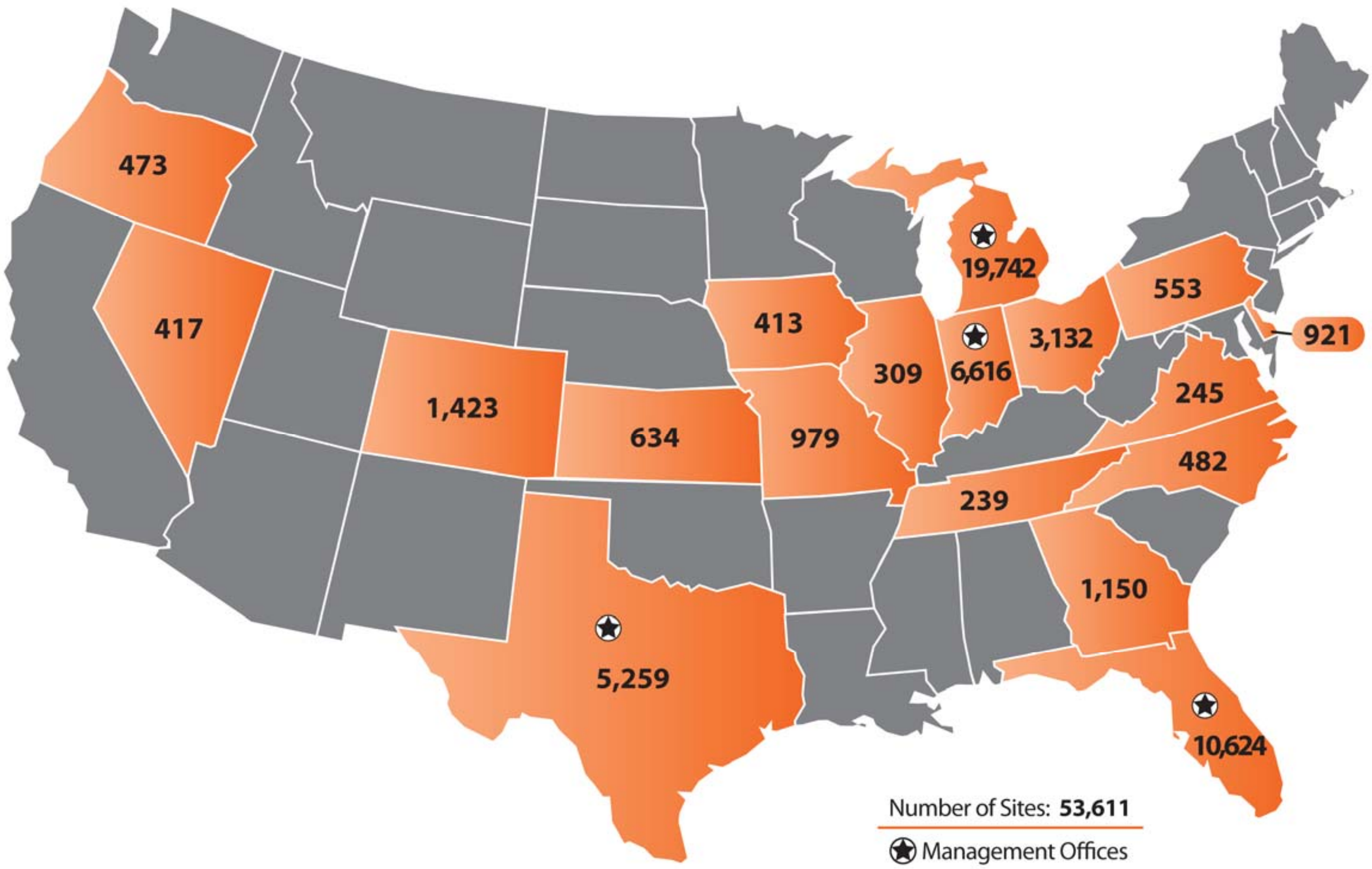
SUN COMMUNITIES, INC.

Supplemental Operating & Financial Data

SECOND QUARTER 2011


473
417
1,423
634
413
979
309
19,742
6,616
3,132
553
921
245
482
239
1,150
5,259
10,624
Number of Sites: 53,611
Management Offices


Right where you belong.

