



COUNTRYSIDE VILLAGE
OF GWINNETT - GEORGIA



BRENTWOOD ESTATES - FLORIDA



OAK CREEK - CALIFORNIA



WINE COUNTRY - CALIFORNIA

Supplemental Operating & Financial Data

SECOND QUARTER 2016



SUN COMMUNITIES, INC.

Portfolio Overview
(as of June 30, 2016)

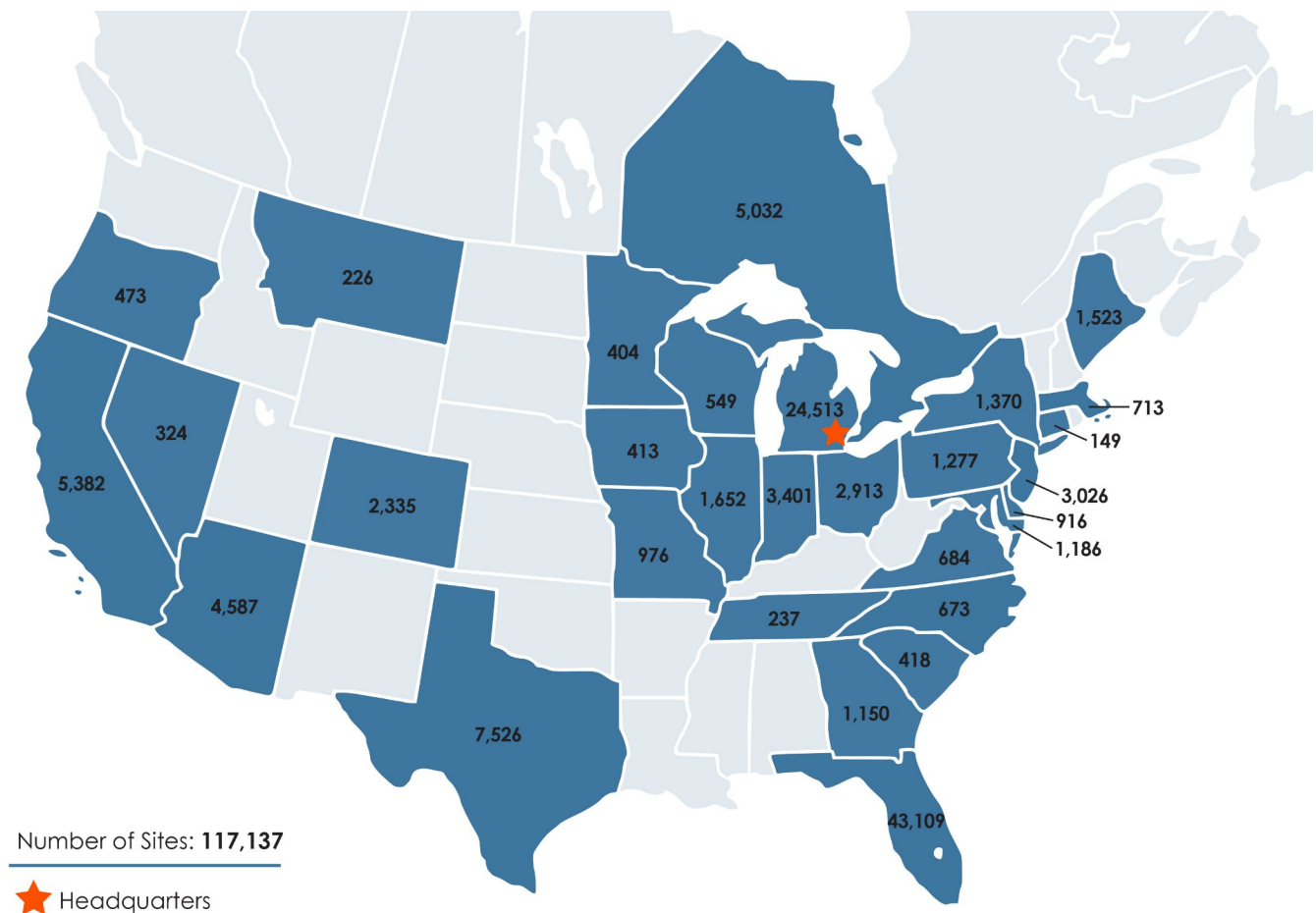


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Balance Sheets
(amounts in thousands)

