



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: March 7, 2011
(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))
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Item Entry into a Material Definitive Agreement
1.01

Please see the disclosures under Item 5.02 below regarding new employment agreements entered into with John B. McLaren and Karen J. Dearing and the related restricted stock award agreements awarding each of them restricted shares of common stock pursuant to the terms and conditions disclosed therein.

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

(e) On March 7, 2011, Sun Communities, Inc. (the “Company,” “we” or “us”) and Sun Communities Operating Limited Partnership (the “Partnership”) entered into an employment agreement with each of John B. McLaren, our Executive Vice President and Chief Operating Officer, and Karen J. Dearing, our Executive Vice President, Chief Financial Officer, Treasurer and Secretary. Mr. McLaren’s and Ms. Dearing’s previous employment agreements expired on December 31, 2010. The effective date of each new employment agreement is January 1, 2011. The following brief description of the employment agreements is qualified in its entirety by reference to the full text of the agreements, copies of which are attached to the Report as Exhibit 10.1 and Exhibit 10.2.

John B. McLaren

Mr. McLaren’s employment agreement is for an initial term commencing on January 1, 2011 and ending on December 31, 2015. The employment agreement is automatically renewable for successive one year terms thereafter unless either party timely terminates the agreement. We paid Mr. McLaren a signing bonus of \$150,000 upon execution of the employment agreement, but Mr. McLaren is obligated to pay the signing bonus back to us if prior to January 1, 21012 he voluntarily resigns or we terminate his employment agreement for cause. Under the employment agreement, Mr. McLaren will be paid an annual base salary of \$345,000 for calendar year 2011, \$375,000 for calendar year 2012, \$400,000 for calendar year 2013 and \$425,000 for each calendar year thereafter, which will be increased by an annual cost of living adjustment beginning with calendar year 2015. In addition to his base salary and in accordance with the terms of his employment agreement, Mr. McLaren is eligible for annual incentive compensation of up to 50% of his base salary if certain annual individual and/or Company performance criteria, as established by the Compensation Committee in its sole discretion, are met and up to an additional 50% of his base salary at the sole discretion of the Compensation Committee based on any other criteria. Annual bonuses and any other incentive compensation paid or payable to Mr. McLaren under the agreement shall not be deemed to be earned or vested and must be repaid to the extent such incentive compensation becomes subject to clawback pursuant to the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd Frank Act”), any rules promulgated thereunder or the rules and regulations of the New York Stock Exchange.

If Mr. McLaren is terminated without “cause,” he is entitled to be paid any accrued but unpaid salary, incentive compensation and benefits through the date of termination and a continuation of salary for up to twelve months, subject to the execution of a general release and continued compliance with his non-competition and confidentiality clause. If Mr. McLaren’s employment is terminated due to death or disability, he or his heirs, is entitled to any accrued but unpaid salary, incentive compensation and benefits through the date of termination or death and a continuation of salary for up to eighteen months, if his death or disability occurs before January 1, 2014, or up to twenty four months, if his death or disability occurs after January 1, 2014. Upon a change of control of the Company, if Mr. McLaren is terminated without cause within two years of the date of such change of control, if the Company or its successor does not expressly assume the terms of the employment agreement upon the change of control, or if less than eighteen months remain in the initial term of his employment agreement, then he will be paid 2.99 times his annual salary and will receive a continuation of health and insurance benefits for up to one year. Under any of the foregoing events of termination or change of control, all stock options and other stock based compensation awarded to Mr. McLaren shall become fully vested and immediately exercisable.

The non-competition clauses of Mr. McLaren’s employment agreement preclude him from engaging, directly or indirectly, in the development, ownership, leasing, management, financing or sales of manufactured housing communities and/or manufactured homes, anywhere within the continental United States or Canada during the period he is employed by us and for a period of up to 24 months following the period he is employed by us; provided, however, that if Mr. McLaren is terminated without “cause” the period of non-competition shall be reduced to twelve months following the period he is employed by us. Notwithstanding, Mr. McLaren’s employment agreement does allow him to make passive investments in publicly-traded entities engaged in our business.

In connection with the execution of the employment agreement, and pursuant to a restricted stock award agreement, the Company issued Mr. McLaren 12,500 restricted shares of the Company’s common stock. 4,166 of the shares will vest on each of January 1, 2015 and January 1, 2016. The remaining 4,168 shares will vest on January 1, 2017.