Table of Contents

Investor Information....4

FINANCIAL STATEMENTS

Balance Sheets....5
Debt Analysis....6
Statements of Operations....7
Reconciliation of Net (Loss) Income to Funds From Operations....8

SELECTED FINANCIAL INFORMATION

Statement of Operations – Same Site and Percentage Growth....9
Rental Program Summary....9

OTHER INFORMATION

Property Summary....10
Capital Improvements, Development, and Acquisitions....11
Operating Statistics for Manufactured Homes and Permanent RV's....12
Footnotes to Supplemental Data....13

REASEARCH COVERAGE

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

INQUIRIES

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

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

Balance Sheets
(amounts in thousands)

SUN COMMUNITIES, INC.

	Quarter Ended				
	06/30/11	03/31/11	12/31/10	09/30/10	06/30/10
ASSETS:					
Real Estate					
Land	$ 124,073	$ 116,837	$ 116,837	$ 116,363	$ 116,266
Land improvements and buildings	1,324,544	1,192,972	1,190,761	1,189,587	1,186,677
Rental homes and improvements	226,035	213,740	209,824	204,727	203,159
Furniture, fixtures and equipment	36,971	36,811	36,716	36,131	35,883
Land held for future development	26,746	26,406	26,406	26,889	26,986
Gross investment property	1,738,369	1,586,766	1,580,544	1,573,697	1,568,971
Accumulated depreciation	(570,884)	(559,999)	(548,218)	(536,612)	(525,344)
Net investment property	1,167,485	1,026,767	1,032,326	1,037,085	1,043,627
Cash and cash equivalents	4,007	4,857	8,420	4,706	5,618
Notes and other receivables	25,275	21,258	17,787	16,887	16,417
Collateralized receivables, net [1]	77,107	73,190	71,020	68,795	66,296
Inventory of manufactured homes	4,389	3,140	2,309	2,243	2,457
Investment in affiliates	-	-	-	-	69
Other assets	44,532	30,863	30,829	34,346	32,940
Total assets	$ 1,322,795	$ 1,160,075	$ 1,162,691	$ 1,164,062	$ 1,167,424
LIABILITIES AND STOCKHOLDERS DEFICIT:					
Liabilities					
Lines of credit	$ 88,325	$ 62,889	$ 94,527	$ 91,910	$ 85,581
Secured borrowing [1]	77,466	73,519	71,278	69,018	66,494
Mortgage loans payable	1,128,796	1,051,125	1,044,012	1,047,719	1,051,220
Preferred operating units	48,322	48,322	48,322	48,022	48,022
Other liabilities	45,334	35,922	36,936	38,433	39,081
Total liabilities	1,388,243	1,271,777	1,295,075	1,295,102	1,290,398
Stockholders' Deficit					
Common stock	233	227	217	214	212
Paid in capital	543,657	527,437	495,331	485,999	478,810
Officer's notes	-	-	-	(2,912)	(3,065)
Unrealized loss on interest rate swaps	(1,842)	(1,860)	(2,226)	(2,772)	(2,538)
Distributions in excess of accumulated earnings	(574,417)	(560,335)	(549,625)	(536,866)	(523,292)
Treasury stock at cost	(63,600)	(63,600)	(63,600)	(63,600)	(63,600)
Total SUI stockholders' deficit	(95,969)	(98,131)	(119,903)	(119,937)	(113,473)
Noncontrolling interests:					
Preferred OP Units	45,548	-	-	-	-
Common OP Units	(15,027)	(13,571)	(12,481)	(11,103)	(9,501)
Total stockholders' deficit	(65,448)	(111,702)	(132,384)	(131,040)	(122,974)
Total liabilities and stockholders' deficit	$ 1,322,795	$ 1,160,075	$ 1,162,691	$ 1,164,062	$ 1,167,424
Preferred OP Units outstanding if converted	1,111	-	-	-	-
Common OP Units outstanding	2,072	2,079	2,082	2,107	2,111
Number of common shares outstanding	21,502	20,920	19,915	19,599	19,353

Debt Analysis
(amounts in thousands)

SUN COMMUNITIES, INC.

