

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: July 14, 2014  
(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.**

On July 15, 2014, Sun Communities, Inc. (the “Company”), Sun Communities Operating Limited Partnership (the “Partnership”) and each of Gary A. Shiffman (the Company’s Chairman and Chief Executive Officer), John B. McLaren (the Company’s President and Chief Operating Officer) and Karen J. Dearing, (the Company’s Executive Vice President, Chief Financial Officer, Treasurer and Secretary) (collectively, the “Executives”) entered into a First Amendment to Employment Agreement (each, an “Employment Agreement Amendment”), which amended each Executive’s existing employment agreement with the Company and the Partnership.

Also on July 15, 2014, the Company and Mr. Shiffman entered into an Amended and Restated Restricted Stock Award Agreement (the “Restated Stock Award Agreement”), which amended and restated in its entirety the Restricted Stock Award Agreement dated June 20, 2013 (the “Original Stock Award Agreement”) between the Company and Mr. Shiffman.

Please see the disclosure under Item 5.02 below regarding the Employment Agreement Amendments and the Restated Stock Award Agreement.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

(e) *Employment Agreement Amendments*

On July 15, 2014, the Company and the Partnership entered into an Employment Agreement Amendment with each Executive, which materially amended his or her existing employment agreement as follows:

- (1) Each Executive is no longer entitled under his or her employment agreement to receive change of control payments and benefits following a change of control transaction solely because the remaining term of his or her employment agreement may be less than two years (in the case of Mr. Shiffman) or 18 months (in the case of Mr. McLaren or Ms. Dearing).
- (2) Each Executive may terminate his or her employment agreement for “good reason.” Good reason is defined to include (i) a material breach of the employment agreement by the Company and the Partnership; (ii) the diminution, reduction or material expansion of the Executive’s duties or responsibilities or the assignment to the Executive of duties, responsibilities or reporting requirements that are materially inconsistent with his or her position; or (iii) any requirement by the Company and the Partnership that the Executive relocate to a principal place of business outside of the Detroit, Michigan metropolitan area. The occurrence of any of the foregoing events will not constitute good reason unless the Company and the Partnership fail to cure such occurrence within a prescribed cure period.
- (3) If an Executive terminates his or her employment agreement for good reason, he or she is entitled to receive the same severance payments that he or she would be entitled to receive if the Company terminated his or her employment agreement without cause.
- (4) If an Executive terminates his or her employment agreement for good reason within 24 months following a change of control transaction (as defined in his or her employment agreement), he or she is entitled to receive the same change of control payments and benefits that he or she would be entitled to receive if the Company terminated his or her employment agreement without cause within 24 months following a change of control transaction or following a change of control transaction structured as a sale of all or substantially all of the Company’s assets, the Company or its successor does not expressly assume the employment agreement. Each Executive’s Employment Agreement Amendment does not change the amount of the change of control payments and benefits he or she is entitled to receive.
- (5) As is the case if the Company terminates an Executive’s employment agreement without cause within 60 days before a change of control transaction, if an Executive terminates his or her employment agreement for good reason within 60 days before a change of control transaction, that termination will be deemed to have been made in connection with the change of control transaction, and the Executive will be entitled to receive the change of control payments and benefits provided for under his or her employment agreement.

- (6) As is the case if the Company terminates an Executive's employment agreement without cause, if an Executive terminates his or her employment agreement for good reason, all of his or her stock options and other stock based compensation will become fully vested and immediately exercisable, and if such termination is in connection with a change of control transaction, all options may be exercised at any time within one year after the change of control transaction.
- (7) In addition to being subject to clawback under applicable law and New York Stock Exchange Rules, each Executive's performance-based compensation is now subject to clawback under the Company's new clawback policy described under Item 8.01 below.

The Employment Agreement Amendments also amend certain other provisions of the Executives' employment agreements, including the definition of permanent disability, the date that any severance payments will begin to be paid and elimination of the Company's option to make severance or disability payments in a lump sum.

The preceding description of the Employment Agreement Amendments is qualified in its entirety by reference to the full text of the Employment Agreement Amendments, copies of which are attached to this Report as Exhibit 10.1, Exhibit 10.2 and Exhibit 10.3.

#### *Restated Stock Award Agreement*

The Original Stock Award Agreement was entered into contemporaneously with the execution of Mr. Shiffman's five-year employment agreement in 2013. Under the Original Stock Award Agreement, the Company granted Mr. Shiffman 250,000 restricted shares of the Company's common stock. Before approving the grant, the Company's Compensation Committee reviewed and considered various factors, including the Company's total shareholder return, average same-site net operating income (NOI) growth, reduction in debt to EBITDA and debt to enterprise value ratios, successful acquisitions and capital raises in the prior three years, execution of the Company's plan to diversify its portfolio and the fact that Mr. Shiffman's average annual compensation in the prior three years was less than the average annual compensation of CEOs in the Company's peer group and a larger group of established REITs reviewed by the Compensation Committee. The Compensation Committee also considered the Company's retention and succession planning objectives. Based on these factors, the Compensation Committee approved the grant of 175,000 restricted shares in respect of the performance of Mr. Shiffman and the Company over the prior three years, and 75,000 restricted shares to induce Mr. Shiffman to execute a new five-year employment agreement, which was important for the Company's succession planning and retention objectives, and to incentivize him to promote the Company's future success.

All of the restricted shares were scheduled to vest over time as follows:

- (1) 87,500 shares were schedule to vest on June 20, 2016;
- (2) 87,500 shares were schedule to vest on June 20, 2017;
- (3) 50,000 shares were schedule to vest on June 20, 2018;
- (4) 12,500 shares were schedule to vest on June 20, 2019; and
- (5) 12,500 shares were schedule to vest on June 20, 2020.

On July 15, 2014, the Company and Mr. Shiffman entered into the Restated Stock Award Agreement, which amended the vesting schedule for 100,000 of the restricted shares that were granted with respect to the prior performance of Mr. Shiffman and the Company, to tie them to the future performance of the Company, as described below. The other shares will continue to be subject to time vesting as follows:

- (1) 52,500 of the restricted shares will vest on June 20, 2016;
- (2) 52,500 of the restricted shares will vest on June 20, 2017;
- (3) 30,000 of the restricted shares will vest on June 20, 2018;
- (4) 7,500 shares were schedule to vest on June 20, 2019; and
- (5) 7,500 shares were schedule to vest on June 20, 2020.

The 100,000 restricted shares that are now subject to performance vesting will vest based on the achievement of certain targets relative to the Company's common stock and financial performance.

If certain market performance criteria relative to the Company's common stock for the applicable three-year measurement period are satisfied, up to 50,000 of the shares subject to performance vesting will vest as follows, provided that Mr. Shiffman is employed by the Company or any of its affiliates on the applicable vesting dates:

<u>Three-Year Measurement Period</u>	<u>Vesting Date</u>	<u>Shares Vested</u>
January 1, 2013 through December 31, 2015	March 1, 2016	Up to 16,667
January 1, 2014 through December 31, 2016	March 1, 2017	Up to 16,667
January 1, 2015 through December 31, 2017	March 1, 2018	Up to 16,666

The market performance criteria will be established by the Compensation Committee. The market performance criteria will be based (i) 50% on the absolute total shareholder return on the Company's common stock during the applicable three-year measurement period above, and (ii) 50% on the total shareholder return on the Company's common stock during the applicable three-year measurement period relative to the total shareholder return during such period of an the MSCI US REIT Index.

