>\$ 7,877</u>	<u>\$ 20,918</u>	<u>\$ 27,301</u>
Funds from operations (FFO)	<u>\$ 16,724</u>	<u>\$17,189</u>	<u>\$ 52,104</u>	<u>\$ 51,241</u>
Weighted average common shares outstanding	<u>17,739</u>	<u>17,210</u>	<u>17,535</u>	<u>17,259</u>
Weighted average common shares and OP Units outstanding	<u>20,323</u>	<u>19,863</u>	<u>20,126</u>	<u>19,914</u>
Basic earnings per share:				
Continuing operations	\$ 0.33	\$ 0.46	\$ 1.17	\$ 1.58
Discontinued operations	<u>—</u>	<u>—</u>	<u>0.02</u>	<u>—</u>
Net income	<u>\$ 0.33</u>	<u>\$ 0.46</u>	<u>\$ 1.19</u>	<u>\$ 1.58</u>
Diluted earnings per share:				
Continuing operations	\$ 0.32	\$ 0.45	\$ 1.16	\$ 1.56
Discontinued operations	<u>—</u>	<u>—</u>	<u>0.02</u>	<u>—</u>
Net income	<u>\$ 0.32</u>	<u>\$ 0.45</u>	<u>\$ 1.18</u>	<u>\$ 1.56</u>
Funds from operations (FFO) per share/OP unit:				
Basic	<u>\$ 0.82</u>	<u>\$ 0.87</u>	<u>\$ 2.59</u>	<u>\$ 2.57</u>
Diluted	<u>\$ 0.82</u>	<u>\$ 0.85</u>	<u>\$ 2.56</u>	<u>\$ 2.54</u>

SUN COMMUNITIES, INC.
FINANCIAL RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2002 AND 2001
(Amounts in thousands, except per share/OP unit amounts)

	<u>2002</u>	<u>2001</u>
Income from property	\$ 149,493	\$136,621
Equity in income (loss) from affiliates	(3,079)	920
Other income	<u>10,638</u>	<u>15,113</u>
Total revenues	<u>157,052</u>	<u>152,654</u>
Property operating and maintenance	31,611	29,027
Real estate taxes	10,299	9,183
Property management	2,526	2,829
General and administrative	4,707	4,619
Depreciation and amortization	37,354	31,650
Interest	<u>31,352</u>	<u>31,493</u>
Total expenses	<u>117,849</u>	<u>108,801</u>
Income before gain from property dispositions, net and minority interests	39,203	43,853
Gain from properties dispositions, net	<u>—</u>	<u>4,457</u>
Income before minority interests	39,203	48,310
Income allocated to minority interests:		
Preferred OP Units	7,874	8,052
Common OP Units	<u>4,065</u>	<u>5,374</u>
Income from continuing operations	27,264	34,884
Income (loss) from discontinued operations	<u>263</u>	<u>(68)</u>
Net income	<u>\$ 27,527</u>	<u>\$ 34,816</u>
Funds from operations (FFO)	<u>\$ 68,949</u>	<u>\$ 67,273</u>
Weighted average common shares outstanding	<u>17,465</u>	<u>17,272</u>
Weighted average common shares and OP units outstanding	<u>20,066</u>	<u>19,935</u>
Basic earnings per share:		
Continuing operations	\$ 1.56	\$ 2.02
Discontinued operations	<u>0.02</u>	<u>—</u>
Net income	<u>\$ 1.58</u>	<u>\$ 2.02</u>
Diluted earnings per share:		
Continuing operations	\$ 1.55	\$ 1.99
Discontinued operations	<u>0.01</u>	<u>—</u>
Net income	<u>\$ 1.56</u>	<u>\$ 1.99</u>
Funds from operations (FFO) per share/OP unit:		
Basic	<u>\$ 3.44</u>	<u>\$ 3.37</u>
Diluted	<u>\$ 3.40</u>	<u>\$ 3.34</u>

FFO RECONCILIATION
(Amounts in thousands, except per share/OP unit amounts)

	<u>Third Quarter Ended</u> <u>September 30,</u>		<u>Nine Months Ended</u> <u>September 30</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Income before minority interests	\$ 8,599	\$11,166	\$ 29,510	\$37,628
Plus:				
Depreciation of rental property	9,589	8,048	27,913	23,870
Valuation adjustment (1)	487	-	487	-
NOI from discontinued operations	-	32	11	92
Less:				
Gain on sale of properties	-	-	-	4,275
Income allocated to Preferred OP Units	<u>1,951</u>	<u>2,057</u>	<u>5,817</u>	<u>6,074</u>
FFO	<u>\$ 16,724</u>	<u>\$17,189</u>	<u>\$ 52,104</u>	<u>\$51,241</u>
Weighted average common shares/OP units outstanding – assuming dilution	<u>20,505</u>	<u>20,169</u>	<u>20,331</u>	<u>20,178</u>
FFO per weighted average common share/ OP Unit – assuming dilution	<u>\$ 0.82</u>	<u>\$ 0.85</u>	<u>\$ 2.56</u>	<u>\$ 2.54</u>
Diluted common shares/OP Units Outstanding at end of period	<u>20,510</u>	<u>20,179</u>	<u>20,533</u>	<u>20,116</u>

(1) The company entered into interest rate swaps for an aggregate of \$75 million, thereby substantially fixing for periods of 5 to 7 years rates which were formerly floating. The valuation adjustment reflects the theoretical noncash profit and loss were those swaps terminated at the balance sheet date. As the Company has no expectation of terminating the swaps prior to maturity, the net of these noncash valuation adjustments will be zero at the various maturities. As any imperfections related to hedging correlation in these swaps is reflected currently in cash as interest, the valuation adjustments are excluded from Funds From Operations. The valuation adjustment is included in interest expense.