	Quarter Ended 06/30/11	03/31/11	12/31/10	09/30/10	06/30/10
DEBT OUTSTANDING					
Lines of credit	$ 88,325	$ 62,889	$ 94,527	$ 91,910	$ 85,581
Mortgage loans payable	1,128,796	1,051,125	1,044,012	1,047,719	1,051,220
Preferred operating units	48,322	48,322	48,322	48,022	48,022
Secured borrowing (1)	77,466	73,519	71,278	69,018	66,494
Total debt	$ 1,342,909	$ 1,235,855	$ 1,258,139	$ 1,256,669	$ 1,251,317
% FIXED/FLOATING					
Fixed	80.22 %	80.95 %	80.74 %	80.89 %	81.29 %
Floating	19.78 %	19.05 %	19.26 %	19.11 %	18.71 %
Total	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
WEIGHTED AVERAGE INTEREST RATES					
Lines of credit	2.77 %	2.92 %	2.50 %	2.51 %	2.64 %
Mortgage loans payable	4.70 %	4.84 %	4.78 %	4.79 %	4.79 %
Preferred operating units	6.87 %	6.87 %	6.87 %	6.86 %	6.84 %
Average before secured borrowing	4.65 %	4.71 %	4.68 %	4.70 %	4.72 %
Secured borrowing (1)	11.28 %	11.32 %	11.30 %	11.28 %	11.22 %
Total average	5.03 %	5.21 %	5.06 %	5.06 %	5.06 %
DEBT RATIOS					
Debt/Total Capitalization	60.4 %	60.1 %	63.2 %	65.3 %	69.2 %
Debt/Gross Assets	70.9 %	71.8 %	73.5 %	73.9 %	73.9 %
COVERAGE RATIOS					
EBITDA/ Interest (2)	2.3	2.4	2.2	2.1	2.1
EBITDA/ Interest + Pref. Distributions (2)	2.2	2.3	2.1	2.0	2.0

MATURITIES/PRINCIPAL AMORTIZATION NEXT FIVE YEARS	Jul 2011 - Dec 2011	2012	2013	2014	2015
Lines of credit	$ 71,400	$ 7,925	$ -	$ -	$ -
Mortgage loans payable:					
Maturities	-	16,757	33,770	185,771	21,153
Principal amortization	7,964	16,543	17,043	15,196	13,314
Preferred operating units	370	4,300	3,645	4,225	-
Secured borrowing (1)	1,534	3,322	3,638	3,984	4,413
Total	$ 81,268	$ 48,847	$ 58,096	$ 209,176	$ 38,880

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

	06/30/11	03/31/11	12/31/10	09/30/10	06/30/10
REVENUES:					
Income from real property	$ 52,264	$ 53,836	$ 52,374	$ 50,169	$ 49,948
Gross profit from home sales	1,745	1,744	1,753	2,004	2,365
Rental revenues, net	1,673	1,657	1,181	971	1,458
Other income	3,275	2,663	2,911	2,012	1,385
Total revenues	58,957	59,900	58,219	55,156	55,156
EXPENSES:					
Property operating and maintenance	13,994	13,458	12,907	13,942	13,105
Real estate taxes	4,098	4,115	4,106	3,813	4,183
General and administrative	6,785	6,451	6,626	5,281	7,480
Acquisition related costs	1,151	249	-	-	-
Total expenses	26,028	24,273	23,639	23,036	24,768
EBITDA (3)	32,929	35,627	34,580	32,120	30,388
Interest	(15,225)	(15,406)	(15,908)	(15,668)	(15,455)
Interest on mandatorily redeemable debt	(829)	(826)	(829)	(826)	(819)
Depreciation and amortization	(18,121)	(16,679)	(18,213)	(17,132)	(16,832)
Benefit (provision) for state income tax	259	(131)	(108)	(143)	(129)
NET (LOSS) INCOME	(987)	2,585	(478)	(1,649)	(2,847)
Preferred return to preferred OP units	(51)	-	-	-	-
Amounts attributable to common noncontrolling interest	148	(185)	110	246	398
NET (LOSS) INCOME ATTRIBUTABLE TO SUI	(890)	2,400	(368)	(1,403)	(2,449)
Depreciation and amortization	17,418	16,897	16,961	16,945	16,808
Loss (gain) on disposition of assets, net	320	(686)	675	(490)	(806)
Preferred return to preferred OP units	51	-	-	-	-
Amounts attributable to common noncontrolling interest	(148)	185	(110)	(246)	(398)
FUNDS FROM OPERATIONS (“FFO”) (3)	16,751	18,796	17,158	14,806	13,155
Equity affiliate adjustment (4)	-	-	-	19	808
Acquisition related costs	1,151	249	-	-	-
Benefit for state income tax (5)	(398)	(9)	(8)	-	(13)
ADJUSTED FUNDS FROM OPERATIONS(“AFFO”) (3)	17,504	19,036	17,150	14,825	13,950
Recurring capital expenditures	(1,778)	(1,115)	(1,839)	(2,184)	(1,874)
FUNDS AVAILABLE FOR DISTRIBUTION ("FAD") (3)	$ 15,726	$ 17,921	$ 15,311	$ 12,641	$ 12,076
FFO PER SHARE/UNIT - DILUTED (3)	$ 0.71	$ 0.82	$ 0.78	$ 0.69	$ 0.62
AFFO PER SHARE/UNIT – DILUTED (3)	$ 0.74	$ 0.83	$ 0.78	$ 0.69	$ 0.66
FAD PER SHARE/UNIT - DILUTED (3)	$ 0.67	$ 0.78	$ 0.70	$ 0.59	$ 0.57
DIVIDEND PER SHARE/UNIT	$ 0.63	$ 0.63	$ 0.63	$ 0.63	$ 0.63
PAYOUT RATIO	92.4 %	80.5 %	89.7 %	107.0 %	110.2 %
WEIGHTED AVG. SHARES/UNITS - BASIC	23,403	22,889	21,887	21,570	21,301
WEIGHTED AVG. SHARES/UNITS - DILUTED	23,518	22,902	21,903	21,581	21,312