If certain Company financial performance criteria for the applicable calendar year are satisfied, up to 50,000 of the shares subject to performance vesting will vest as follows, provided that Mr. Shiffman is employed by the Company or any of its affiliates on the applicable vesting dates:

<u>Calendar Year</u>	<u>Vesting Date</u>	<u>Shares Vested</u>
January 1, 2014 through December 31, 2014	March 1, 2015	Up to 12,500
January 1, 2015 through December 31, 2015	March 1, 2016	Up to 12,500
January 1, 2016 through December 31, 2016	March 1, 2017	Up to 12,500
January 1, 2016 through December 31, 2017	March 1, 2018	Up to 12,500

The financial performance criteria will be established by the Compensation Committee. The financial performance criteria will be based (i) 50% on certain Company funds from operations (FFO) growth targets for the applicable calendar year, and (ii) 50% on certain Company same-site net operating income (NOI) growth targets for the applicable calendar year.

The Restated Stock Award Agreement also expressly provides that all restricted shares granted under it are subject to the Company's new clawback policy described under Item 8.01 below.

The preceding description of the Restated Stock Award Agreement is qualified in its entirety by reference to the full text of the Restated Stock Award Agreement, a copy of which is attached to this Report as Exhibit 10.4.

#### **Item 8.01 Other Events.**

On July 14, 2014, the Company's Board of Directors adopted Stock Ownership Guidelines, a Policy Prohibiting Hedging, and an Executive Compensation "Clawback" Policy.

The Stock Ownership Guidelines apply to the Company's executive officers and directors. Under the guidelines, subject to certain exceptions, the Company's Chairman and Chief Executive Officer is required to own Company common stock with a market value not less than six times his or her annual base salary, each of the Company's other executive officers is required to own Company common stock with a market value not less than three times his or her annual base salary, and each of the Company's non-employee directors is required to own Company common stock with a market value not less than three times his or her annual cash retainer (exclusive of chairperson or committee fees). Individuals covered by the guidelines are required to achieve compliance with the guidelines by the later of (i) five years from the date of adoption of the guidelines, (ii) five years from the date of his or her promotion to the covered position, or (iii) five years from the start of employment (or directorship) with the Company. If an individual is not in compliance with the guidelines, he or she will be required to retain at least 50% of the net shares acquired as a result of the vesting of restricted stock until he or she is in compliance with the guidelines.

The Policy Prohibiting Hedging prohibits the Company's executive officers and directors from trading in any interest or position relating to the future price of the Company's securities, such as a put, call or short sale.

Under the Executive Compensation "Clawback" Policy, if an officer of the Company engages in fraud, willful misconduct or gross negligence that directly causes or otherwise directly contributes to the need for a material restatement of the Company's financial results in order to comply with federal securities laws, the Compensation Committee will review all performance-based compensation awarded to or earned by that officer that include any fiscal periods affected by the restatement. If the Compensation Committee determines that any such performance-based compensation would not have been paid or would have been at a lower amount had it been based on the restated financial results, the Compensation Committee or the Board of Directors may seek recoupment from the officer of the portion of his or her performance-based compensation that is greater than that which would have been awarded or earned had such compensation been calculated on the basis of the restated financial results.

The preceding description of the Stock Ownership Guidelines, the Policy Prohibiting Hedging, and the Executive Compensation "Clawback" Policy is qualified in its entirety by reference to the full text of those guidelines and policies, copies of which are attached to this Report as Exhibit 10.5, Exhibit 10.6 and Exhibit 10.7.

**Item 9.01**      **Exhibits**

(d)              *Exhibits.*

- |      |  |
|------|--|
| 10.1 | First Amendment to Employment Agreement among Sun Communities, Inc., Sun Communities Operating Limited Partnership and Gary A. Shiffman dated July 15, 2014# |
| 10.2 | First Amendment to Employment Agreement among Sun Communities, Inc., Sun Communities Operating Limited Partnership and John B. McLaren dated July 15, 2014#  |
| 10.3 | First Amendment to Employment Agreement among Sun Communities, Inc., Sun Communities Operating Limited Partnership and Karen J. Dearing dated July 15, 2014# |
| 10.4 | First Amendment to Restricted Stock Award Agreement between Sun Communities, Inc. and Gary A. Shiffman dated July 15, 2014#                                  |
| 10.5 | Sun Communities, Inc. Stock Ownership Guidelines   |
| 10.6 | Sun Communities, Inc. Policy Prohibiting Hedging   |
| 10.7 | Sun Communities, Inc. Executive Compensation "Clawback" Policy   |

# Management contract or compensatory plan or arrangement.

## 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: July 15, 2014

By: /s/ Karen J. Dearing

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

## EXHIBIT INDEX

<b>Exhibit No.</b>	<b>Description</b>
10.1	First Amendment to Employment Agreement among Sun Communities, Inc., Sun Communities Operating Limited Partnership and Gary A. Shiffman dated July 15, 2014#
10.2	First Amendment to Employment Agreement among Sun Communities, Inc., Sun Communities Operating Limited Partnership and John B. McLaren dated July 15, 2014#
10.3	First Amendment to Employment Agreement among Sun Communities, Inc., Sun Communities Operating Limited Partnership and Karen J. Dearing dated July 15, 2014#
10.4	First Amendment to Restricted Stock Award Agreement between Sun Communities, Inc. and Gary A. Shiffman dated July 15, 2014#
10.5	Sun Communities, Inc. Stock Ownership Guidelines
10.6	Sun Communities, Inc. Policy Prohibiting Hedging
10.7	Sun Communities, Inc. Executive Compensation “Clawback” Policy

# Management contract or compensatory plan or arrangement.

## FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO EMPLOYMENT AGREEMENT (this "Amendment") is made and entered into as of July 15, 2014 (the "Effective Date"), by and among SUN COMMUNITIES, INC., a Maryland corporation (the "REIT"), SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership ("SCOLP"), and GARY A. SHIFFMAN (the "Executive"). As used herein, "Company" shall refer to the REIT and SCOLP together.

### W I T N E S S E T H:

WHEREAS, the Company and Executive entered into that certain Employment Agreement dated as of June 20, 2013 (the "Employment Agreement"); and

WHEREAS, the Company and Executive desire to amend the Employment Agreement in accordance with the terms and conditions of this Amendment.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. The following sentence is hereby added to the end of paragraph 4(g) of the Employment Agreement:

"Without limiting the foregoing, the Executive accepts, adopts and agrees to be subject to the Sun Communities, Inc. Executive Compensation "Clawback" Policy dated July 14, 2014, as it may be amended, restated or supplemented from time to time."

2. Paragraph 7(a) of the Employment Agreement is hereby deleted in its entirety and replaced with the following paragraph 7(a):

"(a) The Executive's employment under this Agreement may be terminated:

(i) by either the Executive or the Company at any time for any reason whatsoever or for no reason upon not less than sixty (60) days written notice;

(ii) by the Company at any time for "cause" (as defined below), without prior notice;

(iii) by the Company upon the Executive's "permanent disability" (as defined below) upon not less than thirty (30) days written notice;

(iv) upon the Executive's death; and

(v) by the Executive at any time for Good Reason (as defined below)."

3. Paragraph 7(c) of the Employment Agreement is hereby deleted in its entirety and replaced with the following paragraph 7(c):

"(c) For purposes hereof, the Executive's "permanent disability" shall



be deemed to have occurred if the Executive, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, (i) is unable to engage in any substantial gainful activity, or (ii) is receiving income replacement benefits for a period of not less than 6 months under an accident and health plan of the Company.”