SELECTED BALANCE SHEET DATA
(Amounts in thousands)

	<u>September 30, 2002</u>	<u>September 30, 2001</u>
Real Estate before Accumulated Depreciation	\$ 1,034,496	\$921,446
Total Assets	\$ 1,114,065	\$982,375
Total Debt	\$ 608,023	\$477,888
Total Minority Interests and Stockholders' Equity	\$ 480,891	\$475,494

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in thousands)

	<u>Third Quarter Ended</u> <u>September 30,</u>		<u>Nine Months Ended</u> <u>September 30</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Net Income	\$ 5,802	\$ 7,877	\$ 20,918	\$ 27,301
Unrealized (losses) on interest rate swaps	<u>(1,344)</u>	<u> </u>	<u>(1,344)</u>	<u> </u>
Comprehensive Income	<u>\$ 4,458</u>	<u>\$7,877</u>	<u>\$ 19,574</u>	<u>\$ 27,301</u>

RESEARCH COVERAGE

AG EDWARDS

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EARNINGS ANNOUNCEMENTS

	<u>3RD Quarter</u>	
EARNINGS ANNOUNCEMENTS	10/23/02	-
DIVIDEND DECLARATIONS	10/01/02	

INQUIRIES

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

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COM PANY OVERVIEW AND INVESTOR INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2002

COM PANY OVERVIEW

Sun Communities, Inc. is a national real estate company that owns, finances, or operates 117 manufactured housing communities in 16 states. A manufactured housing community consists of sites which the company leases to residents who acquire homes and place them on the sites. The residents pay a monthly land rental and lease their site generally on a month to month basis. The resident is responsible for the maintenance of their home and site while the Company maintains the common areas and an amenity package which may include a clubhouse, swimming pool, playground, golf course, tennis court, etc. The Company's portfolio totals 41,394 developed sites as well as 4,258 sites suitable for development. The Company is headquartered in Farmington Hills, Michigan.

STRUCTURE OF THE COMPANY

The Company is qualified as a real estate investment trust ("REIT"). As an REIT the Company does not pay federal income tax. The Company's operations are conducted through an operating partnership of which it is the sole general partner owning an 87.5% interest, excluding preferred OP Units. The operating partnership units are referred to as OP Units and are convertible into shares of common stock. This structure is known as an Upret. The operating partnership owns a 95% economic interest in Sun Home Services whose primary activity is the sale of homes in the Company's communities. Sun Home Services has elected to be taxed as a taxable REIT Subsidiary ("TRS").

GROW TH STRATEGIES

The Company seeks to maximize shareholder value through a combination of internal and external growth of its funds from operations ("FFO") and cash flow. Internal growth results from increases in rental rates, leasing vacant sites, selling new homes, brokering the resale of existing homes, and expanding communities through the development of additional sites on parcels of land contiguous to existing communities. External growth comes from acquisitions which are annually targeted at between \$60 and \$100 million and from the development of new communities.

SUN COMMUNITIES

BALANCE SHEETS

(in thousands)

	Quarter Ended				
	September 30, 2002	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001
ASSETS					
Real Estate					
Land	\$ 85,608	\$ 84,968	\$ 84,968	\$ 82,326	\$ 78,394
Land Improvements and Buildings	878,381	866,127	860,180	818,043	772,042
Furniture, Fixtures and Equipment	23,513	22,564	21,871	20,700	19,286
Land Held for Future Development	16,953	16,941	16,938	16,810	16,175
Property Under Development	<u>30,041</u>	<u>29,007</u>	<u>20,036</u>	<u>15,777</u>	<u>35,549</u>
Gross Real Estate Investment	1,034,496	1,019,607	1,003,993	953,656	921,446
Less Accumulated Depreciation	<u>(162,402)</u>	<u>(154,598)</u>	<u>(147,101)</u>	<u>(140,322)</u>	<u>(132,684)</u>
Net Real Estate Investment	872,094	865,009	856,892	813,334	788,762
Cash and Cash Equivalents	1,948	11,080	4,725	4,587	3,945
Notes and Other Receivables	136,527	82,190	86,552	91,372	134,374
Investments in and Advances to Affiliates	75,635	65,222	47,845	55,451	27,409
Other Assets	<u>27,861</u>	<u>33,657</u>	<u>29,732</u>	<u>29,705</u>	<u>27,885</u>
Total Assets	<u>\$ 1,114,065</u>	<u>\$ 1,057,158</u>	<u>\$ 1,025,746</u>	<u>\$ 994,449</u>	<u>\$ 982,375</u>
LIABILITIES AND EQUITY					
<i>Liabilities</i>					
Line of Credit	\$ 75,000	\$ 48,000	\$ 125,000	\$ 93,000	\$ 89,000
Mortgage Loans Payable	222,448	185,374	83,893	91,153	77,698
Senior Unsecured Notes	285,000	285,000	285,000	285,000	285,000
Collateralized Lease Obligations	25,575	25,735	25,891	26,045	26,190
Accounts Payable and Accrued Liabilities	17,945	18,337	18,385	17,683	20,693
Deposits and Other Liabilities	<u>7,206</u>	<u>8,495</u>	<u>10,002</u>	<u>8,929</u>	<u>8,300</u>
Total Liabilities	<u>633,174</u>	<u>570,941</u>	<u>548,171</u>	<u>521,810</u>	<u>506,881</u>
Minority Interests- Preferred OP Units	98,458	98,458	98,458	93,958	93,958
Minority Interests - Common OP Units	<u>47,696</u>	<u>48,353</u>	<u>48,821</u>	<u>49,040</u>	<u>51,434</u>
	146,154	146,811	147,279	142,998	145,392
<i>Stockholders' Equity</i>					
Preferred Stock	-	-	-	-	-
Common Stock	183	182	179	178	177
Paid in Capital	417,367	413,674	401,702	399,789	397,588
Officers' Notes	(10,775)	(10,846)	(10,970)	(11,004)	(11,096)
Deferred Compensation	(8,942)	(6,483)	(6,747)	(6,999)	(7,266)
Unrealized (losses) on interest rate swaps	(1,344)	-	-	-	-
Distributions in Excess of Net Income	(55,368)	(50,737)	(47,484)	(45,939)	(42,917)
Treasury Stock at Cost	<u>(6,384)</u>	<u>(6,384)</u>	<u>(6,384)</u>	<u>(6,384)</u>	<u>(6,384)</u>
Total Stockholders' Equity	<u>334,737</u>	<u>339,406</u>	<u>330,296</u>	<u>329,641</u>	<u>330,102</u>
Total Liabilities and Stockholders' Equity	<u>\$ 1,114,065</u>	<u>\$ 1,057,158</u>	<u>\$ 1,025,746</u>	<u>\$ 994,449</u>	<u>\$ 982,375</u>
Common OP Units Outstanding	2,583	2,590	2,590	2,611	2,653