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

SUN COMMUNITIES, INC.

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Net (loss) income attributable to Sun Communities, Inc. common stockholders	$ (890)	$ (2,449)	$ 1,510	$ (1,112)
Adjustments:				
Preferred return to preferred OP units	51	-	51	-
Amounts attributable to common noncontrolling interest	(148)	(398)	37	(274)
Depreciation and amortization	17,418	16,808	34,315	33,842
Loss (gain) on disposition of assets, net	320	(806)	(366)	(1,655)
Funds from operations ("FFO") (3)	$ 16,751	$ 13,155	$ 35,547	$ 30,801
Adjustments:				
Michigan Business tax reversal	-	-	-	(740)
Equity affiliate adjustment (4)	-	808	-	1,627
Acquisition related costs	1,151	-	1,400	-
Benefit for state income taxes (5)	(398)	(13)	(407)	(24)
Adjusted funds from operations ("AFFO")	$ 17,504	$ 13,950	$ 36,540	$ 31,664
Weighted average common shares outstanding:	21,090	19,031	20,875	18,848
Add:				
OP units	2,075	2,113	2,078	2,126
Restricted stock	238	157	192	167
Common stock issuable upon conversion of preferred OP units	98	-	49	-
Common stock issuable upon conversion of stock options	17	11	9	7
Weighted average common shares outstanding - diluted (FFO and AFFO)(3)	23,518	21,312	23,203	21,148
Funds from operations per share - diluted	$ 0.71	$ 0.62	$ 1.53	$ 1.46
Adjusted funds from operations per share - diluted	$ 0.74	$ 0.66	$ 1.57	$ 1.50

Statement of Operations – Same Site
(amounts in thousands except for other information)

SUN COMMUNITIES, INC.

	Three Months Ended				Six Months Ended			
	06/30/11	06/30/10	Change	% Change	06/30/11	06/30/10	Change	% Change
REVENUES:								
Income from real property	$ 48,799	$ 47,227	$ 1,572	3.3 %	$ 99,463	$ 96,361	$ 3,102	3.2 %
PROPERTY OPERATING EXPENSES:								
Payroll and benefits	4,100	3,933	167	4.2 %	8,064	7,756	308	4.0 %
Legal, taxes, & insurance	841	767	74	9.6 %	1,542	1,377	165	12.0 %
Utilities	2,784	2,693	91	3.4 %	5,915	6,172	(257)	-4.2 %
Supplies and repair	2,283	2,303	(20)	-0.9 %	3,726	3,603	123	3.4 %
Other	923	688	235	34.2 %	1,970	1,643	327	19.9 %
Real estate taxes	4,039	4,183	(144)	-3.4 %	8,154	8,363	(209)	-2.5 %
Property operating expenses	14,970	14,567	403	2.8 %	29,371	28,914	457	1.6 %
NET OPERATING INCOME ("NOI")(3)	$ 33,829	$ 32,660	$ 1,169	3.6 %	$ 70,092	$ 67,447	$ 2,645	3.9 %

	As of June 30,		
	2011	2010	Change
OTHER INFORMATION			
Number of properties	136	136	-
Developed sites	47,677	47,564	113
Occupied sites (6)	38,928	38,369	559
Occupancy % (6)	85.3 %	84.3 %	1.0 %
Weighted average monthly rent per site (7)	$ 420	$ 409	11
Sites available for development	5,439	5,574	(135)

Rental Program Summary
(amounts in thousands except for *)