4. The following paragraph 7(d) is hereby added to the Employment Agreement:

“(d) For purposes hereof, “Good Reason” shall mean: (i) a material breach of this Agreement by the Company that is not cured within thirty (30) days after receiving written notice from the Executive of such breach, which notice must be provided within ninety (90) days of the initial existence of the Good Reason condition, with the determination as to whether there has been a breach and whether the breach is material to be determined by the Nominating and Governance Committee of the Board in the reasonable and good faith exercise of its discretion; (ii) diminution of, or reduction or adverse alteration of, the Executive’s duties or responsibilities without the consent of the Executive, or the Company’s assignment of duties, responsibilities or reporting requirements that are materially inconsistent with his positions or that materially expand his duties, responsibilities, or reporting requirements without the consent of the Executive; or (iii) any requirement by the Company that the Executive relocate to a principal place of business outside of the Detroit, Michigan metropolitan area. Written notice of an event constituting Good Reason must be provided to the Company by the Executive within ninety (90) days of its occurrence. The Company will have thirty (30) days to cure such occurrence, and the Executive may not terminate this Agreement due to Good Reason more than thirty (30) days following the last day of such cure period (and only if the Company has failed to cure).”

5. Paragraph 8(a) of the Employment Agreement is hereby deleted in its entirety and replaced with the following paragraph 8(a):

“(a) In the event that the Company terminates the Executive's employment under this Agreement without "cause" pursuant to paragraph 7(a)(i) hereof or if Executive terminates this Agreement for Good Reason pursuant to paragraph 7(a)(v) hereof, (i) the Executive shall be entitled to any accrued and unpaid Base Salary, Incentive Compensation and benefits through the effective date of such termination, prorated for the number of days actually employed in the then current calendar year, which shall be paid by the Company to the Executive within thirty (30) days of the effective date of such termination (or such later date as may be required in order to determine the amount of any Incentive Compensation due to the Executive but in no event later than March 15<sup>th</sup> of the calendar year following the calendar year that Executive’s employment is terminated), and (ii) subject to the Executive’s execution of a general release of claims in a form satisfactory to the Company, the Company shall pay the Executive monthly an amount equal to one-twelfth (1/12) of the Base Salary (at the rate that would otherwise have been payable under this Agreement) for a period of up to eighteen (18) months if the Executive fully complies with paragraph 12 of this Agreement (the “Severance Payment”). The first monthly installment of the Severance Payment shall be paid not later than 45 days after the date of the termination that gives rise to the Severance Payment obligation, provided that the Executive has executed and delivered the general release of claims described above and the statutory period during which the Executive is entitled to revoke the general release of claims has expired prior to the end of such 45-day

period, and, provided further, that if such 45-day period begins in one taxable year and ends in the subsequent taxable year, the first monthly installment of the Severance Payment shall be paid in the second taxable year. Notwithstanding the foregoing, the Severance Payment shall not be due Executive if Executive is entitled to Change in Control Benefits (as defined in paragraph 10 below). In the event that the Company terminates the Executive's employment under this Agreement without "cause" pursuant to paragraph 7(a)(i) hereof or if Executive terminates this Agreement for Good Reason pursuant to paragraph 7(a)(v) hereof, the Executive, in his sole and absolute discretion, may decline the Severance Payment by written notice to the Company prior to the payment of any portion of the Severance Payment, in which event the Company shall have no obligation to make the Severance Payment and Executive shall be relieved of the restrictions imposed by subparagraphs (ii) and (v) of paragraph 12(a) of this Agreement. Notwithstanding anything in this Agreement to the contrary, in the event that the Executive declines the Severance Payment in accordance with this paragraph 8(a), subparagraphs (ii) and (v) of paragraph 12(a) of this Agreement shall become null and void and of no further force and effect."

6. Paragraph 8(b) of the Employment Agreement is hereby deleted in its entirety and replaced with the following paragraph 8(b):

"(b) If (i) the Company terminates the Executive's employment under this Agreement for "cause", or (ii) the Executive voluntarily terminates his employment hereunder, other than for Good Reason pursuant to paragraph 7(a)(v) hereof, the Executive shall be entitled to no further compensation or other benefits under this Agreement, except for any accrued and unpaid Base Salary and benefits through the effective date of such termination, prorated for the number of days actually employed in the then current calendar year."

7. Paragraph 8(c) of the Employment Agreement is hereby deleted in its entirety and replaced with the following paragraph 8(c):

"(c) In the event of termination of the Executive's employment under this Agreement due to the Executive's permanent disability or death, (i) the Executive (or his successors and assigns in the event of his death) shall be entitled to any accrued and unpaid Base Salary, Incentive Compensation and benefits through the effective date of such termination, prorated for the number of days actually employed in the then current calendar year, which shall be paid by the Company to the Executive or his successors and assigns, as appropriate, within thirty (30) days of the effective date of such termination (or such later date as may be required in order to determine the amount of any Incentive Compensation due to the Executive but in no event later than March 15<sup>th</sup> of the calendar year following the calendar year that Executive's employment is terminated), and (ii) the Company shall pay the Executive monthly an amount equal to one-twelfth (1/12) of the Base Salary (at the rate that would otherwise have been payable under this Agreement) for a period of up to twenty four (24) months if the Executive fully complies with paragraph 12 of this Agreement (the "Disability Payment"); provided, however, that payments so made to the Executive shall be reduced by the sum of the amounts, if any, which: (i) were paid to the Executive at or prior to the time of any such payment under disability benefit plans of the Company, and (ii) did not previously reduce the Base Salary, Incentive Compensation and other benefits due the Executive under paragraph 4(e) of this Agreement. In the event of termination of the Executive's employment under this Agreement due to the Executive's permanent disability, the Executive, in his sole

and absolute discretion, may decline the Disability Payment by written notice to the Company prior to the payment of any portion of the Disability Payment, in which event the Company shall have no obligation to make the Disability Payment and Executive shall be relieved of the restrictions imposed by subparagraphs (ii) and (v) of paragraph 12(a) of this Agreement. Notwithstanding anything in this Agreement to the contrary, in the event that the Executive declines the Disability Payment in accordance with this paragraph 8(c), subparagraphs (ii) and (v) of paragraph 12(a) of this Agreement shall become null and void and of no further force and effect.”

8. Paragraph 10(a) of the Employment Agreement is hereby deleted in its entirety and replaced with the following paragraph 10(a):

“(a) The Company or its successor shall pay the Executive the Change in Control Benefits (as defined below) if there has been a Change in Control (as defined below) and any of the following events (each a “Change in Control Benefits Trigger Event”) has occurred: (i) the Executive’s employment under this Agreement is terminated without “cause” in accordance with paragraph 7(a)(i) at any time within twenty-four (24) months after the Change in Control, (ii) the Executive terminates his employment under this Agreement for Good Reason in accordance with paragraph 7(a)(v) at any time within twenty-four (24) months after the Change in Control, or (iii) upon a Change in Control under paragraph 10(g)(ii), the Company or its successor does not expressly assume all of the terms and conditions of this Agreement.”

9. Paragraph 10(c) of the Employment Agreement is hereby deleted in its entirety and replaced with the following paragraph 10(c):

“(c) Notwithstanding anything to the contrary herein, in the event that within sixty (60) days prior to a Change in Control (i) the Executive’s employment under this Agreement is terminated by the Company without “cause” in accordance with paragraph 7(a)(i) or (ii) the Executive terminates his employment under this Agreement for Good Reason in accordance with paragraph 7(a)(v), such termination, in either case, shall be deemed to have been made in connection with the Change in Control, such termination shall be a Change in Control Benefits Trigger Event, and the Executive shall be entitled to receive the Change in Control Benefits and in accordance with paragraph 11 of this Agreement, all stock options or other stock based compensation awarded to the Executive shall become fully vested and immediately exercisable and may be exercised by the Executive at any time within one (1) year after such Change in Control Benefits Trigger Event.”