SUN COMMUNITIES

DEBT ANALYSIS

(in thousands)

	Quarter Ended				
	September 30, 2002	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001
DEBT OUTSTANDING					
Line of Credit	\$ 75,000	\$ 48,000	\$ 125,000	\$ 93,000	\$ 89,000
Mortgage Loans Payable	222,448	185,374	83,893	91,153	77,698
Senior Unsecured Notes	285,000	285,000	285,000	285,000	285,000
Collateralized Lease Obligations (note a)	<u>25,575</u>	<u>25,735</u>	<u>25,891</u>	<u>26,045</u>	<u>26,190</u>
Total Debt	<u>\$ 608,023</u>	<u>\$ 544,109</u>	<u>\$ 519,784</u>	<u>\$ 495,198</u>	<u>\$ 477,888</u>
% FIXED/FLOATING					
Fixed	64.73%	72.48%	75.95%	81.22%	81.38%
Floating	35.27%	27.52%	24.05%	18.78%	18.62%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
AVERAGE INTEREST RATES					
Line of Credit	2.66%	2.84%	2.91%	3.22%	5.31%
Mortgage Loans Payable	4.12%	4.50%	7.14%	7.36%	7.24%
Senior Unsecured Notes	7.55%	7.55%	7.55%	7.55%	7.55%
Collateralized Lease Obligations (note a)	5.87%	5.87%	5.87%	5.87%	5.87%
Total Average	<u>5.62%</u>	<u>6.19%</u>	<u>6.29%</u>	<u>6.61%</u>	<u>6.99%</u>
DEBT RATIOS					
Debt/Total Market Cap	41.4%	35.8%	36.5%	36.7%	36.6%
Debt/Gross Assets	47%	44%	44%	43%	43%
COVERAGE RATIOS					
EBITDA/Interest	3.1	3.1	3.3	3.1	3.1
EBITDA/Interest + Preferred Distributions	2.5	2.6	2.7	2.5	2.5
MATURITIES					
	30-Sep-03	30-Sep-04	30-Sep-05	30-Sep-06	30-Sep-07
Line of Credit	\$ -	\$ -	\$ -	\$ 75,000	\$ -
Mortgage Loans Payable	1,305	2,423	8,219	7,764	41,702
Senior Unsecured Notes	85,000	-	65,000	-	-
Collateralized Lease Obligations (note a)	<u>15,902</u>	<u>9,673</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 102,207</u>	<u>\$ 12,096</u>	<u>\$ 73,219</u>	<u>\$ 82,764</u>	<u>\$ 41,702</u>

Note:

- (a) Of the collateralized lease obligations at September, 2002, \$24,800,000 are convertible into Series B Parity Preferred Sun Communities Operating Limited Partnership (SPOP) Units at Holder's election at the end of the lease terms at \$100 Par Amount for each SPOP per unit. SPOP Units will be entitled to distributions ranging from 7.5% to 8.0% per annum for up to 15 years and are not convertible into Common Operating Partnership Units.

SUN COMMUNITIES

STATEMENT OF OPERATIONS

(in thousands)

	Quarter Ended				
	September 30, 2002	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001
REVENUES					
Income from property	\$ 38,152	\$ 37,733	\$ 38,397	\$ 35,211	\$ 34,402
Equity earnings (loss) from affiliates	(1,457)	(960)	(222)	(440)	433
Other income	<u>2,691</u>	<u>2,288</u>	<u>2,508</u>	<u>3,151</u>	<u>3,390</u>
Total revenues	<u>39,386</u>	<u>39,061</u>	<u>40,683</u>	<u>37,922</u>	<u>38,225</u>
EXPENSES					
Property operating and maintenance	8,612	7,717	8,171	7,111	7,566
Real estate taxes	2,577	2,577	2,547	2,598	2,320
Property management	541	557	758	670	640
General and administrative	<u>1,130</u>	<u>1,151</u>	<u>1,319</u>	<u>1,107</u>	<u>1,178</u>
Total expenses	<u>12,860</u>	<u>12,002</u>	<u>12,795</u>	<u>11,486</u>	<u>11,704</u>
EBITDA	26,526	27,059	27,888	26,436	26,521
Interest expense	(8,266)	(7,722)	(7,846)	(7,518)	(7,232)
Preferred distributions	(1,951)	(1,947)	(1,919)	(2,057)	(2,057)
Corporate depreciation	<u>(72)</u>	<u>(72)</u>	<u>(72)</u>	<u>(45)</u>	<u>(75)</u>
FFO contributed by continued operations**	16,724	17,318	18,051	16,816	17,157
FFO contributed by discontinued operations	<u>-</u>	<u>-</u>	<u>11</u>	<u>29</u>	<u>32</u>
FUNDS FROM OPERATIONS	16,724	17,318	18,062	16,845	17,189
Depreciation and amortization	(9,589)	(9,283)	(9,041)	(9,180)	(8,049)
Minority interests	<u>(846)</u>	<u>(1,033)</u>	<u>(1,176)</u>	<u>(1,010)</u>	<u>(1,217)</u>
Income from continuing operations	5,802	7,002	7,845	6,655	7,923
Income from discontinued operations net of contribution to funds from operations	<u>-</u>	<u>-</u>	<u>269</u>	<u>(46)</u>	<u>(46)</u>
NET INCOME	5,802	7,002	8,114	6,609	7,877
FUNDS FROM OPERATIONS	16,724	17,318	18,062	16,845	17,189
Less recurring capital expenditures	<u>(2,335)</u>	<u>(1,541)</u>	<u>(1,012)</u>	<u>(1,140)</u>	<u>(1,785)</u>
FUNDS AVAILABLE FOR DISTRIBUTION	14,389	15,777	17,050	15,705	15,404
FFO PER SHARE/UNIT (see note page 11)	\$0.82	\$0.86	\$0.91	\$0.85	\$0.87
FAD PER SHARE/UNIT	\$0.71	\$0.78	\$0.86	\$0.79	\$0.78
DISTRIBUTION PER SHARE/UNIT	\$0.58	\$0.58	\$0.58	\$0.55	\$0.55
DILUTED FFO PER SHARE/UNIT (see note pg 11)	\$0.82	\$0.85	\$0.90	\$0.84	\$0.85
PAYOUT RATIO	70.7%	67.4%	63.7%	64.7%	63.2%
WEIGHTED AVERAGE SHARES/UNITS	20,323	20,133	19,921	19,885	19,863