	Quarter Ended				
	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015
ASSETS:					
Land	\$ 458,349	\$ 456,380	\$ 451,340	\$ 457,279	\$ 438,675
Land improvements and buildings	5,294,663	3,586,969	3,535,909	3,604,444	3,538,871
Rental homes and improvements	477,875	469,217	460,480	478,764	475,676
Furniture, fixtures and equipment	107,123	104,855	102,746	98,567	96,366
Land held for future development	23,497	23,047	23,047	23,659	23,659
Investment property	6,361,507	4,640,468	4,573,522	4,662,713	4,573,247
Accumulated depreciation	(928,882)	(889,941)	(852,407)	(879,184)	(857,106)
Investment property, net	5,432,625	3,750,527	3,721,115	3,783,529	3,716,141
Cash and cash equivalents	31,441	410,408	45,086	23,917	11,930
Inventory of manufactured homes	29,044	16,636	14,828	15,263	10,246
Notes and other receivables, net	76,466	54,124	47,972	49,201	54,903
Collateralized receivables, net ⁽¹⁾	144,017	142,944	139,768	138,241	133,133
Other assets, net	109,598	188,247	213,030	95,728	98,094
Total assets, net	<u>\$ 5,823,191</u>	<u>\$ 4,562,886</u>	<u>\$ 4,181,799</u>	<u>\$ 4,105,879</u>	<u>\$ 4,024,447</u>
LIABILITIES:					
Mortgage loans payable	\$ 2,792,021	\$ 2,114,818	\$ 2,125,267	\$ 2,197,359	\$ 2,155,770
Secured borrowings ⁽¹⁾	144,684	143,664	140,440	138,887	133,746
Preferred OP units - mandatorily redeemable	45,903	45,903	45,903	45,903	45,903
Lines of credit	357,721	58,065	24,687	166,677	37,742
Distributions payable	47,992	45,351	41,265	38,819	38,919
Other liabilities	257,423	184,102	184,859	190,284	196,589
Total liabilities	<u>3,645,744</u>	<u>2,591,903</u>	<u>2,562,421</u>	<u>2,777,929</u>	<u>2,608,669</u>
Series A-4 Preferred Stock	50,227	61,732	61,732	68,633	190,079
Series A-4 preferred OP units	20,266	20,762	21,065	20,982	24,155
STOCKHOLDERS' EQUITY:					
Series A Preferred Stock	34	34	34	34	34
Common stock	686	646	584	545	538
Additional paid-in capital	2,980,382	2,706,657	2,319,314	2,079,139	2,038,229
Accumulated other comprehensive income	1	—	—	—	—
Distributions in excess of accumulated earnings	(947,988)	(896,896)	(864,122)	(916,961)	(911,628)
Total SUI stockholders' equity	<u>2,033,115</u>	<u>1,810,441</u>	<u>1,455,810</u>	<u>1,162,757</u>	<u>1,127,173</u>
Noncontrolling interests:					
Common and preferred OP units	76,166	80,018	82,538	76,914	75,356
Consolidated variable interest entities	(2,327)	(1,970)	(1,767)	(1,336)	(985)
Total noncontrolling interest	<u>73,839</u>	<u>78,048</u>	<u>80,771</u>	<u>75,578</u>	<u>74,371</u>
Total stockholders' equity	<u>2,106,954</u>	<u>1,888,489</u>	<u>1,536,581</u>	<u>1,238,335</u>	<u>1,201,544</u>
Total liabilities & stockholders' equity	<u>\$ 5,823,191</u>	<u>\$ 4,562,886</u>	<u>\$ 4,181,799</u>	<u>\$ 4,105,879</u>	<u>\$ 4,024,447</u>

Debt Analysis
(amounts in thousands)