Karen J. Dearing

Ms. Dearing's employment agreement is for an initial term commencing on January 1, 2011 and ending on December 31, 2015. The employment agreement is automatically renewable for successive one year terms thereafter unless either party timely terminates the agreement. We paid Ms. Dearing a signing bonus of \$150,000 upon execution of the employment agreement, but Ms. Dearing is obligated to pay the signing bonus back to us if prior to January 1, 2012 she voluntarily resigns or we terminate her employment agreement for cause. Under the employment agreement, Ms. Dearing will be paid an annual base salary of \$335,000, which will be increased by an annual cost of living adjustment beginning with calendar year 2012, provided, that if the base salary for calendar year 2014 is less than 115% of the base salary for calendar year 2011, for 2014 and 2015 only, the annual increase in base salary will be the greater of 5% or the otherwise applicable cost of living adjustment. In addition to her base salary and in accordance with the terms of her employment agreement, Ms. Dearing is eligible for annual incentive compensation of up to 50% of her base salary if certain annual individual and Company performance criteria, as established by the Compensation Committee in its sole discretion, are met and up to an additional 50% of her base salary at the sole discretion of the Compensation Committee based on any number of individual, company and/or industry factors. Annual bonuses and any other incentive compensation paid or payable to Ms. Dearing under the agreement shall not be deemed to be earned or vested and must be repaid to the extent such incentive compensation becomes subject to clawback pursuant to the provisions of the Dodd Frank Act, any rules promulgated thereunder or the rules and regulations of the New York Stock Exchange.

If Ms. Dearing is terminated without "cause," she is entitled to be paid any accrued but unpaid salary, incentive compensation and benefits through the date of termination and a continuation of salary for up to twelve months, subject to the execution of a general release and continued compliance with her non-competition and confidentiality clause. If Ms. Dearing's employment is terminated due to death or disability, she or her heirs, is entitled to any accrued but unpaid salary, incentive compensation and benefits through the date of termination or death and a continuation of salary for up to twenty four months. Upon a change of control of the Company, if Ms. Dearing is terminated without cause within two years of the date of such change of control, if the Company or its successor does not expressly assume the terms of the employment agreement upon the change of control, or if less than eighteen months remain in the initial term of her employment agreement, then she will be paid 2.99 times her annual salary and will receive a continuation of health and insurance benefits for up to one year. Under any of the foregoing events of termination or change of control, all stock options and other stock based compensation awarded to Ms. Dearing shall become fully vested and immediately exercisable.

The non-competition clauses of Ms. Dearing's employment agreement preclude her from engaging, directly or indirectly, in the development, ownership, leasing, management, financing or sales of manufactured housing communities and/or manufactured homes, anywhere within the continental United States or Canada during the period she is employed by us and for a period of up to 24 months following the period she is employed by us; provided, however, that if Ms. Dearing is terminated without "cause" the period of non-competition shall be reduced to twelve months following the period she is employed by us. Notwithstanding, Ms. Dearing's employment agreement does allow her to make passive investments in publicly-traded entities engaged in our business.

In connection with the execution of the employment agreement, and pursuant to a restricted stock award agreement, the Company issued Ms. Dearing 7,500 restricted shares of the Company's common stock. On each of January 1, 2015, January 1, 2016 and January 1, 2017, 2,500 of such restricted shares will vest.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:
Exhibit No.

Description

10.1	Employment Agreement dated March 7, 2011 among Sun Communities, Inc., Sun Communities Operating Limited Partnership and John B. McLaren#
10.2	Employment Agreement dated March 7, 2011 among Sun Communities, Inc., Sun Communities Operating Limited Partnership and Karen J. Dearing#

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: March 8, 2011

By: /s/ Karen J. Dearing
Karen J. Dearing, Executive Vice President,
Chief Financial Officer, Secretary and Treasurer

EXHIBIT INDEX

Exhibit No.	Description
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EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into as of March 7, 2011, but effective as of January 1, 2011 (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.

WITNESSETH:

WHEREAS, SCOLP operates the business of the REIT;

WHEREAS, the REIT is the sole general partner of SCOLP;

WHEREAS, Executive has historically provided services not only to the REIT, but also to SCOLP; and

WHEREAS, the Company desires to continue the employment of the Executive, and the Executive desires to continue to be employed by the Company, on the terms and subject to the conditions set forth below.

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. Employment.

- (a) The Company agrees to employ the Executive and the Executive accepts the employment, on the terms and subject to the conditions set forth below. During the Term (defined below), the Executive shall serve as Executive Vice President, Chief Financial Officer, Secretary and Treasurer of the REIT, shall manage the Company's Accounting and Tax Departments and shall do and perform diligently all such services, acts and things as are customarily done and performed by such officers of companies in similar business and in size to the REIT, together with such other duties as may reasonably be requested from time to time by the REIT's Chief Executive Officer or the Board of Directors of the REIT (the "Board"), which duties may include oversight of the Company's Human Resources and Information Technology Departments, and shall be consistent with the Executive's positions as set forth above.
- (b) For service as an officer and employee of the Company, the Executive shall be entitled to the full protection of the applicable indemnification provisions of the Articles of Incorporation and Bylaws of the REIT, as they may be amended from time to time.