**Excludes valuation adjustment for interest rate swap of \$487 in period ended 9/30/2002.

SUN COMMUNITIES

**STATEMENT OF OPERATIONS
AS A % OF TOTAL REVENUES**

	Quarter Ended				
	September 30, 2002	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001
REVENUES					
Income from property	96.9%	96.6%	94.4%	92.9%	90.0%
Equity earnings (loss) from affiliates	-3.7%	-2.5%	-0.5%	-1.2%	1.1%
Other income	6.8%	5.9%	6.1%	8.3%	8.9%
Total revenues	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
EXPENSES					
Property operating and maintenance	21.9%	19.8%	20.1%	18.7%	19.8%
Real estate taxes	6.5%	6.6%	6.3%	6.9%	6.1%
Property management	1.4%	1.4%	1.9%	1.8%	1.7%
General and administrative	2.9%	2.9%	3.2%	2.9%	3.0%
Total expenses	<u>32.7%</u>	<u>30.7%</u>	<u>31.5%</u>	<u>30.3%</u>	<u>30.6%</u>
EBITDA					
Interest expense	-21.0%	-19.8%	-19.2%	-19.9%	-18.9%
Preferred distributions	-5.0%	-5.0%	-4.7%	-5.4%	-5.4%
Corporate depreciation	-0.2%	-0.2%	-0.2%	-0.1%	-0.2%
FFO contributed by continued operations**	42.3%	44.3%	44.4%	44.3%	44.9%
FFO contributed by discontinued operations	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>0.1%</u>
FUNDS FROM OPERATIONS					
Other, net	0.0%	0.0%	0.0%	0.0%	0.0%
Depreciation and amortization	-24.3%	-23.8%	-22.2%	-24.2%	-21.1%
Minority interests	-2.1%	-2.6%	-2.9%	-2.7%	-3.2%
Income from continuing operations	14.7%	17.9%	19.3%	17.5%	20.7%
Income from discontinued operations net of contribution to funds from operations	<u>0.0%</u>	<u>0.0%</u>	<u>0.7%</u>	<u>-0.1%</u>	<u>-0.1%</u>
NET INCOME	<u>14.7%</u>	<u>17.9%</u>	<u>20.0%</u>	<u>17.4%</u>	<u>20.6%</u>

***Excludes valuation adjustment for interest rate swap of (1.2%) in period ended 9/30/2002.*

SUN COMMUNITIES

**STATEMENT OF OPERATIONS
PER SHARE**

	Quarter Ended				
	September 30, 2002	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001
REVENUES					
Income from property	\$ 1.88	\$ 1.87	\$ 1.93	\$ 1.77	\$ 1.73
Equity earnings (loss) from affiliates	(0.07)	(0.04)	(0.01)	(0.02)	0.02
Other income	<u>0.13</u>	<u>0.11</u>	<u>0.12</u>	<u>0.16</u>	<u>0.17</u>
Total revenues	<u>1.94</u>	<u>1.94</u>	<u>2.04</u>	<u>1.91</u>	<u>1.92</u>
EXPENSES					
Property operating and maintenance	0.42	0.38	0.41	0.36	0.38
Real estate taxes	0.13	0.13	0.13	0.13	0.12
Property management	0.03	0.03	0.04	0.03	0.03
General and administrative	<u>0.05</u>	<u>0.06</u>	<u>0.06</u>	<u>0.06</u>	<u>0.06</u>
Total expenses	<u>0.63</u>	<u>0.60</u>	<u>0.64</u>	<u>0.58</u>	<u>0.59</u>
EBITDA	1.31	1.34	1.40	1.33	1.33
Interest expense	(0.41)	(0.38)	(0.39)	(0.38)	(0.36)
Preferred distributions	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)
Corporate depreciation	<u>(0.00)</u>	<u>(0.00)</u>	<u>(0.00)</u>	<u>(0.00)</u>	<u>(0.00)</u>
FFO contributed by continued operations**	0.82	0.86	0.91	0.85	0.87
FFO contributed by discontinued operations	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
FUNDS FROM OPERATIONS	0.82	0.86	0.91	0.85	0.87
Other, net	-	-	-	-	-
Depreciation and amortization	(0.47)	(0.46)	(0.45)	(0.46)	(0.41)
Minority interests	<u>(0.04)</u>	<u>(0.05)</u>	<u>(0.06)</u>	<u>0.06</u>	<u>(0.06)</u>
Income from continuing operations	0.29	0.35	0.40	0.33	0.40
Income from discontinued operations net of contribution to funds from operations	<u>(0.00)</u>	<u>(0.00)</u>	<u>0.01</u>	<u>(0.00)</u>	<u>(0.00)</u>
NET INCOME	<u>\$ 0.29</u>	<u>\$ 0.35</u>	<u>\$ 0.41</u>	<u>\$ 0.33</u>	<u>\$ 0.40</u>
WEIGHTED AVERAGE SHARES/UNITS	20,323	20,133	19,921	19,885	19,863

**Excludes valuation adjustment for interest rate swap of (0.02) in period ended 9/30/2002.

NOTE:

Basic FFO Per Share/Unit:
$$\frac{\text{FFO}}{\text{Wtd Avg. Shrs + Units}} = \frac{16,724}{20,323} = \$0.82$$

Diluted FFO Per Share/Unit:
$$\frac{\text{FFO}}{\text{Wtd Avg. Shrs/Units+Net Shrs from Stk Options+Deferred Comp}} = \frac{16,724}{20,323 + 151 + 31} = \$0.82$$

Preferred Units Conversion: Certain Preferred Operating Units (POP) are convertible to common shares at \$68 per share.