	Quarter Ended				
	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015
DEBT OUTSTANDING					
Lines of credit	\$ 357,721	\$ 58,065	\$ 24,687	\$ 167,000	\$ 37,742
Mortgage loans payable	2,792,021	2,114,818	2,125,267	2,197,359	2,155,770
Preferred OP units - mandatorily redeemable	45,903	45,903	45,903	45,903	45,903
Secured borrowing ⁽¹⁾	144,684	143,664	140,440	138,887	133,746
Total debt	<u>3,340,329</u>	<u>2,362,450</u>	<u>2,336,297</u>	<u>2,549,149</u>	<u>2,373,161</u>
% FIXED/FLOATING					
Fixed	84.5%	90.7%	92.0%	87.0%	91.5%
Floating	15.5%	9.3%	8.0%	13.0%	8.5%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
WEIGHTED AVERAGE INTEREST RATES					
Lines of credit	1.89%	1.87%	1.62%	1.66%	3.23%
Mortgage loans payable	4.38%	4.67%	4.65%	4.69%	4.70%
Preferred OP units - mandatorily redeemable	6.87%	6.87%	6.87%	6.87%	6.87%
Average before Secured borrowing	4.13%	4.64%	4.66%	4.52%	4.72%
Secured borrowing ⁽¹⁾	10.09%	10.12%	10.17%	10.23%	10.30%
Total average	<u>4.39%</u>	<u>4.98%</u>	<u>4.99%</u>	<u>4.83%</u>	<u>5.04%</u>
DEBT RATIOS					
Net Debt/Recurring EBITDA ^{(2) (4)}	9.1	5.5	6.6	7.8	8.1
Net Debt/Enterprise Value	36.6%	27.7%	34.0%	37.9%	38.0%
Net Debt + Preferred Stock/Enterprise Value	38.0%	29.7%	36.1%	40.1%	42.0%
Net Debt/Gross Assets	49.0%	35.8%	45.6%	50.7%	48.5%
COVERAGE RATIOS					
Recurring EBITDA/ Interest ^{(2) (4)}	3.1	3.0	3.1	3.1	3.1
Recurring EBITDA/ Interest + Pref. Distributions + Pref. Stock Distribution ^{(2) (4)}	2.8	2.7	2.6	2.7	2.7
MATURITIES/PRINCIPAL AMORTIZATION NEXT FIVE YEARS					
	2016	2017	2018	2019	2020
Lines of credit	\$ —	\$ —	\$ —	\$ —	\$ 358,000
Mortgage loans payable:					
Maturities	54,000	95,599	49,109	64,314	49,003
Weighted average rate of maturities	5.8%	5.9%	6.0%	6.2%	5.8%
Principal amortization	21,713	50,688	50,799	51,379	60,904
Preferred OP units - mandatorily redeemable	3,670	7,570	—	—	—
Secured borrowing ⁽¹⁾	2,743	5,877	6,420	6,972	7,593
Total	<u>\$ 82,126</u>	<u>\$ 159,734</u>	<u>\$ 106,328</u>	<u>\$ 122,665</u>	<u>\$ 475,500</u>

Statements of Operations
(amounts in thousands)

	Quarter Ended				
	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015
REVENUES:					
Income from real property <i>(excluding transient revenue)</i>	\$ 129,117	\$ 119,084	\$ 117,604	\$ 119,784	\$ 118,979
Transient revenue	10,884	10,151	5,568	17,764	6,854
Revenue from home sales	26,039	24,737	25,169	18,991	18,734
Rental home revenue	11,957	11,708	11,756	11,856	11,495
Ancillary revenues	7,383	4,613	3,576	12,511	5,254
Interest	4,672	3,945	4,074	3,987	3,893
Brokerage commissions and other income, net	747	406	491	462	729
Total revenues	<u>190,799</u>	<u>174,644</u>	<u>168,238</u>	<u>185,355</u>	<u>165,938</u>
EXPENSES:					
Property operating and maintenance	37,067	31,201	33,360	38,716	34,507
Real estate taxes	10,153	9,585	8,683	8,520	8,796
Cost of home sales	18,684	18,184	19,296	13,386	13,702
Rental home operating and maintenance	5,411	5,876	6,841	7,031	5,479
Ancillary expenses	5,201	3,508	3,888	6,936	4,149
Home selling expenses	2,858	2,278	2,079	1,910	1,797
General and administrative	16,543	13,792	10,511	12,670	12,646
Total expenses	<u>95,917</u>	<u>84,424</u>	<u>84,658</u>	<u>89,169</u>	<u>81,076</u>
RECURRING EBITDA ⁽⁴⁾					
	94,882	90,220	83,580	96,186	84,862
Interest	28,428	26,294	28,066	27,453	26,751
Interest on mandatorily redeemable preferred OP units	787	787	790	790	787
Depreciation and amortization	49,670	48,412	47,530	44,695	41,411
Extinguishment of debt	—	—	—	—	2,800
Transaction costs	20,979	2,721	4,653	1,664	2,037
(Gains) losses on disposition of properties, net	—	—	(98,430)	(18,190)	13
Provision for income tax	56	228	(71)	77	77
Income tax expense - reduction of deferred tax asset	—	—	1,000	—	—
Distributions from affiliate	—	—	—	—	(7,500)
NET INCOME / LOSS	<u>(5,038)</u>	<u>11,778</u>	<u>100,042</u>	<u>39,697</u>	<u>18,486</u>
Preferred return to preferred OP units	(1,263)	(1,273)	(1,281)	(1,302)	(1,361)
Amounts attributable to noncontrolling interests	695	(276)	(6,922)	(2,125)	(743)
Preferred stock distribution	(2,197)	(2,354)	(2,440)	(3,179)	(4,088)
Preferred stock redemption costs	—	—	—	(4,328)	—
NET INCOME / (LOSS) ATTRIBUTABLE TO SUI	<u>(7,803)</u>	<u>7,875</u>	<u>89,399</u>	<u>28,763</u>	<u>12,294</u>