10. Paragraph 10(d) of the Employment Agreement is hereby deleted in its entirety and replaced with the following paragraph 10(d):

“(d) The Change in Control Benefits are in addition to the acceleration of the vesting of, and the extension of the time for exercise of, stock options and other stock based compensation as a result of a Change in Control Benefits Trigger Event.”

11. Paragraph 11 of the Employment Agreement is hereby deleted in its entirety and replaced with the following paragraph 11:

“11. Stock Awards. In the event of termination of the Executive's employment under this Agreement for "cause", all stock options or other stock

based compensation awarded to the Executive shall lapse and be of no further force or effect whatsoever in accordance with the Company's equity incentive plans. In the event that the Company terminates the Executive's employment under this Agreement without "cause" or if the Executive terminates his employment under this Agreement for Good Reason in accordance with paragraph 7(a)(v) or upon the death or permanent disability of the Executive, all stock options and other stock based compensation awarded to the Executive shall become fully vested and immediately exercisable. Upon a Change in Control Benefits Trigger Event or any event described in paragraph 10(c) of this Agreement, all stock options or other stock based compensation awarded to the Executive shall become fully vested and immediately exercisable and may be exercised by the Executive at any time within one (1) year after the Change in Control Benefits Trigger Event. All stock option and other stock based compensation award agreements between the Company and the Executive shall be amended to conform to the provisions of this paragraph 11. In the event of an inconsistency between this paragraph 11 and such award agreements, this paragraph 11 shall control."

12. Except as otherwise modified herein, the Employment Agreement shall remain in full force and effect consistent with its terms.
13. This Amendment shall be governed by and construed according to the laws of the State of Michigan.
14. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

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

**REIT:**

SUN COMMUNITIES, INC., a Maryland corporation

By: /s/ Karen J. Dearing

Karen J. Dearing, Chief Financial Officer

**SCOLP:**

SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership

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

By: /s/ Karen J. Dearing

Karen J. Dearing, Chief Financial Officer

**EXECUTIVE:**

/s/ Gary A. Shiffman

GARY A. SHIFFMAN

**FIRST AMENDMENT TO EMPLOYMENT AGREEMENT**

THIS FIRST AMENDMENT TO EMPLOYMENT AGREEMENT (this "Amendment") is made and entered into as of July 15, 2014 (the "Effective Date"), by and among SUN COMMUNITIES, INC., a Maryland corporation (the "REIT"), SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership ("SCOLP"), and John B. McLaren (the "Executive"). As used herein, "Company" shall refer to the REIT and SCOLP together.

**W I T N E S S E T H:**

WHEREAS, the Company and Executive entered into that certain Employment Agreement as of March 7, 2011 but effective as of January 1, 2011 (the "Employment Agreement"); and

WHEREAS, the Company and Executive desire to amend the Employment Agreement in accordance with the terms and conditions of this Amendment.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. The following sentence is hereby added to the end of Section 4(h) of the Employment Agreement:

"Without limiting the foregoing, the Executive accepts, adopts and agrees to be subject to the Sun Communities, Inc. Executive Compensation "Clawback" Policy dated July 14, 2014, as it may be amended, restated or supplemented from time to time."

2. Section 7(a) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 7(a):

"(a) The Executive's employment under this Agreement may be terminated:

(i) by either the Executive or the REIT at any time for any reason whatsoever or for no reason upon not less than sixty (60) days written notice;

(ii) by the REIT at any time for "cause" as defined below, without prior notice;

(iii) by the REIT upon the Executive's "permanent disability" (as defined below) upon not less than thirty (30) days written notice;

(iv) upon the Executive's death; and

(v) by the Executive at any time for Good Reason (as defined below)."

3. Section 7(c) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 7(c):

“(c) For purposes hereof, the Executive’s “permanent disability.” shall be deemed to have occurred if the Executive, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, (i) is unable to engage in any substantial gainful activity, or (ii) is receiving income replacement benefits for a period of not less than 6 months under an accident and health plan of the Company.”

4. The following Section 7(d) is hereby added to the Employment Agreement:

“(d) For purposes hereof, “Good Reason” shall mean: (i) a material breach of this Agreement by the Company that is not cured within thirty (30) days after receiving written notice from the Executive of such breach, which notice must be provided within ninety (90) days of the initial existence of the Good Reason condition, with the determination as to whether there has been a breach and whether the breach is material to be determined by the Nominating and Governance Committee of the Board in the reasonable and good faith exercise of its discretion; (ii) diminution of, or reduction or adverse alteration of, the Executive’s duties or responsibilities without the consent of the Executive, or the Company’s assignment of duties, responsibilities or reporting requirements that are materially inconsistent with his positions or that materially expand his duties, responsibilities, or reporting requirements without the consent of the Executive; or (iii) any requirement by the Company that the Executive relocate to a principal place of business outside of the Detroit, Michigan metropolitan area. Written notice of an event constituting Good Reason must be provided to the Company by the Executive within ninety (90) days of its occurrence. The Company will have thirty (30) days to cure such occurrence, and the Executive may not terminate this Agreement due to Good Reason more than thirty (30) days following the last day of such cure period (and only if the Company has failed to cure).”

5. Section 8(a) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 8(a):

“(a) In the event that the REIT terminates the Executive's employment under this Agreement without “cause” pursuant to Section 7(a)(i) or if Executive terminates this Agreement for Good Reason pursuant to Section 7(a)(v) hereof, (i) the Executive shall be entitled to any accrued and unpaid Base Salary, Bonus and benefits through the effective date of such termination, prorated for the number of days actually employed in the then current calendar year, which shall be paid by the Company to the Executive within thirty (30) days of the effective date of such termination (or such later date as may be required in order to determine the amount of any Bonus due to the Executive but in no event later than March 15<sup>th</sup> of the calendar year following the calendar year that Executive’s employment is terminated), and (ii) subject to the Executive’s execution of a general release of claims in a form satisfactory to the Company, the Company shall pay the Executive monthly an amount equal to one-twelfth (1/12) of the Base Salary (at the rate that would otherwise have been payable under this Agreement) for a period of up to twelve (12) months if the Executive fully complies with Section 12 of this Agreement (the “Severance Payment”). The first monthly installment of the Severance Payment shall be paid not later than 45 days after the date of the termination that gives rise to the Severance Payment obligation, provided that the Executive has executed and delivered the general release of claims described above and the statutory period during which the Executive is entitled to revoke the general

release of claims has expired prior to the end of such 45-day period, and, provided further, that if such 45-day period begins in one taxable year and ends in the subsequent taxable year, the first monthly installment of the Severance Payment shall be paid in the second taxable year. Notwithstanding the foregoing, the Severance Payment shall not be due Executive if Executive is entitled to Change in Control Benefits (as defined in Section 10 below).”

6. Section 8(b) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 8(b):

“(b) If (i) the Company terminates the Executive's employment under this Agreement for "cause", or (ii) the Executive voluntarily terminates his employment hereunder, other than for Good Reason pursuant to Section 7(a)(v) hereof, the Executive shall be entitled to no further compensation or other benefits under this Agreement, except for any accrued and unpaid Base Salary and benefits through the effective date of such termination, prorated for the number of days actually employed in the then current calendar year.”