2. Term of Employment.

- (a) Subject to the provisions for termination provided below, the term of the Executive's employment under this Agreement shall commence on the Effective Date and shall continue thereafter until December 31, 2015 (the "Initial Term"); provided, however, that following the expiration of the Initial Term, the term of this Agreement shall be automatically extended for successive terms of one (1) year each thereafter (each
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a “Renewal Term”), unless either party notifies the other party in writing of its desire to terminate this Agreement at least ninety (90) days before the end of the Initial Term or the Renewal Term then in effect. The Initial Term and each Renewal Term are collectively referred to as the “Term.”

- (b) Executive acknowledges and agrees that Executive is an “at-will” employee and that Executive’s employment may be terminated, with or without cause, at the option of Executive or the REIT.

3. Devotion to the Company’s Business. The Executive shall devote her best efforts, knowledge, skill, and her entire productive time, ability and attention to the business of the Company during the term of this Agreement.

4. Compensation.

- (a) During the Term, the Company shall pay or provide, as the case may be, to the Executive the compensation and other benefits and rights set forth in Sections 4, 5 and 6 of this Agreement.
- (b) Base Compensation. As compensation for the services to be performed hereunder, the Company shall pay to the Executive, during her employment hereunder, an annual base salary (the “Base Salary”) of Three Hundred Thirty Five Thousand Dollars (\$335,000.00) payable in accordance with the Company’s usual pay practices (including tax withholding), but in no event less frequently than monthly.
- (c) COLA Adjustment. Commencing with January 1, 2012 and at the beginning of each calendar year of this Agreement thereafter (each an “Adjustment Date”), Executive’s Base Salary shall be increased in accordance with the increase, if any, in the cost of living during the preceding one year as determined by the percentage increase in the Consumers Price Index-All Urban Consumers (U.S. City Average/all items) published by the Bureau of Labor Statistics of the U.S. Department of Labor (the “Index”). The Base Salary for the calendar year following each Adjustment Date shall be the then current Base Salary increased by the percentage increase, if any, in the average annual Index for the calendar year immediately preceding the Adjustment Date (the “Preceding Year”) over the average annual Index for the calendar year immediately preceding the Preceding Year; provided, however, that, if the Base Salary as increased by this Section 4(c) for 2014 is less than 115% of the Base Salary as of the Effective Date, then, for 2014 and 2015 only, the annual increase in the Base Salary shall be the greater of five percent (5%) or the increase otherwise determined in accordance with this Section 4(c). In the event the Index shall cease to be published or the formula underlying the Index shall change materially from the formula used for the Index as of the date hereof, then there shall be substituted for the Index such other index of similar nature as is then generally recognized and accepted. In no event shall the Base Salary during each adjusted calendar year be less than that paid during the preceding year of this Agreement. By way of illustration, (i) on January 1, 2012, the Base Salary shall be increased by the average percentage increase, if any, in the Index for 2011 over 2010, and (ii) if the Base Salary is less than \$385,250.00 on January 1, 2014, then the Base Salary shall be increased by no less than five percent (5%) for each of 2014 and 2015.
- (d) Signing Bonus. Within five (5) days after the date hereof, the Company shall pay Executive a one-time signing bonus of One Hundred Fifty Thousand Dollars (\$150,000.00); provided, however, that, if this Agreement is terminated for cause pursuant to Section 7(a)(ii) below, or Executive voluntarily resigns her employment, in either case on or before the first anniversary of the Effective Date, then the Executive

shall promptly reimburse such signing bonus to the Company.