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net income attributable to Sun Communities, Inc. common stockholders	\$ (7,803)	\$ 12,294	\$ 72	\$ 19,163
Adjustments:				
Preferred return to preferred OP units	618	668	1,243	1,344
Amounts attributable to noncontrolling interests	(779)	566	(430)	779
Preferred distribution to Series A-4 preferred stock	—	2,574	—	—
Depreciation and amortization	49,340	40,969	97,416	85,234
(Gain)/loss on disposition of properties, net	—	13	—	(8,756)
Gain on disposition of assets, net	(3,903)	(2,426)	(7,558)	(4,128)
Funds from operations ("FFO") attributable to Sun Communities, Inc. common stockholders and dilutive convertible securities ⁽³⁾⁽⁴⁾	37,473	54,658	90,743	93,636
Adjustments:				
Transaction costs	20,979	2,037	23,700	11,486
Distribution from affiliate	—	(7,500)	—	(7,500)
Extinguishment of debt	—	2,800	—	2,800
FFO attributable to Sun Communities, Inc. common stockholders and dilutive convertible securities excluding certain items ⁽³⁾⁽⁴⁾	\$ 58,452	\$ 51,995	\$ 114,443	\$ 100,422
Weighted average common shares outstanding - basic:	64,757	52,846	61,247	52,672
Add:				
Common stock issuable upon conversion of stock options	9	12	9	14
Restricted stock	444	379	417	374
Common OP units	2,863	2,916	2,863	2,738
Common stock issuable upon conversion of Series A-1 preferred OP units	933	1,012	939	1,026
Common stock issuable upon conversion of Series A-3 preferred OP units	75	75	75	75
Common stock issuable upon conversion of Series A-4 preferred stock	—	2,829	—	—
Weighted average common shares outstanding - fully diluted	69,081	60,069	65,550	56,899
FFO attributable to Sun Communities, Inc. common stockholders and dilutive convertible securities ⁽³⁾ per Share - fully diluted	\$ 0.54	\$ 0.91	\$ 1.38	\$ 1.65
FFO attributable to Sun Communities, Inc. common stockholders and dilutive convertible securities ⁽³⁾ per Share excluding certain items - fully diluted	\$ 0.85	\$ 0.87	\$ 1.75	\$ 1.76

Summary of Securities Outstanding as of June 30, 2016
(units/stock/shares in thousands)

	Number of Units/Stock/ Shares Outstanding	Conversion Rate	If Converted	Issuance Price per unit	Annual Distribution Rate
<u>Convertible Securities</u>					
Series A-1 preferred OP Units	378	2.43902	921,950	\$100	6.0%
Series A-3 preferred OP Units	40	1.8605	74,420	\$100	4.5%
Series A-4 preferred OP Units	748	0.444444	332,444	\$25	6.5%
Series C preferred OP Units	340	1.111	377,740	\$100	4.0%
Common OP Units	2,863	1.0	2,863,000	N/A	Mirrors the Common Shares distributions
Series A-4 cumulative convertible Preferred Stock	1,682	0.444444	747,555	\$25	6.5%
<u>Non-Convertible Securities</u>					
Preferred Stock (SUI-PrA)	3,400	N/A	N/A	\$25	7.125%
Common Shares	68,643	N/A	N/A	N/A	\$2.60*

* Annual distribution is based on the last quarter distribution annualized.

Statement of Operations – Same Community
(amounts in thousands except for percentages and other information)

	Three Months Ended June 30,				Six Months Ended June 30,			
	2016	2015	Change	% Change	2016	2015	Change	% Change
REVENUES:								
Income from real property	\$114,262	\$108,193	\$ 6,069	5.6 %	\$228,807	\$215,641	\$ 13,166	6.1 %
PROPERTY OPERATING EXPENSES:								
Payroll and benefits	9,974	9,647	327	3.4 %	18,851	17,804	1,047	5.9 %
Legal, taxes & insurance	1,373	1,704	(331)	(19.4)%	3,058	3,329	(271)	(8.1)%
Utilities	6,050	5,914	136	2.3 %	12,446	12,153	293	2.4 %
Supplies and repair	4,651	4,673 ⁽¹⁵⁾	(22)	(0.5)%	7,382	7,233 ⁽¹⁵⁾	149	2.1 %
Other	3,169	3,249	(80)	(2.5)%	6,059	5,870	189	3.2 %
Real estate taxes	8,735	7,862	873	11.1 %	17,728	16,125	1,603	9.9 %
Property operating expenses	33,952	33,049	903	2.7 %	65,524	62,514	3,010	4.8 %
NET OPERATING INCOME (NOI)⁽⁴⁾	\$ 80,310	\$ 75,144	\$ 5,166	6.9 %	\$ 163,283	\$ 153,127	\$ 10,156	6.6 %