7. Section 8(c) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 8(c):

“(c) In the event of termination of the Executive's employment under this Agreement due to the Executive's permanent disability or death, (i) the Executive (or his heirs, successors and assigns in the event of his death) shall be entitled to any accrued and unpaid Base Salary, Bonus and benefits through the effective date of such termination, prorated for the number of days actually employed in the then current calendar year, which shall be paid by the Company to the Executive or his successors and assigns, as appropriate, within thirty (30) days of the effective date of such termination (or such later date as may be required in order to determine the amount of any Bonus due to the Executive but in no event later than March 15<sup>th</sup> of the calendar year following the calendar year that Executive's employment is terminated), and (ii) if and so long as the Executive fully complies with Section 12 of this Agreement, the Company shall pay the Executive monthly an amount equal to one-twelfth (1/12) of the Base Salary (at the rate that would otherwise have been payable under this Agreement) for a period of up to eighteen (18) months if such permanent disability or death occurs on or before the third anniversary of the Effective Date, and up to twenty four (24) months if such permanent disability or death occurs after the third anniversary of the Effective Date (the “Disability Payment”); provided, however, that payments so made to the Executive shall be reduced by the sum of the amounts, if any, which: (A) were paid to the Executive under any death or disability benefit plans of the Company following the death or the onset of the disability, and (B) did not previously reduce the Base Salary, Bonus and other benefits due the Executive under Section 4(f) of this Agreement. The Executive agrees to cooperate in any reasonable requirement to undertake a medical physical examination as may be reasonably requested by an insurance carrier in the event that the Company decides to obtain additional death or disability insurance coverage on the Executive.”

8. Section 10(a) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 10(a):

“(a) The Company or its successor shall pay the Executive the Change in Control Benefits (as defined below) if there has been a Change in Control (as



defined below) and any of the following events has occurred (each a “Triggering Event”): (i) the Executive’s employment under this Agreement is terminated by the Company or its successor without “cause” in accordance with Section 7(a)(i) at any time within twenty-four (24) months after the Change in Control, (ii) the Executive terminates his employment under this Agreement for Good Reason in accordance with Section 7(a)(v) at any time within twenty-four (24) months after the Change in Control; or (iii) upon a Change in Control under Section 10(f)(ii), the Company or its successor does not expressly assume all of the terms and conditions of this Agreement.”

9. Section 10(c) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 10(c):

“(c) Notwithstanding anything to the contrary herein, in the event that within sixty (60) days prior to a Change in Control (i) the Executive’s employment under this Agreement is terminated by the Company or its successor without “cause” in accordance with Section 7(a)(i), or (ii) the Executive terminates his employment under this Agreement for Good Reason in accordance with Section 7(a)(v), such termination, in either case, shall be deemed to have been made in connection with the Change in Control, such termination shall be a Triggering Event, and (x) the Executive shall be entitled to receive the Change in Control Benefits, (y) the Executive shall be entitled to be reimbursed for any COBRA premiums previously paid by Executive, and (z) in accordance with Section 11 below, all stock options or other stock based compensation awarded to the Executive shall become fully vested and immediately exercisable and may be exercised by Executive at any time within one (1) year after such Triggering Event.”

10. Section 10(d) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 10(d):

“(d) The Change in Control Benefits shall be in addition to the acceleration of the vesting of, and the extension of the time for exercise of, stock options and other stock based compensation as a result of a Triggering Event.”

11. Section 11 of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 11:

“11. Stock Awards. In the event of termination of the Executive's employment under this Agreement for “cause”, all stock options or other stock based compensation awarded to the Executive shall lapse and be of no further force or effect whatsoever in accordance with the Company’s equity incentive plans. If the Company terminates the Executive's employment under this Agreement without “cause” or if the Executive terminates his employment under this Agreement for Good Reason in accordance with Section 7(a)(v) or upon the death or permanent disability of the Executive, all stock options and other stock based compensation awarded to the Executive shall become fully vested and immediately exercisable. Upon a Triggering Event or any event described in Section 10(c) of this Agreement, all stock options or other stock based compensation awarded to the Executive shall become fully vested and immediately exercisable and may be exercised by the Executive at any time within one (1) year after the Triggering Event. All stock option and other stock based compensation award agreements between the Company and the Executive shall be amended to conform to the provisions of this Section 11. In the event of an

inconsistency between this Section 11 and such award agreements, this Section 11 shall control.”

12. Except as otherwise modified herein, the Employment Agreement shall remain in full force and effect consistent with its terms.
13. This Amendment shall be governed by and construed according to the laws of the State of Michigan.
14. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

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

**REIT:**

SUN COMMUNITIES, INC., a Maryland corporation

By: /s/ Gary A. Shiffman

\_\_\_\_\_  
Gary A. Shiffman, Chief Executive Officer

**SCOLP:**

SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership

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

By: /s/ Gary A. Shiffman

\_\_\_\_\_  
Gary A. Shiffman, Chief Executive Officer

**EXECUTIVE:**

/s/ John B. McLaren

\_\_\_\_\_  
JOHN B. McLAREN

## FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO EMPLOYMENT AGREEMENT (this "Amendment") is made and entered into as of July 15, 2014 (the "Effective Date"), by and among SUN COMMUNITIES, INC., a Maryland corporation (the "REIT"), SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership ("SCOLP"), and Karen J. Dearing (the "Executive"). As used herein, "Company" shall refer to the REIT and SCOLP together.

### W I T N E S S E T H:

WHEREAS, the Company and Executive entered into that certain Employment Agreement as of March 7, 2011 but effective as of January 1, 2011 (the "Employment Agreement"); and

WHEREAS, the Company and Executive desire to amend the Employment Agreement in accordance with the terms and conditions of this Amendment.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. The following sentence is hereby added to the end of Section 4(h) of the Employment Agreement:

"Without limiting the foregoing, the Executive accepts, adopts and agrees to be subject to the Sun Communities, Inc. Executive Compensation "Clawback" Policy dated July 14, 2014, as it may be amended, restated or supplemented from time to time."

2. Section 7(a) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 7(a):

"(a) The Executive's employment under this Agreement may be terminated:

(i) by either the Executive or the REIT at any time for any reason whatsoever or for no reason upon not less than sixty (60) days written notice;

(ii) by the REIT at any time for "cause" as defined below, without prior notice;

(iii) by the REIT upon the Executive's "permanent disability" (as defined below) upon not less than thirty (30) days written notice;

(iv) upon the Executive's death; and

(v) by the Executive at any time for Good Reason (as defined below)."

3. Section 7(c) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 7(c):

"(c) For purposes hereof, the Executive's "permanent disability" shall be deemed to have occurred if the Executive, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, (i) is unable to

engage in any substantial gainful activity, or (ii) is receiving income replacement benefits for a period of not less than 6 months under an accident and health plan of the Company.”

4. The following Section 7(d) is hereby added to the Employment Agreement:

“(d) For purposes hereof, “Good Reason” shall mean: (i) a material breach of this Agreement by the Company that is not cured within thirty (30) days after receiving written notice from the Executive of such breach, which notice must be provided within ninety (90) days of the initial existence of the Good Reason condition, with the determination as to whether there has been a breach and whether the breach is material to be determined by the Nominating and Governance Committee of the Board in the reasonable and good faith exercise of its discretion; (ii) diminution of, or reduction or adverse alteration of, the Executive’s duties or responsibilities without the consent of the Executive, or the Company’s assignment of duties, responsibilities or reporting requirements that are materially inconsistent with her positions or that materially expand her duties, responsibilities, or reporting requirements without the consent of the Executive; or (iii) any requirement by the Company that the Executive relocate to a principal place of business outside of the Detroit, Michigan metropolitan area. Written notice of an event constituting Good Reason must be provided to the Company by the Executive within ninety (90) days of its occurrence. The Company will have thirty (30) days to cure such occurrence, and the Executive may not terminate this Agreement due to Good Reason more than thirty (30) days following the last day of such cure period (and only if the Company has failed to cure).”