SUN COMMUNITIES
RETURN ON EQUITY AND NET ASSET VALUE

RETURN ON EQUITY
2000 THROUGH 09/30/2002
(in thousands)

	YEAR ENDED		
	12/31/2000	12/31/2001	09/30/2002
Funds From Operations	\$ 64,070	\$ 68,086	\$ 68,949
Average Annual Equity:			
Common	\$ 393,622	\$ 391,401	\$ 399,820
Minority Interests	51,678	51,122	49,069
Cash Dist. > Income	(40,286)	(42,313)	(48,489)
Accumulated Depreciation	104,981	126,741	147,421
	<u>\$ 509,995</u>	<u>\$ 526,951</u>	<u>\$ 547,821</u>
RETURN ON EQUITY	<u>12.6%</u>	<u>12.9%</u>	<u>12.6%</u>

NET ASSET VALUE
2000 THROUGH 09/30/2002
(in thousands)

	PERIOD ENDED		
	12/31/2000	12/31/2001	09/30/2002
Property NOI	\$ 94,733	\$ 100,344	\$ 109,495
Add 6% Growth in 2000 & 2001, 4% in 2002	5,684	6,021	4,380
Less Recurring Cap Ex.	(5,600)	(6,400)	(7,500)
	<u>\$ 94,817</u>	<u>\$ 99,965</u>	<u>\$ 106,375</u>
Cap Rate of 8% (Note 1)	\$ 1,185,213	\$ 1,249,563	\$ 1,329,688
Fee & Home Sale Income x 5 or Book Value	11,391	12,646	20,533
Tangible Assets	166,845	124,489	180,869
Property Under Development x 1.10%	24,045	17,355	33,045
Vacant Developed Sites @ \$25,000	16,075	24,275	22,525
Future Phase Land @ Cost	12,042	16,810	16,953
	1,415,611	1,445,138	1,603,613
Less:			
Liabilities (Note 3)	(578,997)	(596,201)	(731,632)
NET ASSETS	<u>\$ 836,614</u>	<u>\$ 848,937</u>	<u>\$ 871,981</u>
Fully Diluted Shares/Units	20,267	20,419	20,510
NAV Per Share/Unit	<u>\$ 41.28</u>	<u>\$ 41.58</u>	<u>\$ 42.51</u>

Note (1): Based on a \$570 million transaction in June 2001.

Note (2): At 06/30/2002, a 10 basis point increase in cap rate impacts net asset value per share/unit by approximately \$0.80.

Note (3): Includes preferred OP Units of \$98,457 for 2002, \$93,957 for 2001, and \$89,346 for 2000.

SUN COMMUNITIES

STATEMENT OF OPERATIONS

SAME PROPERTY

(in thousands)

	<u>Quarter Ended</u>		<u>9 Months Ended</u>	
	September	September	September	September
	<u>30, 2002</u>	<u>30, 2001</u>	<u>30, 2002</u>	<u>30, 2001</u>
REVENUES				
Income from Property	<u>\$ 31,605</u>	<u>\$ 30,192</u>	<u>\$ 96,385</u>	<u>\$ 92,001</u>
EXPENSES				
Real Estate Taxes	2,383	2,246	7,149	6,738
Payroll	2,242	2,007	6,722	6,192
Repairs and Maintenance	1,455	1,453	3,386	3,509
Utilities, Net	1,482	1,491	4,737	5,055
Other	<u>1,009</u>	<u>982</u>	<u>2,955</u>	<u>2,710</u>
Total Expenses	<u>8,571</u>	<u>8,179</u>	<u>24,949</u>	<u>24,204</u>
NET OPERATING INCOME	<u>\$ 23,034</u>	<u>\$ 22,013</u>	<u>\$ 71,436</u>	<u>\$ 67,797</u>
NUMBER OF COMMUNITIES	(a)	103	103	103
NUMBER OF DEVELOPED SITES	(a)	36,667	36,321	36,667
NUMBER OF OCCUPIED SITES	(a)	33,690	33,683	33,690
OCCUPANCY PERCENTAGE	(b)	93.8%	94.9%	93.8%
WEIGHTED AVERAGE RENT	(b)	\$ 316	\$ 301	\$ 316
SITES AVAILABLE FOR DEVELOPMENT		2,232	2,545	2,232
SITES IN DEVELOPMENT		77	157	77

For quarters ending September 2002 and 2001.

(a) Includes MH and RV Sites

(b) Includes MH sites only

SUN COMMUNITIES

STATEMENT OF OPERATIONS SAME PROPERTY -- PERCENTAGE GROWTH

	<u>Quarter Ended</u>	<u>9 Months Ended</u>	
	September 30, 2002	September 30, 2002	September 30, 2001
NUMBER OF COMMUNITIES	103	103	90
REVENUES			
Income from Property	4.7%	4.8%	5.6%
EXPENSES			
Real Estate Taxes	6.1%	6.1%	4.9%
Payroll	11.7%	8.6%	-3.3%
Repairs and Maintenance	0.1%	-3.5%	9.2%
Utilities, Net	-0.6%	-6.3%	3.9%
Other	2.7%	9.0%	-0.1%
Total Expenses	4.8%	3.1%	2.6%
NET OPERATING INCOME	4.6%	5.4%	6.6%
Revenue per Occupied Site	4.6%	4.7%	5.9%
Expense per Occupied Site	4.8%	3.0%	2.9%
NOI per Occupied Site	4.6%	5.3%	7.0%

NOTE: The difference between the nominal dollar NOI growth percents in the middle of the page and the per occupied site NOI growth at the bottom of the page is primarily attributable to revenues and expenses related to the change in net leased sites during the period.