OTHER INFORMATION	As of June 30,			
	2016	2015	Change	% Change
Number of properties	219	219		
Overall occupancy ⁽⁵⁾	96.4%	93.9% ⁽¹³⁾	2.5%	
Sites available for development	6,071	6,574	(503)	(7.7)%
Monthly base rent per site - MH	\$ 491	\$ 475	\$ 16	3.4 %
Monthly base rent per site - RV ⁽⁶⁾	\$ 432	\$ 417	\$ 15	3.6 %
Monthly base rent per site - Total	\$ 483	\$ 468	\$ 15	3.2 %

Rental Program Summary
(amounts in thousands except for *)

	Three Months Ended June 30,				Six Months Ended June 30,			
	2016	2015	Change	% Change	2016	2015	Change	% Change
REVENUES:								
Rental home revenue	\$ 11,957	\$ 11,495	\$ 462	4.0 %	\$ 23,665	\$ 22,624	\$ 1,041	4.6 %
Site rent included in Income from real property	15,413	15,551	(138)	(0.9)%	30,631	30,678	(47)	(0.2)%
Rental Program revenue	27,370	27,046	324	1.2 %	54,296	53,302	994	1.9 %
EXPENSES:								
Commissions	384	752	(368)	(48.9)%	1,159	1,586	(427)	(26.9)%
Repairs and refurbishment	3,273	2,322	951	41.0 %	5,939	4,738	1,201	25.3 %
Taxes and insurance	1,167	1,544	(377)	(24.4)%	2,732	3,020	(288)	(9.5)%
Marketing and other	587	861	(274)	(31.8)%	1,457	1,740	(283)	(16.3)%
Rental Program operating and maintenance	5,411	5,479	(68)	(1.2)%	11,287	11,084	203	1.8 %
NET OPERATING INCOME (NOI) ⁽⁴⁾								
	<u>\$ 21,959</u>	<u>\$ 21,567</u>	<u>\$ 392</u>	1.8 %	<u>\$ 43,009</u>	<u>\$ 42,218</u>	<u>\$ 791</u>	1.9 %
Occupied rental home information as of June 30, 2016 and 2015:								
Number of occupied rentals, end of period*					10,997	11,395	(398)	(3.5)%
Investment in occupied rental homes, end of period					\$ 453,869	\$ 445,446	\$ 8,423	1.9 %
Number of sold rental homes*					572	388	184	47.4 %
Weighted average monthly rental rate, end of period*					\$ 868	\$ 835	\$ 33	4.0 %

Homes Sales Summary
(amounts in thousands except for *)

	Three Months Ended June 30,				Six Months Ended June 30,			
	2016	2015	Change	% Change	2016	2015	Change	% Change
New home sales	\$ 5,612	\$ 5,175	\$ 437	8.4 %	\$11,081	\$10,421	\$ 660	6.3 %
Pre-owned home sales	20,427	13,559	6,868	50.7 %	39,695	25,147	14,548	57.9 %
Revenue from home sales	26,039	18,734	7,305	39.0 %	50,776	35,568	15,208	42.8 %
New home cost of sales	4,773	4,418	355	8.0 %	9,617	8,609	1,008	11.7 %
Pre-owned home cost of sales	13,911	9,284	4,627	49.8 %	27,251	17,650	9,601	54.4 %
Cost of home sales	18,684	13,702	4,982	36.4 %	36,868	26,259	10,609	40.4 %
NOI / Gross Profit ⁽⁴⁾	\$ 7,355	\$ 5,032	\$ 2,323	46.2 %	\$13,908	\$ 9,309	\$ 4,599	49.4 %
Gross profit – new homes	\$ 839	\$ 757	\$ 82	10.8 %	\$ 1,464	\$ 1,812	\$ (348)	(19.2)%
Gross margin % – new homes	15.0%	14.6%	0.4%		13.2%	17.4%	(4.2)%	
Average selling price - new homes*	\$95,119	\$79,615	\$15,504	19.5 %	\$88,648	\$79,550	\$ 9,098	11.4 %
Gross profit – pre-owned homes	\$ 6,516	\$ 4,275	\$ 2,241	52.4 %	\$12,444	\$ 7,497	\$ 4,947	66.0 %
Gross margin % – pre-owned homes	31.9%	31.5%	0.4%		31.3%	29.8%	1.5 %	
Average selling price - pre-owned homes*	\$29,562	\$26,534	\$3,028	11.4 %	\$28,558	\$25,452	\$ 3,106	12.2 %
Home sales volume:								
New home sales*	59	65	(6)	(9.2)%	125	131	(6)	(4.6)%
Pre-owned home sales*	691	511	180	35.2 %	1,390	988	402	40.7 %
Total homes sold*	750	576	174	30.2 %	1,515	1,119	396	35.4 %