5. Section 8(a) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 8(a):

“(a) In the event that the REIT terminates the Executive's employment under this Agreement without “cause” pursuant to Section 7(a)(i) or if Executive terminates this Agreement for Good Reason pursuant to Section 7(a)(v) hereof, (i) the Executive shall be entitled to any accrued and unpaid Base Salary, Bonus and benefits through the effective date of such termination, prorated for the number of days actually employed in the then current calendar year, which shall be paid by the Company to the Executive within thirty (30) days of the effective date of such termination (or such later date as may be required in order to determine the amount of any Bonus due to the Executive but in no event later than March 15<sup>th</sup> of the calendar year following the calendar year that Executive’s employment is terminated), and (ii) subject to the Executive’s execution of a general release of claims in a form satisfactory to the Company, the Company shall pay the Executive monthly an amount equal to one-twelfth (1/12) of the Base Salary (at the rate that would otherwise have been payable under this Agreement) for a period of up to twelve (12) months if the Executive fully complies with Section 12 of this Agreement (the “Severance Payment”). The first monthly installment of the Severance Payment shall be paid not later than 45 days after the date of the termination that gives rise to the Severance Payment obligation, provided that the Executive has executed and delivered the general release of claims described above and the statutory period during which the Executive is entitled to revoke the general release of claims has expired prior to the end of such 45-day period, and, provided further, that if such 45-day period begins in one taxable year and ends in the subsequent taxable year, the first monthly installment of the Severance Payment shall be paid in the second taxable year. Notwithstanding the foregoing, the Severance Payment shall not be due Executive if Executive is entitled to Change in Control Benefits (as defined in Section 10 below).”

6. Section 8(b) of the Employment Agreement is hereby deleted in its entirety

and replaced with the following Section 8(b):

“(b) If (i) the Company terminates the Executive's employment under this Agreement for "cause", or (ii) the Executive voluntarily terminates her employment hereunder, other than for Good Reason pursuant to Section 7(a)(v) hereof, the Executive shall be entitled to no further compensation or other benefits under this Agreement, except for any accrued and unpaid Base Salary and benefits through the effective date of such termination, prorated for the number of days actually employed in the then current calendar year.”

7. Section 8(c) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 8(c):

“(c) In the event of termination of the Executive's employment under this Agreement due to the Executive's permanent disability or death, (i) the Executive (or her successors and assigns in the event of her death) shall be entitled to any accrued and unpaid Base Salary, Bonus and benefits through the effective date of such termination, prorated for the number of days actually employed in the then current calendar year, which shall be paid by the Company to the Executive or her successors and assigns, as appropriate, within thirty (30) days of the effective date of such termination (or such later date as may be required in order to determine the amount of any Bonus due to the Executive but in no event later than March 15<sup>th</sup> of the calendar year following the calendar year that Executive's employment is terminated), and (ii) the Company shall pay the Executive monthly an amount equal to one-twelfth (1/12) of the Base Salary (at the rate that would otherwise have been payable under this Agreement) for a period of up to twenty-four (24) months if the Executive fully complies with Section 12 of this Agreement (the “Disability Payment”); provided, however, that payments so made to the Executive shall be reduced by the sum of the amounts, if any, which: (A) were paid to the Executive under any death or disability benefit plans of the Company following the death or the onset of the disability, and (B) did not previously reduce the Base Salary, Bonus and other benefits due the Executive under Section 4(f) of this Agreement. The Executive agrees to cooperate in any reasonable requirement to undertake a medical physical examination as may be reasonably requested by an insurance carrier in the event that the Company decides to obtain additional death or disability insurance coverage on the Executive.”

8. Section 10(a) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 10(a):

“(a) The Company or its successor shall pay the Executive the Change in Control Benefits (as defined below) if there has been a Change in Control (as defined below) and any of the following events has occurred (each a “Triggering Event”): (i) the Executive's employment under this Agreement is terminated by the Company or its successor without “cause” in accordance with Section 7(a)(i) at any time within twenty-four (24) months after the Change in Control, (ii) the Executive terminates her employment under this Agreement for Good Reason in accordance with Section 7(a)(v) at any time within twenty-four (24) months after the Change in Control; or (iii) upon a Change in Control under Section 10(g)(ii), the Company or its successor does not expressly assume all of the terms and conditions of this Agreement.”

9. Section 10(c) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 10(c):

“(c) Notwithstanding anything to the contrary herein, in the event that within

sixty (60) days prior to a Change in Control (i) the Executive's employment under this Agreement is terminated by the Company or its successor without "cause" in accordance with Section 7(a)(i), or (ii) the Executive terminates her employment under this Agreement for Good Reason in accordance with Section 7(a)(v), such termination, in either case, shall be deemed to have been made in connection with the Change in Control, such termination shall be a Triggering Event, and (x) the Executive shall be entitled to receive the Change in Control Benefits, (y) the Executive shall be entitled to be reimbursed for any COBRA premiums previously paid by Executive, and (z) in accordance with Section 11 below, all stock options or other stock based compensation awarded to the Executive shall become fully vested and immediately exercisable and may be exercised by Executive at any time within one (1) year after such Triggering Event."

10. Section 10(d) of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 10(d):

"(d) The Change in Control Benefits shall be in addition to the acceleration of the vesting of, and the extension of the time for exercise of, stock options and other stock based compensation as a result of a Triggering Event."

11. Section 11 of the Employment Agreement is hereby deleted in its entirety and replaced with the following Section 11:

"11. Stock Awards. In the event of termination of the Executive's employment under this Agreement for "cause", all stock options or other stock based compensation awarded to the Executive shall lapse and be of no further force or effect whatsoever in accordance with the Company's equity incentive plans. If the Company terminates the Executive's employment under this Agreement without "cause" or if the Executive terminates her employment under this Agreement for Good Reason in accordance with Section 7(a)(v) or upon the death or permanent disability of the Executive, all stock options and other stock based compensation awarded to the Executive shall become fully vested and immediately exercisable. Upon a Triggering Event or any event described in Section 10(c) of this Agreement, all stock options or other stock based compensation awarded to the Executive shall become fully vested and immediately exercisable and may be exercised by the Executive at any time within one (1) year after the Triggering Event. All stock option and other stock based compensation award agreements between the Company and the Executive shall be amended to conform to the provisions of this Section 11. In the event of an inconsistency between this Section 11 and such award agreements, this Section 11 shall control."

12. Except as otherwise modified herein, the Employment Agreement shall remain in full force and effect consistent with its terms.