Sun Communities
Capital Improvements, Development, and Acquisitions
(in thousands)

Notes	A	B	C	D	E	
	Recurring Cap Ex. Average Per Site	Recurring Cap Ex.	Lot Mods	Acq.	Expansions & Dev.	Revenue Producing
2000	\$115	\$4,391	\$1,068	\$24,339	\$29,733	\$192
2001	\$ 119	\$4,824	\$1,988	\$62,775	\$28,970	\$3,855
Through 9/30/2002	\$118	\$ 4,888	\$1,945	\$38,141	\$33,814	\$5,104

- A. Includes capital expenditures necessary to maintain asset quality, including purchasing and replacing assets used to operate the community. These capital expenditures include major road, driveway, and pool repairs, clubhouse renovations, and adding or replacing street lights, playground equipment, signage, maintenance facilities, manager housing and property vehicles. Minimum capitalizable amount or project is \$1,000.
- B. Includes capital expenditures which improve the asset quality of the community. These costs are incurred when an existing older home (usually a smaller single-sectional home) moves out, and the site is prepared for a larger new home, more often than not, a multi-sectional home. These activities which are mandated by strict manufacturer's installation requirements and State building code include new foundations, driveways, and utility upgrades. The new home will be in the community for 30 to 40 years and these costs are depreciated over a 30 year life.
- C. Acquisitions represent the purchase price of existing operating communities and land parcels to develop expansions or new communities. Acquisitions also include deferred maintenance identified during due diligence and those capital improvements necessary to bring the community up to Sun's standards. These include upgrading clubhouses, landscaping, new street light systems, new mailing delivery systems, pool renovation including larger decks, heaters, and furniture, new maintenance facilities, and new signage including main signs and internal road signs. These are considered as acquisition costs and while identified during due diligence, it sometimes requires six to twelve months after closing to complete.
- D. These are the costs of developing expansions and new communities.
- E. These are capital costs related to revenue generating activities, consisting primarily of cable TV, garages, sheds, and sub-metering of water and sewer. Occasionally, a special capital project requested by residents and accompanied by an extra rental increase will be classified as revenue producing.

SUN COMMUNITIES

PROPERTY SUMMARY

	Quarter Ended				
	September 30, 2002	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001
MICHIGAN					
Communities	44	44	44	44	44
Sites for Development	1,258	1,258	1,193	1,193	1,267
Developed Sites	13,163	13,163	13,163	13,154	13,107
Occupied	12,363	12,337	12,339	12,311	12,290
Occupancy %	93.9%	93.7%	93.7%	93.6%	93.8%
FLORIDA					
Communities	15	15	15	16	15
Sites for Development	612	622	631	641	647
Developed Sites	5,602	5,592	5,581	5,791	5,377
Occupied	5,461	5,451	5,431	5,532	5,110
Occupancy %	97.5%	97.5%	97.3%	95.5%	95.0%
INDIANA					
Communities	17	17	17	17	17
Sites for Development	422	422	427	427	422
Developed Sites	6,361	6,361	6,361	6,361	6,357
Occupied	5,663	5,672	5,736	5,697	5,753
Occupancy %	89.0%	89.2%	90.2%	89.6%	90.5%
OHIO					
Communities	10	10	10	10	10
Sites for Development	-	-	-	-	-
Developed Sites	2,917	2,917	2,917	2,917	2,917
Occupied	2,665	2,665	2,669	2,645	2,632
Occupancy %	91.4%	91.4%	91.5%	90.7%	90.2%
TEXAS					
Communities	8	8	8	7	7
Sites for Development	891	891	1,054	1,054	1,053
Developed Sites	2,059	2,059	1,894	1,558	1,556
Occupied	1,897	1,894	1,812	1,520	1,515
Occupancy %	92.1%	92.0%	95.7%	97.6%	97.4%
OTHER STATES					
Communities	18	18	18	17	16
Sites for Development	1,075	1,075	1,070	1,070	1,285
Developed Sites	6,166	6,166	6,164	5,609	5,396
Occupied	5,739	5,744	5,735	5,203	5,191
Occupancy %	93.1%	93.2%	93.0%	92.8%	96.2%

(continued)

PROPERTY SUMMARY (continued)

	Quarter Ended				
	September 30, 2002	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001
TOTAL-MH PORTFOLIO					
Communities	112	112	112	111	109
Sites for Development	4,258	4,268	4,375	4,385	4,674
Developed Sites	36,268	36,258	36,080	35,390	34,710
Occupied	33,788	33,763	33,722	32,908	32,491
Occupancy %	93.2%	93.1%	93.5%	93.0%	93.6%
RV PORTFOLIO SUMMARY					
Communities	12	12	12	12	11
Sites	5,126	5,147	5,148	5,154	4,624
Permanent	3,024	3,019	2,980	3,049	2,655
Seasonal	2,102	2,128	2,168	2,105	1,969
States					
Florida	4,097	4,118	4,119	4,126	3,595
Texas	872	872	872	871	872
Delaware	157	157	157	157	157

Note: "Communities" as listed above, include only those communities which are open for occupancy while "Sites for Development" include additional communities for development which do not currently have available sites.

Note: Communities total to more than 117 because certain communities have manufactured home and recreational vehicle components and are counted in each category.