- (e) **Bonus.** Executive will be eligible to receive a discretionary bonus for each calendar year during the Term (the "**Bonus**"). The amount of any Bonus shall be determined by the Compensation Committee of the Board and shall be an amount of up to 100% of the Base Salary for each calendar year that the Executive is employed under this Agreement ("Bonus Year"), which Bonus shall be determined and calculated with respect to each Bonus Year as follows: (i) if and to the extent, in the sole discretion of the Compensation Committee and based on criteria approved by the Compensation Committee of the Board, the Company meets certain criteria and Executive fulfills her individual goals and objectives for such Bonus Year, the Executive shall receive a Bonus in the amount of up to 50% of the then current Base Salary; and (ii) up to an additional 50% the then current Base Salary may be awarded to the Executive in the sole discretion of the Compensation Committee based on criteria determined by the Compensation Committee at the time of the determination of the Bonus, which may be based on any number of individual, company and/or industry factors. The determination of the Bonus shall be made by the Compensation Committee of the Board no later than March 7th of the following calendar year and any Bonus shall be paid to the Executive on or before March 15th of the following calendar year.
- (f) **Disability.** During any period that the Executive fails to perform her duties hereunder as a result of incapacity due to physical or mental illness (the "**Disability Period**"), the Executive shall continue to receive her full Base Salary, Bonus and other benefits at the rate in effect for such period until her employment is terminated by the Company pursuant to Section 7(a)(iii) below; provided, however, that payments so made to the Executive during the Disability Period shall be reduced by the sum of the amounts, if any, which were paid to the Executive following the onset of the disability under disability benefit plans of the Company.
- (g) **Restricted Stock.** Promptly after the execution of this Agreement, the REIT shall grant and issue to Executive (the "**Restricted Stock Award**") 7,500 shares of the REIT's common stock (the "**Shares**"). The grant of the Restricted Stock Award shall be subject to the terms and conditions contained in the REIT's standard Restricted Stock Award Agreement (the "**Restricted Stock Award Agreement**") and all applicable terms and conditions of the REIT's Equity Incentive Plan. In addition to the foregoing, the Restricted Stock Award shall vest as follows: 2,500 of the Shares shall vest on each of the fourth, fifth and sixth anniversaries of the Effective Date. The grant of the Restricted Stock Award is expressly conditioned upon the Executive's execution of the Restricted Stock Award Agreement.
- (h) **Clawback.** Notwithstanding anything to the contrary herein, the Bonus and any other incentive compensation paid or payable to the Executive hereunder shall not be deemed fully earned and vested, and shall be reimbursed by the Executive to the Company if previously paid, to the extent such incentive compensation becomes subject to clawback pursuant to the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act, any rules promulgated thereunder or the rules and regulations of the New York Stock Exchange.

5. **Benefits.**

- (a) **Insurance.** The Company shall provide to the Executive life, medical and hospitalization insurance for herself, her spouse and eligible family members as may be determined by the Board to be consistent with the Company's standard policies.

- (b) **Benefit Plans.** The Executive, at her election, may participate, during her employment hereunder, in all retirement plans, 401(k) plans and other benefit plans of the Company generally available from time to time to other executive employees of the Company and for which the Executive qualifies under the terms of the plans (and nothing in this Agreement shall or shall be deemed to in any way affect the Executive's right and benefits under any such plan except as expressly provided herein). At the discretion of the Compensation Committee of the Board, the Executive may also be entitled to participate in any equity, stock option or other employee benefit plan that is generally available to senior executives of the Company. In addition to the foregoing, the Executive's participation in and benefits under any such plan shall be on the terms and subject to the conditions specified in the governing document of the particular plan. Nothing contained in this Agreement shall be construed to create any obligation on the part of the Company to establish any such plan or to maintain the existence of any such plan which may be in effect from time to time.
- (c) **Annual Vacation.** The Executive shall be entitled to four (4) weeks' vacation time each year, without loss of compensation. The Executive shall not take more than fourteen (14) consecutive calendar days of vacation without the prior approval of the REIT's Chief Executive Officer. Unless otherwise approved by the Chief Executive Officer of the REIT, in the event that the Executive does not take the total amount of vacation time authorized under this Agreement during any calendar year, such vacation time shall not accrue and the Executive shall forfeit any such unused vacation time. Upon any termination of this Agreement for any reason whatsoever, accrued and unused vacation time (not to exceed twenty (20) business days) shall be paid to the Executive within ten (10) days of such termination based on the Base Salary in effect on the date of such termination. For purpose of this Agreement, one-twelfth (1/12) of the applicable annual vacation time shall accrue on the last day of each calendar month that the Executive is employed under this Agreement.

6. **Reimbursement of Business Expenses.** The Company shall reimburse the Executive for travel, entertainment and other expenses reasonably and necessarily incurred by the Executive in the performance of her duties under this Agreement. The Executive shall furnish such documentation with respect to reimbursement to be paid hereunder as the Company shall reasonably request.

7. **Termination of Employment.**

(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; and
- (iv) upon the Executive's death.

(b) For purposes hereof, for "cause" shall mean: (i) a material breach of any provision of this Agreement by Executive (if the breach is curable, it will constitute cause only if it continues uncured for a period of twenty (20) days after Executive's receipt of written notice of such breach from the Company); (ii) Executive's failure or refusal, in

any material manner, to perform all lawful services required of her pursuant to this Agreement, which failure or refusal continues for more than twenty (20) days after Executive's receipt of written notice of such deficiency; (iii) Executive's commission of fraud, embezzlement or theft, or a crime constituting moral turpitude, in any case, whether or not involving Company, that in the reasonable good faith judgment of the REIT, renders Executive's continued employment harmful to the Company; (iv) Executive's misappropriation of Company assets or property, including, without limitation, obtaining reimbursement through fraudulent vouchers or expense reports; or (v) Executive's conviction or the entry of a plea of guilty or no contest by Executive with respect to any felony or other crime that, in the reasonable good faith judgment of the REIT, adversely affects the Company or its reputation or business.