	Three Months Ended				Six Months Ended			
	06/30/11	06/30/10	Change	% Change	06/30/11	06/30/10	Change	% Change
REVENUES:								
Rental home revenue	$ 5,427	$ 5,052	$ 375	7.4 %	$ 10,757	$ 10,131	$ 626	6.2 %
Site rent included in income from real property	7,745	7,118	627	8.8 %	15,317	14,134	1,183	8.4 %
Rental program revenue	13,172	12,170	1,002	8.2 %	26,074	24,265	1,809	7.5 %
EXPENSES:								
Payroll and commissions	472	438	34	7.8 %	944	938	6	0.6 %
Repairs and refurbishment	1,785	1,744	41	2.4 %	3,591	3,348	243	7.3 %
Taxes and insurance	815	812	3	0.4 %	1,551	1,595	(44)	-2.8 %
Marketing and other	682	600	82	13.7 %	1,341	1,336	5	0.4 %
Rental program operating and maintenance	3,754	3,594	160	4.5 %	7,427	7,217	210	2.9 %
NET OPERATING INCOME ("NOI") (3)	$ 9,418	$ 8,576	$ 842	9.8 %	$ 18,647	$ 17,048	$ 1,599	9.4 %

Occupied rental home information as of June 30, 2011 and 2010:				
Number of occupied rentals, end of period*	6,444	5,953	491	8.2 %
Investment in occupied rental homes	$ 213,602	$ 190,320	$ 23,283	12.2 %
Number of sold rental homes*	416	392	24	6.1 %
Weighted average monthly rental rate*	$ 747	$ 729	$ 18	2.5 %

Property Summary
(includes MH and Perm RV's)

SUN COMMUNITIES, INC.

COMMUNITIES	Quarter Ended 06/30/11	03/31/11	12/31/10	09/30/10	06/30/10
MICHIGAN					
Communities	65	47	47	47	47
Sites for development	1,453	1,153	1,153	1,153	1,153
Developed sites	19,461	14,333	14,333	14,333	14,333
Occupied	15,680	11,359	11,321	11,361	11,359
Occupancy %	80.6%	79.3%	79.0%	79.3%	79.3%
FLORIDA (6)					
Communities	20	19	19	19	19
Sites for development	223	223	223	226	226
Developed sites	8,810	8,631	8,634	8,622	8,622
Occupied	8,712	8,544	8,550	8,544	8,549
Occupancy %	98.9%	99.0%	99.0%	99.1%	99.2%
INDIANA					
Communities	18	18	18	18	18
Sites for development	519	519	519	519	519
Developed sites	6,616	6,616	6,616	6,616	6,616
Occupied	4,421	4,400	4,387	4,413	4,423
Occupancy %	66.8%	66.5%	66.3%	66.7%	66.9%
OHIO					
Communities	11	11	11	11	11
Sites for development	135	135	135	135	135
Developed sites	3,132	3,132	3,132	3,132	3,132
Occupied	2,735	2,704	2,704	2,721	2,712
Occupancy %	87.3%	86.3%	86.3%	86.9%	86.6%
TEXAS (6)					
Communities	17	17	17	17	17
Sites for development	3,084	3,084	3,086	3,092	3,092
Developed sites	4,723	4,722	4,713	4,706	4,706
Occupied	4,589	4,513	4,460	4,370	4,312
Occupancy %	97.2%	95.6%	94.6%	92.9%	91.6%
COLORADO					
Communities	4	4	4	4	4
Sites for development	464	464	464	588	588
Developed sites	1,423	1,423	1,423	1,320	1,299
Occupied	1,250	1,209	1,181	1,158	1,132
Occupancy %	87.8%	85.0%	83.0%	87.7%	87.1%

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

SUN COMMUNITIES, INC.

COMMUNITIES	Quarter Ended 06/30/11	03/31/11	03/31/11	12/31/10	09/30/10
OTHER STATES [6]					
Communities	20	20	20	20	20
Sites for development	359	359	359	359	359
Developed sites	6,805	6,801	6,800	6,793	6,793
Occupied	5,949	5,912	5,895	5,878	5,882
Occupancy %	87.4%	86.9%	86.7%	86.5%	86.6%
TOTAL - PORTFOLIO					
Communities	155	136	136	136	136
Sites for development	6,237	5,937	5,939	6,072	6,072
Developed sites	50,970	45,658	45,651	45,522	45,501
Occupied	43,336	38,641	38,498	38,445	38,369
Occupancy %	85.0%	84.6%	84.3%	84.5%	84.3%
SEASONAL RV PORTFOLIO SUMMARY					
States					
Florida	1,814	1,469	1,466	1,481	1,481
Michigan	281	-	-	-	-
Texas	536	543	551	553	552
Delaware	10	14	15	23	30
Total seasonal RV sites	2,641	2,026	2,032	2,057	2,063