SUN COMMUNITIES

DEVELOPMENT SUMMARY

	Inventory September 2002	2002 Program	Completed During Quarter Ended				
			September 30, 2002	June 31, 2002	March 31, 2002	December 31, 2001	September 30, 2001
MICHIGAN							
Alpine	-	-	-	-	-	-	22
Hamlin	88	23	-	-	-	-	-
Village Trails	200	-	-	-	-	-	-
Windham Hills	116	49	-	-	-	-	-
White Lake	-	-	-	-	-	47	-
Stonebridge	498	-	-	-	-	-	-
Sunset Ridge	<u>356</u>	-	-	-	-	-	<u>144</u>
	<u>1,258</u>	<u>72</u>	-	-	-	<u>47</u>	<u>166</u>
FLORIDA							
Leesburg	136	-	-	-	-	-	-
Water Oak	<u>476</u>	<u>5</u>	<u>10</u>	<u>9</u>	<u>10</u>	<u>2</u>	<u>7</u>
	<u>612</u>	<u>5</u>	<u>10</u>	<u>9</u>	<u>10</u>	<u>2</u>	<u>7</u>
INDIANA							
Carrington	166	-	-	-	-	-	-
Deerfield Run	97	-	-	-	-	-	-
Woods Edge	<u>159</u>	-	-	-	-	-	-
	<u>422</u>	-	-	-	-	-	-
TEXAS							
Boulder Ridge	688	-	-	165	-	-	-
Pecan Branch	<u>203</u>	-	-	-	-	-	-
	<u>891</u>	-	-	<u>165</u>	-	-	-
COLORADO							
Eagle Crest	291	152	-	-	-	-	150
North Point Estates	<u>303</u>	-	-	-	-	<u>108</u>	-
	<u>594</u>	<u>152</u>	-	-	-	<u>108</u>	<u>150</u>
OTHER STATES							
Nevada	412	-	-	-	-	-	-
Oregon	69	-	-	-	-	-	-
Tennessee	-	-	-	-	-	<u>105</u>	-
	<u>481</u>	-	-	-	-	<u>105</u>	-
Sites as Owner	4,258	229	10	174	10	262	323
Sites as Developer	<u>1,237</u>	<u>129</u>	<u>79</u>	<u>151</u>	<u>133</u>	<u>106</u>	-
Totals	<u><u>5,495</u></u>	<u><u>358</u></u>	<u><u>89</u></u>	<u><u>325</u></u>	<u><u>143</u></u>	<u><u>368</u></u>	<u><u>323</u></u>

SUN COMMUNITIES

**SUMMARY OF ACQUISITION ACTIVITY
FOR THE YEAR 2002
(PURCHASE PRICE IN MILLIONS)**

<u>COMMUNITY</u>	<u>LOCATION</u>	<u>SITES</u>	<u>Occupancy %</u>	<u>Cap Rate</u>	<u>PURCHASE PRICE</u>
FIRST QUARTER 2002					
Pheasant Ridge	PA	552	97.8%	8.0%	\$ 21.3
River Ridge	TX	<u>337</u>	71.8%	5.5%	<u>15.5</u>
TOTAL FIRST QUARTER 2002		<u>889</u>			<u>\$ 36.8</u>
TOTAL YTD		<u>889</u>			<u>\$ 36.8</u>

SUN COMMUNITIES

**OPERATING STATISTICS
YEAR TO DATE**

MARKETS	GROSS LEASED SITES	MOVE OUTS	NET SITES LEASED TO RESIDENTS	NEW HOME SALES	USED HOME SALES	BROKERED RESALES
Michigan	402	319	83	78	73	114
Florida	67	7	60	51	19	206
Indiana	234	270	(36)	7	26	32
Ohio	106	82	24	15	14	39
Texas	121	58	63	24	2	6
Other States	210	167	43	42	10	47
RV Communities	<u>n/m</u>	<u>n/m</u>	<u>n/m</u>	<u>11</u>	<u>1</u>	<u>16</u>
9 MONTHS ENDED 09/30/2002	<u>1,140</u>	<u>903</u>	<u>237</u>	<u>228</u>	<u>145</u>	<u>460</u>

For the Year

2001	1,322	1,108	214	438	327	584
2000	1,140	720	366	416	182	863
1999	2,258	974	756	648	152	766
1998	1,881	883	998	682	188	642
1997	1,500	702	798	584	118	555

	MOVE OUTS	RESALES
Through 9/30/2002	3.6%	7.2%
2001	3.2%	7.4%
2000	2.4%	8.6%
1999	3.1%	8.5%
1998	3.0%	8.6%
1997	2.8%	8.5%
1996	2.8%	8.9%

QUARTERLY IRR CALCULATION
450 SITE DEVELOPMENT

	DEV PERIOD QTR 1	DEV PERIOD QTR 2	DEV PERIOD QTR 3	DEV PERIOD QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 5	QTR 6
AVG SITES-QTR					12	26	38	50	62	74
SITES,EOQ,CUM					18	30	42	54	66	78
RENT					\$325	\$325	\$325	\$325	\$338	\$338
RENTAL REVENUE					11,700	25,350	37,050	48,750	62,868	75,036
OTHER REVENUE					720	1,560	2,280	3,000	3,720	4,440
POM/RET					(30,000)	(30,000)	(30,000)	(30,000)	(23,306)	(27,817)
NOI					(17,580)	(3,090)	9,330	21,750	43,282	51,659
SHS					16,000	16,000	16,000	16,000	16,000	16,000
SALES PROCEEDS-8.0%										
TOTAL RETURN					(1,580)	12,910	25,330	37,750	59,282	67,659
CAPITAL OUTLAY	3,420,000	822,500	822,500	822,500	48,000	56,000	48,000	48,000	48,000	48,000
NET RETURN	(3,420,000)	(822,500)	(822,500)	(822,500)	(49,580)	(43,090)	(22,670)	(10,250)	11,282	19,659
QUARTERLY IRR	3.247%									
ANNUALIZED IRR	12.987%									

DEVELOPMENT COSTS BY QUARTER

LAND	1,800,000									
PRE-DEVELOPMENT	225,000									
SITE INFRASTRUCTURE		556,250	556,250	556,250						
TAP FEES	1,125,000									
AMENITIES										
LANDSCAPING		85,000	85,000	85,000						
ENGINEERING	270,000									
SITE FINISH					48,000	56,000	48,000	48,000	48,000	48,000
CONSTRUCTION MGMT		81,250	81,250	81,250						
CONTINGENCY		100,000	100,000	100,000						
TOTAL	3,420,000	822,500	822,500	822,500	48,000	56,000	48,000	48,000	48,000	48,000