- (c) For purposes hereof, the Executive's "permanent disability" shall be deemed to have occurred if Executive has become unable to perform the essential functions and responsibilities of her position with reasonable accommodation, as required under the Americans with Disabilities Act, as the same has and may be amended (the "ADA"), by virtue of a disability (as defined under the ADA).

8. Compensation Upon Termination or Disability.

- (a) In the event that the REIT terminates the Executive's employment under this Agreement without "cause" pursuant to Section 7(a)(i), (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 15th 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"). Notwithstanding the foregoing, the Company, in its sole discretion, may elect to make the Severance Payment to the Executive in one lump sum due within thirty (30) days of the Executive's termination of employment and the Severance Payment shall not be due Executive if Executive is entitled to Change in Control Benefits (as defined in Section 10 below).
- (b) In the event of termination of the Executive's employment under this Agreement for "cause" or if the Executive voluntarily terminates her employment hereunder, the Executive shall be entitled to no further compensation or other benefits under this Agreement, except only as to 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.
- (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 15th 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. Notwithstanding the foregoing, the Company, in its sole discretion, may elect to make the Disability Payment to the Executive in one lump sum due within thirty (30) days of the Executive's termination of employment. 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.

- (d) Notwithstanding anything to the contrary in this Section 8, the Company's obligation to pay, and the Executive's right to receive, any compensation under this Section 8, including, without limitation, the Severance Payment and the Disability Payment, shall terminate upon the Executive's breach of any provision of Section 12 hereof. In addition, the Executive shall promptly return to the Company any compensation received from the Company under this Section 8, including, without limitation, the Severance Payment and the Disability Payment, upon the Executive's breach of any provision of Section 12 hereof.

9. Resignation of Executive. Upon any termination of the Executive's employment under this Agreement, the Executive shall be deemed to have resigned from any and all offices and directorships held by the Executive in the Company and/or any of the Affiliates (as defined below).

10. Effect of Change in Control.

- (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 in accordance with Section 7(a)(i) at any time within twenty-four (24) months after the Change in Control, (ii) 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, or (iii) there are less than eighteen (18) months remaining under the Initial Term of this Agreement (without regard to the last clause of Section 2 hereof).
- (b) For purposes of this Agreement, the "Change in Control Benefits" shall mean the following benefits:
- (i) A cash payment equal to (A) two and 99/100 (2.99) times the Base Salary in effect on the date of such Change in Control, less (B) any amounts paid to Executive under this Agreement following a Change in Control, but prior to the occurrence of a Triggering Event, payable within sixty (60) days of the Change in Control or, in the event that the cessation of Executive's employment hereunder triggers the Change in Control Benefits, payable within thirty (30) days after such cessation of employment; and

- (ii) Continued receipt of all group health benefits set forth in Sections 5(a) and 5(b) of this Agreement, until the earlier of (A) one year following the Change in Control (which period shall run concurrently with Executive's COBRA period) or (B) the commencement of comparable coverage from another employer. The provision of any one benefit by another employer shall not preclude the Executive from continuing participation in Company benefit programs provided under this Section 10(b)(ii) that are not provided by the subsequent employer. The Executive shall promptly notify the Company upon receipt of benefits from a new employer comparable to any benefit provided under this Section 10(b)(ii).
- (c) Notwithstanding anything to the contrary herein, (i) in the event that the Executive's employment under this Agreement is terminated by the Company or its successor in accordance with Section 7(a)(i) within sixty (60) days prior to a Change in Control, such termination shall be deemed to have been made in connection with the Change in Control and the Executive shall be entitled to the Change in Control Benefits and reimbursed for any COBRA premiums previously paid by Executive.
- (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 as a result of the Change in Control.
- (e) Notwithstanding anything to the contrary contained herein, in the event it shall be determined that any compensation payment or distribution by the Company to or for the benefit of the Executive would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code"), the Change in Control Benefits will be reduced to the extent necessary so that no excise tax will be imposed, but only if to do so would result in the Executive retaining a larger amount, on an after-tax basis, taking into account the excise and income taxes imposed on all payments made to the Executive hereunder.
- (f) The Company shall pay to the Executive all reasonable legal fees and expenses incurred by the Executive in obtaining or enforcing any right or benefit provided by this Section 10, but only to the extent that the Company is adjudged liable to the Executive for breach of this Section 10 as a part of a final judgment on the merits by a court of proper jurisdiction or pursuant to binding arbitration agreed to by the parties.
- (g) For purposes of this Agreement, a "Change in Control" shall be deemed to have occurred upon the closing of any of the following transactions:
 - (i) if any person or group of persons acting together (other than (a) the Company or any person (A) who as of the date hereof was a director or officer of the REIT, or (B) whose shares of Common Stock of the REIT are treated as "beneficially owned" by any such director or officer, or (b) any institutional investor (filing reports under Section 13(g) rather than 13(d) of the Securities Exchange Act of 1934, as amended, including any employee benefit plan or employee benefit trust sponsored by the Company)), becomes a beneficial owner, directly or indirectly, of securities of the REIT representing fifty percent (50%) or more of either the then-outstanding Common Stock of the REIT or the combined voting power of the REIT then-outstanding voting securities (other than as a result of an acquisition of securities directly from the REIT);
 - (ii) if the Company sells all or substantially all of the Company's assets to any person (other than a wholly-owned subsidiary of the Company formed for