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

	Recurring Capital Expenditures Average/Site*	Recurring Capital Expenditures [8]	Lot Modifications [9]	Acquisitions [10]	Expansion & Development [11]	Revenue Producing [12]
2009	$ 152	$ 7,241	$ 2,851	$ -	$ 1,057	$ 1,711
2010	$ 142	$ 6,792	$ 2,173	$ -	$ 3,462	$ 800
As of 6/30/2011	$ 60	$ 2,893	$ 1,588	$ 137,589	$ 1,798	$ 143

Operating Statistics for Manufactured Homes and Permanent RV's

SUN COMMUNITIES, INC.

MARKETS	Resident Move-outs (13)	Net Leased Sites	New Home Sales	Pre-owned Home Sales	Brokered Resales
Michigan	157	142	-	216	20
Florida	32	(29)	4	49	125
Indiana	74	34	1	92	8
Ohio	29	31	-	51	1
Texas	41	129	-	164	10
Other states	66	123	5	137	33
YTD ended June 30, 2011	399	430	10	709	197

TOTAL FOR YEAR ENDED	Resident Move-outs (13)	Net Leased Sites	New Home Sales	Pre-owned Home Sales	Brokered Resales
2010	890	563	36	1,339	320
2009	1,049	224	71	1,045	348
2008	1,018	(47)	122	843	341
2007	1,200	(148)	76	636	394
2006	1,250	(500)	121	371	539
2005	1,252	103	179	246	593
2004	1,228	(709)	180	357	683
2003	1,437	(895)	257	283	626
2002	1,386	(158)	286	174	592
2001	1,212	171	438	327	584
2000	847	299	416	182	863

PERCENTAGE TRENDS	Resident Move-outs (13)	Resident Resales
2011	2.3%	5.5%
2010	2.3%	5.1%
2009	2.8%	4.9%
2008	2.7%	5.8%
2007	3.2%	6.5%
2006	3.3%	7.7%
2005	3.3%	8.4%
2004	3.3%	8.1%
2003	4.0%	7.8%
2002	3.9%	7.5%
2001	3.4%	7.4%
2000	2.4%	8.6%

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

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

(3) Investors in and analysts following the real estate industry utilize funds from operations ("FFO"), net operating income ("NOI"), EBITDA and funds available for distribution ("FAD") as supplemental performance measures. We believe FFO, NOI, EBITDA and FAD are appropriate measures given their wide use by and relevance to investors and analysts. FFO, reflecting the assumption that real estate values rise or fall with market conditions, principally adjusts for the effects of GAAP depreciation/amortization of real estate assets. NOI provides a measure of rental operations and does not factor in depreciation/amortization and non-property specific expenses such as general and administrative expenses. EBITDA provides a further tool to evaluate ability to incur and service debt and to fund dividends and other cash needs. FAD provides information to evaluate our ability to fund dividends. In addition, FFO, NOI, EBITDA and FAD are commonly used in various ratios, pricing multiples/yields and returns and valuation calculations used to measure financial position, performance and value.

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

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

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

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

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

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

(4) This amount represents our equity loss from affiliates in 2010. Origen declared a cash dividend of $0.8 and $1.2 million for the three and six months ended June 30, 2011, respectively, which remains in FFO and AFFO.

(5) The tax benefit represents the reversal of a tax provision for potential taxes payable on the sale of company assets related to the enactment of the Michigan Business Tax. These taxes do not impact AFFO and would be payable from prospective proceeds from the sale of such assets.

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

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

(8) Includes capital expenditures necessary to maintain asset quality, including purchasing and replacing assets used to operate the community. These capital expenditures include major road, driveway, and pool repairs, clubhouse renovations, and adding or replacing street lights, playground equipment, signage, maintenance facilities, manager housing and property vehicles. The minimum capitalizable amount or project is five hundred dollars. In addition, $2.2 million and $2.1 million for refurbishment costs related to leased homes has been expensed for the six months ended June 30, 2011 and the six months ended June 30, 2010, respectively.

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

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

(11) The Company has invested approximately $1.8 million for the six months ended June 30, 2011, in its expansion and development communities consisting primarily of construction costs and costs necessary to complete home site improvements.

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

(13) Move outs listed for 2004-2011 exclude move outs by finance companies.