Acquisition Summary - Properties Acquired in 2015 and 2016
(amounts in thousands except for statistical data)

	Three Months Ended June 30, 2016	Six Months Ended June 30, 2016
REVENUES:		
Income from real property <i>(excluding transient revenue)</i>	\$ 16,724	\$ 23,674
Transient revenue	3,976	5,340
Revenue from home sales	2,532	4,374
Rental home revenue	150	199
Ancillary revenues	2,068	2,593
Total revenues	25,450	36,180
COSTS AND EXPENSES:		
Property operating and maintenance	6,192	8,410
Real estate taxes	1,485	2,074
Cost of home sales	1,714	3,153
Rental home operating and maintenance	23	45
Ancillary expense	1,217	1,690
Total expenses	10,631	15,372
NET OPERATING INCOME (NOI) ⁽⁴⁾	\$ 14,819	\$ 20,808

	As of June 30, 2016
Other information:	
Number of properties	118
Occupied sites ^{(14) (16)}	24,103
Developed sites ^{(14) (16)}	24,969
Occupancy % ^{(14) (16)}	96.5%
Transient sites	8,860
Monthly base rent per site - MH	\$ 597
Monthly base rent per site - RV ⁽⁶⁾	\$ 386
Monthly base rent per site - Total ⁽⁶⁾	\$ 506

Home sales volume:	
New homes sales	19
Pre-owned homes sales	68

Occupied rental home information:	
Number of occupied rentals, end of period	284
Investment in occupied rental homes <i>(in thousands)</i>	\$ 4,027
Weighted average monthly rental rate	\$ 913

Property Summary

(includes MH and Annual/Seasonal RV's)

COMMUNITIES	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015
FLORIDA					
Communities	121	61	61	62	61
Sites for development	1,259	823	823	823	823
Developed sites ⁽¹⁴⁾	36,119	24,312	24,216	24,528	24,397
Occupied ⁽¹⁴⁾	34,720	23,359	23,201	23,427	23,256
Occupancy % ⁽¹⁴⁾	96.1%	96.1%	95.8%	95.5%	95.3%
MICHIGAN					
Communities	66	66	65	70	71
Sites for development	2,248	2,105	2,105	2,262	2,262
Developed sites ⁽¹⁴⁾	24,387	24,363	23,966	24,657	24,867
Occupied ⁽¹⁴⁾	23,198	23,079	22,677	23,179	23,271
Occupancy % ⁽¹⁴⁾	95.1%	94.7%	94.6%	94.0%	93.6%
TEXAS					
Communities	21	17	16	19	19
Sites for development	1,347	1,347	1,347	1,599	1,999
Developed sites ⁽¹⁴⁾	6,071	5,970	5,965	6,507	6,103
Occupied ⁽¹⁴⁾	5,771	5,602	5,517	6,034	5,919
Occupancy % ⁽¹⁴⁾	95.1%	93.8%	92.5%	92.7%	97.0%
CALIFORNIA					
Communities	22	3	3	3	3
Sites for development	332	332	332	332	332
Developed sites ⁽¹⁴⁾	4,864	198	198	198	198
Occupied ⁽¹⁴⁾	4,796	192	192	191	191
Occupancy % ⁽¹⁴⁾	98.6%	97.0%	97.0%	96.5%	96.5%
ONTARIO					
Communities	15	—	—	—	—
Sites for development	2,029	—	—	—	—
Developed sites ⁽¹⁴⁾	3,375	—	—	—	—
Occupied ⁽¹⁴⁾	3,375	—	—	—	—
Occupancy % ⁽¹⁴⁾	100.0%	—%	—%	—%	—%
ARIZONA					
Communities	11	10	10	11	11
Sites for development	358	393	393	393	393
Developed sites ⁽¹⁴⁾	3,532	3,302	3,301	3,279	3,285
Occupied ⁽¹⁴⁾	3,281	3,102	3,078	3,043	3,035
Occupancy % ⁽¹⁴⁾	92.9%	93.9%	93.2%	92.8%	92.4%
INDIANA					
Communities	11	11	11	16	16
Sites for development	316	363	363	522	522
Developed sites ⁽¹⁴⁾	2,900	2,900	2,900	4,913	4,913
Occupied ⁽¹⁴⁾	2,700	2,674	2,628	3,865	3,882
Occupancy % ⁽¹⁴⁾	93.1%	92.2%	90.6%	78.7%	79.0%