13. This Amendment shall be governed by and construed according to the laws of the State of Michigan.

14. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

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

**REIT:**

SUN COMMUNITIES, INC., a Maryland corporation

By: /s/ Gary A. Shiffman

\_\_\_\_\_  
Gary A. Shiffman, Chief Executive Officer

**SCOLP:**

SUN COMMUNITIES OPERATING LIMITED PARTNERSHIP, a Michigan limited partnership

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

By: /s/ Gary A. Shiffman

\_\_\_\_\_  
Gary A. Shiffman, Chief Executive Officer

**EXECUTIVE:**

/s/ Karen J. Dearing

\_\_\_\_\_  
KAREN J. DEARING



**SUN COMMUNITIES, INC.**

**EQUITY INCENTIVE PLAN**

**AMENDED AND RESTATED RESTRICTED STOCK AWARD AGREEMENT**

Sun Communities, Inc., a Maryland corporation (the "Company"), upon the recommendation of the Company's Board of Directors (the "Board") and pursuant to that certain Equity Incentive Plan (the "Plan") adopted by the Company's Board of Directors and approved by its shareholders on July 29, 2009, and in consideration of the services to be rendered to the Company or its subsidiaries by Gary A. Shiffman ("Employee"), hereby grants and issues, as of June 20, 2013 (the "Date of Grant"), to Employee two hundred fifty thousand (250,000) shares of the Company's Common Stock, par value \$0.01 per share (the "Shares"), subject to the terms and conditions contained in this Amended and Restated Restricted Stock Award Agreement (the "Agreement") and subject to all the terms and conditions of the Plan, which are incorporated by reference herein. Employee agrees to the provisions set forth herein and in the Plan and acknowledges that each such provision is a material condition of the Company's agreement to issue the Shares to Employee. This Agreement amends and restates, in its entirety, that certain Restricted Stock Award Agreement dated as of the Date of Grant between the Company and Employee (the "Original Agreement"). Upon execution of this Agreement the Original Agreement shall be null and void and of no further force and effect. All capitalized terms used but not otherwise defined in this Agreement shall have the meanings ascribed to such terms in the Plan.

**I. RECEIPT AND DELIVERY OF SHARES**

Until such time as the Shares vest in accordance with Section II below, the stock certificate or certificates evidencing the Shares shall be registered in the name of Employee but held in escrow by the Company. As soon as practicable after the date upon which any Shares vest, the Company shall deliver to Employee a certificate or certificates representing such vested Shares, registered in the name of Employee.

**II. VESTING SCHEDULE**

(a) Subject to the restrictions and conditions set forth in the Plan and subject to the other terms of this Agreement, 150,000 Shares shall be subject to vesting as set forth in Section II(b) below (the "Time Vesting Shares") and the remaining 100,000 Shares shall be subject to vesting as set forth in Section II(c) and Section II(d) below (the "Performance Vesting Shares").

(b) The Time Vesting Shares shall vest as follows: (i) 52,500 of the Time Vesting Shares shall vest on each of June 20, 2016 and June 20, 2017, (ii) 30,000 of the Time Vesting Shares shall vest on June 20, 2018, and (iii) 7,500 of the Time Vesting Shares shall vest on each of June 20, 2019 and June 20, 2020, provided that Employee is employed by the Company or any of its affiliates on such dates.

(c) If the Market Performance Criteria (as defined below) for the applicable three-year measurement period is satisfied, up to 50,000 of the Performance Vesting Shares shall vest as follows, provided that Employee is employed by the Company or any of its affiliates on the applicable vesting dates:

<u>Three-Year Measurement Period</u>	<u>Vesting Date</u>	<u>Shares Vested</u>
January 1, 2013 through December 31, 2015	March 1, 2016	Up to 16,667
January 1, 2014 through December 31, 2016	March 1, 2017	Up to 16,667
January 1, 2015 through December 31, 2017	March 1, 2018	Up to 16,666

For purposes hereof, “Market Performance Criteria” shall mean certain performance criteria relative to the Company’s common stock performance established for Employee by the Compensation Committee of the Company’s Board of Directors. The Market Performance Criteria will be based (i) 50% on the absolute total shareholder return on the Company’s common stock during the applicable three-year measurement period above, and (ii) 50% on the total shareholder return on the Company’s common stock during the applicable three-year measurement period relative to the total shareholder return during such period of an index of a group of publicly-traded companies that are peers of the Company.

(d) If the Company Performance Criteria (as defined below) for the applicable calendar year is satisfied, up to 50,000 of the Performance Vesting Shares shall vest as follows, provided that Employee is employed by the Company or any of its affiliates on the applicable vesting dates:

<u>Calendar Year</u>	<u>Vesting Date</u>	<u>Shares Vested</u>
January 1, 2014 through December 31, 2014	March 1, 2015	Up to 12,500
January 1, 2015 through December 31, 2015	March 1, 2016	Up to 12,500
January 1, 2016 through December 31, 2016	March 1, 2017	Up to 12,500
January 1, 2016 through December 31, 2017	March 1, 2018	Up to 12,500

For purposes hereof, “Company Performance Criteria” shall mean certain Company financial performance criteria established for Employee by the Compensation Committee of the Company’s Board of Directors. The Company Performance Criteria will be based (i) 50% on certain Company FFO growth targets for the applicable calendar year, and (ii) 50% on certain Company same-site NOI growth targets for the applicable calendar year.

(e) Subject to Section 11 of that certain Employment Agreement by and among the Company, Sun Communities Operating Limited Partnership, a Michigan limited partnership, and Employee dated as of the Date of Grant (including any amendments, restatements or replacements thereof), in the event of Employee’s Termination of Employment at any time for any reason other than the death or Disability (as defined below) of Employee, all unvested Shares shall be automatically forfeited to the Company and, accordingly, Employee shall forfeit all right, title and interest in and to such forfeited Shares. For purposes hereof, “Disability” shall mean physical or mental incapacity for an aggregate period of at least 90 days within any period of 365 consecutive days.

### III. RESTRICTIONS ON SHARES; CLAWBACK

Until a Share vests pursuant to Section II above, it shall not be liable for the debts, contracts or obligations of Employee nor be subject to disposition by assignment, transfer, sale, alienation, pledge, encumbrance or any other means, whether such disposition is voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or other legal or equitable proceeding (including bankruptcy), and any attempted disposition thereof shall be null and void and of no force or effect; provided, however, that this Section III does not prevent transfers by will or by the applicable laws of descent and distribution.

The Employee agrees that all of the Shares are subject to the Sun Communities, Inc. Executive Compensation "Clawback" Policy dated July 14, 2014, as it may be amended, restated or supplemented from time to time.

### IV. RIGHTS AS A STOCKHOLDER

Notwithstanding Section 9.06 of the Plan to the contrary, Employee shall be entitled to all of the rights of a stockholder with respect to the Shares, including the right to vote such Shares and to receive dividends and other distributions payable with respect to such Shares from and after the Date of Grant; provided that any securities or other property (but not cash) received in any such distribution with respect to any Shares that are still subject to the restrictions of Section II and III of this Agreement shall be subject to all of the restrictions in this Agreement with respect to such Shares.

### V. REGISTRATION

Subject to the other terms and conditions of this Agreement, the Shares may be offered and sold by Employee only if such stock is registered for resale under the Securities Act of 1933, as amended (the "Securities Act"), or if an exemption from registration under the Securities Act is available. Employee acknowledges and agrees: (a) that the Company has no obligation to effect such registration; (b) not to offer or sell the Shares unless and until such stock is registered for resale under the Securities Act or an exemption from registration is available; and (c) that the Shares were acquired for his own account for investment and not with a view to, or for sale in connection with, the distribution of any part thereof.

### VI. NO RIGHT TO EMPLOYMENT CONFERRED

Nothing in this Agreement or the Plan shall confer upon Employee any right to continue in employment with the Company or a subsidiary or interfere in any way with the right of the Company or any subsidiary to terminate such person's employment at any time.