the purpose of changing the Company's corporate domicile);

- (iii) if the Company merges or consolidates with another person as a result of which the shareholders of the REIT immediately prior to such merger or consolidation would beneficially own (directly or indirectly), immediately after such merger or consolidation, securities of the surviving entity representing less than fifty percent (50%) of the then outstanding voting securities of the surviving entity; or
- (iv) if the new directors appointed to the Board during any twelve-month period constitute a majority of the members of the Board, unless (I) the directors who were in office for at least twelve (12) months prior to such twelve-month period (the "Incumbent Directors") plus (II) the new directors who were recommended or appointed by a majority of the Incumbent Directors constitutes a majority of the members of the Board.

For purposes of this Section 10(g), a "person" includes an individual, a partnership, a corporation, an association, an unincorporated organization, a trust or any other entity.

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 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, 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. All Stock Option 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 Stock Option Agreements, this Section 11 shall control.

12. Covenant Not To Compete and Confidentiality.

- (a) The Executive acknowledges the Company's reliance on and expectation of the Executive's continued commitment to performance of her duties and responsibilities during the term of this Agreement. In light of such reliance and expectation on the part of the Company, the Executive agrees that:
 - (i) for a period commencing on the date of this Agreement and ending upon the expiration of twenty-four (24) months following the termination of the Executive's employment under this Agreement for any reason, including, without limitation, the expiration of the term of this Agreement (the "Non-competition Period"), the Executive shall not, either directly or indirectly, engage in, or have an interest in or be associated with (whether as an officer, director, stockholder, partner, associate, employee, consultant, owner or otherwise) any corporation, firm or enterprise which is engaged in the development, ownership, leasing, management, financing or sales of manufactured housing communities and/or manufactured homes, anywhere within the continental United States or Canada; provided, however, that, notwithstanding anything to the contrary herein, (A) in the event that the Company terminates the Executive's employment hereunder without "cause", the Non-competition Period shall be reduced to twelve (12) months, and (B) the Executive may invest in any publicly held corporation engaged, if such investment does not exceed one percent (1%) in value of the

issued and outstanding capital stock of such corporation;

- (ii) the Executive will not at any time, for so long as any Confidential Information (as defined below) shall remain confidential or otherwise remain wholly or partially protectable, either during the term of this Agreement or thereafter, use or disclose, directly or indirectly, to any person outside of the Company, or any corporation owned or controlled by the Company or under common control with the Company (the "Affiliates"), any Confidential Information;
- (iii) promptly upon the termination of this Agreement for any reason, the Executive (or in the event of the Executive's death, her personal representative) shall return to the Company any and all copies (whether prepared by or at the direction of the Company or Executive) of all records, drawings, materials, memoranda and other data constituting or pertaining to Confidential Information;
- (iv) for a period commencing on the date of this Agreement and ending upon the expiration of the Non-competition Period, the Executive shall not, either directly or indirectly, divert, or by aid to others, do anything which would tend to divert, from the Company or any Affiliate any trade or business with any customer or supplier with whom the Executive had any contact or association during the term of the Executive's employment with the Company or with any party whose identity or potential as a customer or supplier was confidential or learned by the Executive during her employment by the Company; and
- (v) for a period commencing on the date of this Agreement and ending upon the expiration of the Non-competition Period, the Executive shall not, either directly or indirectly, call upon, compete for or solicit for employment any person with whom the Executive was acquainted while employed by the Company.