Property Summary

(includes MH and Annual/Seasonal RV's)

COMMUNITIES	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015
OHIO					
Communities	9	9	9	9	11
Sites for development	—	—	—	—	—
Developed sites ⁽¹⁴⁾	2,718	2,700	2,703	2,703	3,388
Occupied ⁽¹⁴⁾	2,616	2,585	2,560	2,565	3,045
Occupancy % ⁽¹⁴⁾	96.2%	95.7%	94.7%	94.9%	89.9%
COLORADO					
Communities	7	7	7	7	7
Sites for development	304	304	304	304	304
Developed sites ⁽¹⁴⁾	2,335	2,335	2,335	2,335	2,335
Occupied ⁽¹⁴⁾	2,320	2,319	2,315	2,289	2,259
Occupancy % ⁽¹⁴⁾	99.4%	99.3%	99.1%	98.0%	96.7%
OTHER STATES					
Communities	54	49	49	54	52
Sites for development	1,728	1,514	1,514	1,514	1,224
Developed sites ⁽¹⁴⁾	14,337	13,683	13,657	14,705	14,630
Occupied ⁽¹⁴⁾	13,912	13,237	13,142	13,938	13,825
Occupancy % ⁽¹⁴⁾	97.0%	96.7%	96.2%	94.8%	94.5%
TOTAL - PORTFOLIO					
Communities	337	233	231	251	251
% Community age restricted	33.5%	26.2%	26.4%	25.9%	25.9%
Sites for development	9,921	7,181	7,181	7,749	7,859
Developed sites ⁽¹⁴⁾	100,638	79,763	79,241	83,825	84,116
Occupied ⁽¹⁴⁾	96,689	76,149	75,310	78,531	78,683
Occupancy % ⁽¹⁴⁾	96.1%	95.5%	95.0%	93.7%	93.5%
TRANSIENT RV PORTFOLIO SUMMARY					
Location					
Florida	6,990	2,664	2,823	2,915	2,660
Michigan	126	150	160	165	164
Texas	1,455	799	414	864	875
California	518	296	296	296	296
Ontario	1,657	—	—	—	—
Arizona	1,055	1,096	1,087	1,053	1,095
Indiana	501	501	501	501	501
Ohio	195	213	210	237	238
Maine	571	575	604	605	613
New York	483	489	499	511	512
New Jersey	1,084	995	981	987	1,002
Other States	1,864	2,099	2,092	2,055	1,309
Total transient RV sites	16,499	9,877	9,667	10,189	9,265

Capital Improvements, Development, and Acquisitions

(amounts in thousands except for *)

	Recurring Capital Expenditures Average/Site*	Recurring Capital Expenditures ⁽⁷⁾	Lot Modifications ⁽⁸⁾	Acquisitions ⁽⁹⁾	Expansion & Development ⁽¹⁰⁾	Revenue Producing ⁽¹¹⁾
2014	\$ 227	\$ 18,077	\$ 9,414	\$ 785,624	\$ 22,196	\$ 1,454
2015	\$ 230	\$ 20,344	\$ 13,961	\$ 1,214,482	\$ 28,660	\$ 4,497
YTD 2016	\$ 100	\$ 8,916	\$ 8,871	\$ 1,741,736	\$ 19,172	\$ 1,108

Operating Statistics for Manufactured Homes and Annual/Seasonal RV's

MARKETS	Resident Move-outs	Net Leased Sites ⁽¹²⁾	New Home Sales	Pre-owned Home Sales	Brokered Re-sales
Michigan	215	243	3	652	78
Florida	160	308	62	110	484
Texas	65	161	6	199	24
Indiana	27	72	—	113	2
Ohio	68	56	1	54	3
Arizona	29	52	18	8	76
Colorado	7	5	13	106	25
Other states	289	196	22	148	77
YTD ended June 30, 2016	860	1,093	125	1,390	769

TOTAL FOR YEAR ENDED	Resident Move-outs	Net Leased Sites ⁽¹²⁾	New Home Sales	Pre-owned Home Sales	Brokered Re-sales
2015	1,344	1,905	273	2,210	1,244
2014	1,504	1,890	113	1,853	618
2013	1,391	1,885	85	1,844	562
2012	1,126	1,069	76	1,666	417
2011	949	892	28	1,411	353
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

PERCENTAGE TRENDS	Resident Move-outs	Resident Re-sales
YTD 2016	2.2%	6.4%
2015	2.0%	5.9%
2014	2.6%	5.0%
2013	2.6%	4.6%
2012	2.5%	4.9%
2011	2.3%	4.7%
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%