SUN COMMUNITIES, INC.
DEVELOPMENT MODEL
QUARTERLY IRR CALCULATION
450 SITE DEVELOPMENT

	QTR 7	QTR 8	QTR 9	QTR 10	QTR 11	QTR 12	QTR 13	QTR 14	QTR 15	QTR 16
AVG SITES-QTR	86	98	110	122	134	146	158	170	182	194
SITES,EOQ,CUM	90	102	114	126	138	150	162	174	186	198
RENT	\$338	\$338	\$352	\$352	\$352	\$352	\$366	\$366	\$366	\$366
RENTAL REVENUE	87,204	99,372	116,002	128,656	141,311	153,966	173,285	186,446	199,607	212,768
OTHER REVENUE	5,160	5,880	6,600	7,320	8,040	8,760	9,480	10,200	10,920	11,640
POM/RET	(32,327)	(36,838)	(42,911)	(47,592)	(52,273)	(56,954)	(54,830)	(58,994)	(63,158)	(67,322)
NOI	60,037	68,414	79,691	88,385	97,078	105,772	127,936	137,652	147,369	157,086
SHS	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
SALES PROCEEDS-8.0%										
TOTAL RETURN	76,037	84,414	95,691	104,385	113,078	121,772	143,936	153,652	163,369	173,086
CAPITAL OUTLAY	48,000	48,000	48,000	1,623,000	1,623,000	48,000	48,000	48,000	48,000	48,000
NET RETURN	28,037	36,414	47,691	(1,518,615)	(1,509,922)	73,772	95,936	105,652	115,369	125,086

DEVELOPMENT COSTS BY QUARTER

LAND										
PRE-DEVELOPMENT										
SITE INFRASTRUCTURE				834,375	834,375					
TAP FEES										
AMENITIES				405,000	405,000					
LANDSCAPING				63,750	63,750					
ENGINEERING										
SITE FINISH	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000
CONSTRUCTION MGMT				121,875	121,875					
CONTINGENCY				150,000	150,000					
TOTAL	48,000	48,000	48,000	1,623,000	1,623,000	48,000	48,000	48,000	48,000	48,000

SUN COMMUNITIES, INC.
DEVELOPMENT MODEL
QUARTERLY IRR CALCULATION
450 SITE DEVELOPMENT

	QTR 17	QTR 18	QTR 19	QTR 20	QTR 21	QTR 22	QTR 23	QTR 24	QTR 25	QTR 26	QTR 27	QTR 28
AVG SITES-QTR	206	218	230	242	254	266	278	290	302	314	326	338
SITES,EOQ,CUM	210	222	234	246	258	270	282	294	306	318	330	342
RENT	\$380	\$380	\$380	\$380	\$395	\$395	\$395	\$395	\$411	\$411	\$411	\$411
RENTAL REVENUE	234,966	248,653	262,341	276,028	301,304	315,539	329,774	344,009	372,573	387,377	402,182	416,986
OTHER REVENUE	12,360	13,080	13,800	14,520	15,240	15,960	16,680	17,400	18,120	18,840	19,560	20,280
POM/RET	(74,198)	(78,520)	(82,842)	(87,164)	(94,963)	(99,450)	(103,936)	(108,423)	(109,394)	(113,741)	(118,088)	(122,434)
NOI	173,128	183,213	193,299	203,384	221,581	232,049	242,518	252,986	281,299	292,477	303,654	314,831
SHS	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
SALES PROCEEDS-8.0%												
TOTAL RETURN	189,128	199,213	209,299	219,384	237,581	248,049	258,518	268,986	297,299	308,477	319,654	330,831
CAPITAL OUTLAY	48,000	48,000	48,000	48,000	48,000	1,154,250	1,154,250	48,000	48,000	48,000	48,000	48,000
NET RETURN	141,128	151,213	161,299	171,384	189,581	(906,201)	(895,732)	220,986	249,299	260,477	271,654	282,831

DEVELOPMENT COSTS BY QUARTER

LAND												
PRE-DEVELOPMENT												
SITE INFRASTRUCTURE						834,375	834,375					
TAP FEES												
AMENITIES												
LANDSCAPING												
ENGINEERING												
SITE FINISH	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000
CONSTRUCTION MGMT						121,875	121,875					
CONTINGENCY						150,000	150,000					
TOTAL	48,000	48,000	48,000	48,000	48,000	1,154,250	1,154,250	48,000	48,000	48,000	48,000	48,000

SUN COMMUNITIES, INC.
DEVELOPMENT MODEL
QUARTERLY IRR CALCULATION
450 SITE DEVELOPMENT

	QTR 29	QTR 30	QTR 31	QTR 32	QTR 33	QTR 34	QTR 35	QTR 36	QTR 37	QTR 38	QTR 39	QTR 40
AVG SITES-QTR	350	362	374	386	398	410	422	427	428	428	428	428
SITES,EOQ,CUM	354	366	378	390	402	414	426	428	428	428	428	428
RENT	\$428	\$428	\$428	\$428	\$445	\$445	\$445	\$445	\$463	\$463	\$463	\$463
RENTAL REVENUE	449,062	464,458	479,855	495,251	531,073	547,085	563,098	569,770	593,948	593,948	593,948	593,948
OTHER REVENUE	21,000	21,720	22,440	23,160	23,880	24,600	25,320	25,620	25,680	25,680	25,680	25,680
POWRET	(131,617)	(136,130)	(140,642)	(145,155)	(155,387)	(160,072)	(164,757)	(166,709)	(173,496)	(173,496)	(173,496)	(173,496)
NOI	338,444	350,048	361,652	373,256	399,566	411,614	423,661	428,680	446,132	446,132	446,132	446,132
SHS	16,000	16,000	16,000	16,000	16,000	16,000	16,000					
SALES PROCEEDS-8.0%								22,306,609				
TOTAL RETURN	354,444	366,048	377,652	389,256	415,566	427,614	439,661	22,735,289				
CAPITAL OUTLAY	48,000	48,000	48,000	48,000	48,000	48,000	48,000	112,000				
NET RETURN	306,444	318,048	329,652	341,256	367,566	379,614	391,661	22,623,289				

DEVELOPMENT COSTS BY QUARTER

LAND												1,800,000
PRE-DEVELOPMENT												225,000
SITE INFRASTRUCTURE												5,006,250
TAP FEES												1,125,000
AMENITIES												810,000
LANDSCAPING												382,500
ENGINEERING												270,000
SITE FINISH	48,000	48,000	48,000	48,000	48,000	48,000	48,000	112,000				1,800,000
CONSTRUCTION MGMT												731,250
CONTINGENCY												900,000
TOTAL	48,000	48,000	48,000	48,000	48,000	48,000	48,000	112,000				13,050,000