As used in this Agreement, the term "Confidential Information" shall mean all business information of any nature and in any form which at the time or times concerned is not generally known to those persons engaged in business similar to that conducted or contemplated by the Company or any Affiliate (other than by the act or acts of an employee not authorized by the Company to disclose such information) and which relates to any one or more of the aspects of the present or past business of the Company or any of the Affiliates or any of their respective predecessors, including, without limitation, financial information, business plans, prospects, opportunities which have been discussed or considered by the management of the Company, and other trade secrets.

- (b) The Executive agrees and understands that the remedy at law for any breach by her of this Section 12 will be inadequate and that the damages flowing from such breach are not readily susceptible to being measured in monetary terms. Accordingly, it is acknowledged that, upon adequate proof of the Executive's violation of any legally enforceable provision of this Section 12, the Company shall be entitled to immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach. Nothing in this Section 12 shall be deemed to limit the Company's remedies at law or in equity for any breach by the Executive of any of the provisions of this Section 12 which may be pursued or availed of by the Company. This Section 12 shall survive the termination of this Agreement.
- (c) Executive acknowledges and agrees that the covenants set forth above are reasonable and valid in geographical and temporal scope and in all other respects. If any

court determines that any of the covenants, or any part of any covenant, is invalid or unenforceable, the remainder of the covenants shall not be affected and shall be given full effect, without regard to the invalid portion. If any court determines that any of the covenants, or any part of any covenant, is unenforceable because of its duration or geographic scope, such court shall have the power to reduce the duration or scope, as the case may be, and, enforce such provision in such reduced form. Executive and the Company intend to and hereby confer jurisdiction to enforce the covenants upon the courts of any jurisdiction within the geographical scope of such covenants. If the courts of any one or more of such jurisdictions hold the covenants, or any part of any covenant, unenforceable by reason of the breadth of such scope or otherwise, it is the intention of Executive and the Company that such determination not bar or in any way affect the right of the Company to the relief provided above in the courts of any other jurisdiction within the geographical scope of such covenants as to breaches of such covenants in such other respective jurisdictions. For this purpose, such covenants as they relate to each jurisdiction shall be severable into diverse and independent covenants.

13. Arbitration. The parties agree that any and all disputes, controversies or claims of any nature whatsoever relating to, or arising out of, this Agreement or Executive's employment, whether in contract, tort, or otherwise (including, without limitation, claims of wrongful termination of employment, claims under Title VII of the Civil Rights Act, the Fair Labor Standards Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, or comparable state or federal laws, and any other laws dealing with employees' rights and remedies), shall be settled by mandatory arbitration administered by the American Arbitration Association under its National Rules for the Resolution of Employment Disputes (the "Rules") and the following provisions: (a) a single arbitrator (the "Arbitrator"), mutually agreeable to the Company and Executive, shall preside over the arbitration and shall make all decisions with respect to the resolution of the dispute, controversy or claim between the parties; (b) in the event that the Company and Executive are unable to agree on an Arbitrator within fifteen (15) days after either party has filed for arbitration in accordance with the Rules, they shall select a truly neutral arbitrator in accordance with the rules for the selection of neutral arbitrators, who shall be the "Arbitrator" for the purposes of this Section 13; (c) the place of arbitration shall be Southfield, Michigan unless mutually agreed otherwise; (d) judgment may be entered on any award rendered by the Arbitrator in any federal or state court having jurisdiction over the parties; (e) all fees and expenses of the Arbitrator shall be shared equally between Company and Executive; (f) the decision of the Arbitrator shall govern and shall be conclusive and binding upon the parties; (g) the parties shall be entitled to reasonable levels of discovery in accordance with the Federal Rules of Civil Procedure or as permitted by the Arbitrator, provided, however, that the time permitted for discovery shall not exceed eight (8) weeks and each party shall be limited to two (2) depositions; and (h) this provision shall be enforceable by specific performance and/or injunctive relief, and shall constitute a basis for dismissal of any legal action brought in violation of the duty to arbitrate. The parties hereby acknowledge that it is their intent to expedite the resolution of any dispute, controversy or claim hereunder and that the Arbitrator shall schedule the timing of discovery and of the hearing consistent with that intent. Notwithstanding anything to the contrary herein, nothing contained in this Section shall be construed to preclude Company from obtaining injunctive or other equitable relief to secure specific performance or to otherwise prevent Executive's breach of Section 12 of this Agreement.