Footnotes to Supplemental Data

- (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 are calculated using the trailing 12 months for the period ended and have been adjusted to exclude: depreciation and amortization; income taxes; interest expense; transaction costs; extinguishment of debt; distributions from affiliates; gain on dispositions; and gain on settlement. See Statement of Operations on page 7 for detailed amounts.
- (3) The effect of certain anti-dilutive convertible securities is excluded from these items.
- (4) Investors in and analysts following the real estate industry utilize funds from operations (FFO), net operating income (NOI), Recurring EBITDA and funds available for distribution (FAD) as supplemental performance measures. We believe FFO, NOI, Recurring 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. Recurring EBITDA, a metric calculated as EBITDA exclusive of certain nonrecurring items, 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, Recurring 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 attributable to Sun Communities, Inc. common stockholders and dilutive convertible securities (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, impairment 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. FFO is computed in accordance with our interpretation of standards established by NAREIT, which may not be comparable to FFO reported by other REITs that do not define the term in accordance with the current NAREIT definition or interpret the current NAREIT definition differently.

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. Other REITs may use different methods for calculating FFO, accordingly, our FFO may not be comparable to other REITs.

NOI is derived from revenues minus property operating expenses and real estate taxes. NOI does not represent cash generated from operating activities in accordance with GAAP and should not be considered to be an alternative to net income (loss) (determined in accordance with GAAP) as an indication of our financial performance or to be an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of our liquidity; nor is it indicative of funds available for our cash needs, including its ability to make cash distributions. We believe that net income (loss) is the most directly comparable GAAP measurement to NOI. Because of the inclusion of items such as interest, depreciation, and amortization, the use of net income (loss) as a performance measure is limited as these items may not accurately reflect the actual change

in market value of a property, in the case of depreciation and in the case of interest, may not necessarily be linked to the operating performance of a real estate asset, as it is often incurred at a parent company level and not at a property level. We believe that NOI is helpful to investors as a measure of operating performance because it is an indicator of the return on property investment, and provides a method of comparing property performance over time. We use NOI as a key management tool when evaluating performance and growth of particular properties and/or groups of properties. The principal limitation of NOI is that it excludes depreciation, amortization and non-property specific expenses such as general and administrative expenses, all of which are significant costs, and therefore, NOI is a measure of the operating performance of the properties of the Company rather than of the Company overall.

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

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

- (5) Includes manufactured housing and annual/seasonal recreational vehicle sites, and excludes transient recreational vehicle sites and recently completed but vacant expansion sites.
- (6) Monthly base rent per site pertains to annual/seasonal recreational vehicle sites and excludes transient recreational vehicle sites.
- (7) Includes capital expenditures necessary to maintain asset quality, including purchasing and replacing assets used to operate the community. These capital expenditures include items such as: major road, driveway, and pool improvements; clubhouse renovations; adding or replacing street lights; playground equipment; signage; maintenance facilities; manager housing and property vehicles. The minimum capitalized amount or project is five hundred dollars.
- (8) Includes capital expenditures which improve the asset quality of the community. These costs are incurred when an existing older home moves out, and the site is prepared for a new home, more often than not, a multi-sectional home. These activities which are mandated by strict manufacturer's installation requirements and State building code include items such as new foundations, driveways, and utility upgrades.
- (9) Acquisitions represent the purchase price of existing operating communities and land parcels to develop expansions or new communities. Acquisitions also include deferred maintenance identified during due diligence and those capital improvements necessary to bring the community up to Sun's standards. These include items such as: 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 up to twelve months after closing to complete.
- (10) Expansion and development costs consist primarily of construction costs and costs necessary to complete home site improvements.
- (11) Capital costs related to revenue generating activities, consisting primarily of garages, sheds, and sub-metering of water, sewer and electricity. Revenue generating attractions at our RV resorts are also included here and, occasionally, a special capital project requested by residents and accompanied by an extra rental increase will be classified as revenue producing.
- (12) Net leased sites do not include occupied sites acquired in that year.
- (13) Occupancy reflects current year gains from expansion sites and the conversion of transient RV guests to annual/seasonal RV contracts as vacant in 2015.

- (14) Includes manufactured housing and annual/seasonal recreational vehicle sites, and excludes transient recreational vehicle sites.
- (15) Three and six months ended June 30, 2015 excludes \$1.1 million of first year expenses for properties acquired in late 2014 and 2015 incurred to bring the properties up to Sun's operating standards. These costs did not meet the Company's capitalization policy.
- (16) Revised 8/5/2016.