### VII. MISCELLANEOUS

(a) In accordance with the terms of the Plan, the Company is entitled to withhold (or secure payment from Employee in lieu of withholding) the amount of any withholding or other tax required by law to be withheld or paid by the Company with respect to the award or issuance of the Shares. Employee understands that the taxable income recognized by Employee as a result of the award of the Shares would be affected by a decision by Employee to make an election under Section 83(b) of the Internal Revenue Code of 1986, as amended (the "83(b) Election"), with respect to the Shares within thirty (30) days after the Date of Grant. Employee acknowledges and agrees that he will have the sole responsibility for determining whether to make an 83(b) Election with respect to the Shares and for properly making such election and filing such election with the relevant taxing authorities on a timely basis.

(b) If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall continue to be in full force and effect to the maximum extent permitted by law. If the implementation or presence of any provision of this Agreement would or will cause the Plan and thereby the Shares purchased thereunder to not be in compliance with Rule 16b-3 under the Securities Exchange Act of 1934, as amended, or any other statutory provision, such Agreement provision shall not be implemented or, at the Company's option following notice, such provision shall be severed from the Agreement as is appropriate or necessary to achieve statutory compliance; provided, however, that the parties hereby agree to negotiate in good faith as may be necessary to modify this Agreement to achieve statutory compliance or otherwise effectuate the intent of the parties following a severance permitted by this Section VII(b).

(c) The number and kind of Shares shall be appropriately adjusted to reflect any stock dividend, stock split, combination or exchange of shares, or other change in capitalization with a similar substantive effect upon such Shares. The Administrator shall have the power to determine the amount of the adjustment to be made in each case.

(d) Any notice required to be given hereunder to the Company shall be addressed to the Chief Financial Officer, Sun Communities, Inc., 27777 Franklin Road, Suite 200, Southfield, Michigan 48034, and any notice required to be given to Employee shall be sent to Employee's address as shown on the records of the Company.

(e) This instrument contains the entire Agreement of the parties and may only be amended by written agreement executed by the parties hereto.

(f) This Agreement is made and entered into in, and shall be construed and enforced in accordance with the laws of, the State of Michigan.

*[Signatures on following page]*

IN WITNESS WHEREOF, this Amended and Restated Restricted Stock Award Agreement is hereby executed as of July 15, 2014, but effective as of the Date of Grant.

“COMPANY”

SUN COMMUNITIES, INC., a Maryland corporation

By: /s/ Karen J. Dearing

---

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

“EMPLOYEE”

/s/ Gary Shiffman

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GARY SHIFFMAN

[Signature Page to Amended and Restated Restricted Stock Award Agreement]

**Sun Communities, Inc.**  
**Stock Ownership Guidelines**

The Board of Directors of Sun Communities, Inc., a Maryland corporation (the "Company"), believes that significant ownership of the Company's stock by its executive officers and members of the Board of Directors helps to align the interests of the Company's management with those of its stockholders and is consistent with the Company's commitment to sound corporate governance.

Ownership:

These Stock Ownership Guidelines (the "Guidelines") provide that members of the Company's senior management who are considered executive officers for purposes of Section 16 of the Securities Exchange Act of 1934, and non-employee members of the Company's Board of Directors, will be subject to an equity ownership guideline established as a multiple of annual base salary (calculated by dividing base salary by the closing price of the Company's common stock), as follows:

- Chairman and Chief Executive Officer -- six times (6x) base salary
- President and other executive officers -- three times (3x) base salary
- Non-employee directors -- three times (3x) annual cash retainer (exclusive of chairperson or committee fees)

Counting Shares Owned:

Only shares of the Company's common stock that are owned in the following forms will be considered in determining whether an individual's stock ownership goal has been achieved:

- Shares owned directly by the individual or his or her immediate family members residing in the same household
- Shares held in an individual's IRA accounts
- Shares held in the Company's 401(k) plan
- Shares owned by an individual under any Company sponsored restricted stock or other equity incentive plan, including any performance based share plan, regardless of the restrictions or risk of forfeiture
- Shares held in a grantor trust for the benefit of the individual or his or her immediate family members residing in the same household
- Shares owned by a partnership, limited liability company or other entity to the extent of the individual's interest therein (or the interest therein of his or her immediate family members residing in the same household) but only if the individual has or shares power to vote or dispose of the shares

For purposes of these Guidelines, shares shall include OP Units of Sun Communities Operating Limited Partnership.

Time for Compliance:

A covered individual is required to achieve compliance with these Guidelines by the later of (i) five years from the date of adoption of these Guidelines, (ii) five years from the date of promotion to the covered position, or (iii) five years from the start of employment (or directorship) with the Company.

Stock Retention Requirements:

Until such time as an executive officer or non-employee director covered by these Guidelines has achieved compliance with the Guidelines, or becomes non-compliant due to a reduction in stock price, they will be required to retain at least fifty percent (50%) of the "Net Shares" that are acquired as a result of the vesting of restricted stock until compliance is achieved or re-achieved. "Net Shares" are newly vested shares that are owned after newly vested shares are sold or withheld to pay applicable taxes.

Hardship and Waivers:

There may be instances in which the Guidelines would place a hardship on an individual covered by the Guidelines or prevent such individual from complying with a court order, such as a divorce settlement. In these instances, such individual must submit a request in writing to the Chief Executive Officer and the Company's Nominating and Corporate Governance Committee summarizing the circumstances and describing the extent to which an exemption is being requested. The Nominating and Corporate Governance Committee shall make the final decision as to whether an exemption will be granted.

Effective as of July 14, 2014

**Sun Communities, Inc.**  
**Policy Prohibiting Hedging**

The directors and executive officers of Sun Communities, Inc., a Maryland corporation (the “Company”), who are subject to the reporting provisions and trading restrictions of Section 16 of the Securities Exchange Act of 1934, as amended, may not trade in any interest or position relating to the future price of the Company’s securities, such as a put, call or short sale.

Effective as of July 14, 2014



**Sun Communities, Inc.**  
**Executive Compensation "Clawback" Policy**

If the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Sun Communities, Inc., a Maryland corporation (the "Company"), determines that an officer of the Company who is subject to Section 16(b) of the Securities Exchange Act of 1934 (an "Officer") has engaged in fraud, willful misconduct or gross negligence that directly caused or otherwise directly contributed to the need for a material restatement of the Company's financial results in order to comply with federal securities laws, the Committee will review all "performance-based compensation" awarded to or earned by such Officer where the performance measurement period for such compensation includes any fiscal period(s) affected by the restatement. For purposes hereof, "performance-based compensation" includes all annual incentives and long-term incentives with performance features based on the Company's financial performance, whether paid in cash or in equity, where the award or size of the award was contingent on such performance.

If the Committee determines, in its reasonable discretion, that any such performance-based compensation would not have been paid or would have been at a lower amount had it been based on the restated financial results, the Board or the Committee may within 12 months of such a restatement, to the extent permitted by applicable law, seek recoupment from such Officer of the portion of such performance-based compensation that is greater than that which would have been awarded or earned had such compensation been calculated on the basis of the restated financial results. Any such recoupment effort authorized by the Board or Committee shall be subject to the provisions of applicable compensation or employment agreements, including dispute resolution procedures. This policy shall be incorporated by reference into and shall apply to all performance-based compensation plans and awards granted on or after its adoption by the Committee.

For purposes of this policy, an act or omission will not be considered to constitute gross negligence or willful misconduct if the person in good faith relied upon the advice of the Company's external accountants or legal counsel.

This policy does not apply to restatements that the Board determines are required or permitted under generally accepted accounting principles in connection with the adoption or implementation of a new accounting standard or caused by the Company's decision to change its accounting practice as permitted by applicable law.

Effective as of July 14, 2014