14. Notice. Any notice, request, consent or other communication given or made hereunder shall be given or made only in writing and (a) delivered personally to the party to whom it is directed; (b) sent by first class mail or overnight express mail, postage and charges prepaid, addressed to the party to whom it is directed; or (c) telecopied to the party to whom it is directed, at the following addresses or at such other addresses as the parties may hereafter indicate by written notice as provided herein:

If to the REIT or SCOLP:

Sun Communities, Inc.
27777 Franklin Road, Suite 200
Southfield, Michigan 48034
Fax: (248) 208-2641
Attn: Chief Executive Officer

If to the Executive:

Karen J. Dearing
c/o Sun Communities, Inc.
27777 Franklin Road, Suite 200
Southfield, Michigan 48034
Fax: (248) 208-2641

In all events, with a copy to:

Jaffe, Raitt, Heuer & Weiss,
Professional Corporation
27777 Franklin Road
Suite 2500
Southfield, Michigan 48034
Attn: Arthur A. Weiss

Any such notice, request, consent or other communication given or made: (i) in the manner indicated in clause (a) of this Section shall be deemed to be given or made on the date on which it was delivered; (ii) in the manner indicated in clause (b) of this Section shall be deemed to be given or made on the third business day after the day in which it was deposited in a regularly maintained receptacle for the deposit of the United States mail, or in the case of overnight express mail, on the business day immediately following the day on which it was deposited in the regularly maintained receptacle for the deposit of overnight express mail; and (iii) in the manner indicated in clause (c) of this Section shall be deemed to be given or made when received by the telecopier owned or operated by the recipient thereof.

15. Cooperation in Future Matters. Executive hereby agrees that, for a period of eighteen (18) months following her termination of employment for any reason whatsoever, she shall cooperate with the Company's reasonable requests relating to matters that pertain to Executive's employment by the Company, including, without limitation, providing information or limited consultation as to such matters, participating in legal proceedings, investigations or audits on behalf of the Company, or otherwise making herself reasonably available to the Company for other related purposes. Any such cooperation shall be performed at scheduled times taking into consideration Executive's other commitments, and Executive shall be compensated at a reasonable hourly or per diem rate to be agreed upon by the parties to the extent such cooperation is required on more than an occasional and limited basis. Executive shall not be required to perform such cooperation to the extent it conflicts with any requirements of exclusivity of services for another employer or otherwise, nor in any manner that in the good faith belief of Executive would conflict with her rights under or ability to enforce this Agreement.

16. Miscellaneous.

- (a) The provisions of this Agreement are severable and if any one or more provisions may be determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions and any partially unenforceable provision to the extent enforceable in any jurisdiction nevertheless shall be binding and enforceable.
- (b) Neither the Company nor the Executive may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other party; provided that the Company may assign its rights under this Agreement without the consent of the Executive in the event that the Company shall effect a reorganization, consolidate with or merge into another corporation, partnership, organization or other entity, or transfer all or substantially all of its properties or assets to any other corporation, partnership, organization or other entity. This Agreement shall inure to the benefit of and be binding upon the Company and the Executive, their respective successors, executors, administrators, heirs and permitted assigns.
- (c) The failure of either party to enforce any provision or protections of this Agreement shall not in any way be construed as a waiver of any such provision or provisions as to any future violations thereof, nor prevent that party thereafter from enforcing each and every other provision of this Agreement. The rights granted the parties herein are cumulative and the waiver of any single remedy shall not constitute a waiver of such party's right to assert all other legal remedies available to it under the circumstances.
- (d) The Board shall allocate all compensation described in Sections 4, 6, 8 and 10 between the REIT and SCOLP on an annual basis, after determining the services provided to each entity by the Executive for the relevant period. For tax reporting purposes, all compensation will be appropriately reported to the Executive and Federal and state taxing authorities based upon the Executive's legal relationship with each entity as determined under applicable law.
- (e) This Agreement sets forth the entire agreement and understanding of the parties to it with respect to its subject matter, and supersedes all prior agreements, understandings and communications, whether written or oral, with respect to its subject matter, including, without limitation, all previous employment agreements. All prior representations or agreements regarding the subject matter of this Agreement, whether written or verbal, not expressly incorporated in it, are superseded, and no changes in or additions to this Agreement shall be recognized unless and until made in writing and signed by all parties.
- (f) This Agreement shall be governed by and construed according to the laws of the State of Michigan.
- (g) Captions and Section headings used herein are for convenience and are not a part of this Agreement and shall not be used in construing it.
- (h) This Agreement 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.
- (i) Except as otherwise provided in Section 10(f) above, each party shall pay her or its own fees and expenses, including, without limitation, legal fees, incurred in connection with the transactions contemplated by this Agreement, including, without limitation, any fees incurred in connection with any arbitration arising out of the

transactions contemplated by this Agreement.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement on the date first written above.

REIT:

SUN COMMUNITIES, INC.,
a Maryland corporation

By /s/ Gary A. Shiffman
Gary A. Shiffman, President and
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, President and
Chief Executive Officer

EXECUTIVE:

KAREN J. DEARING /s/ Karen J. Dearing



EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into as of March 7, 2011, but effective as of January 1, 2011 (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, SCOLP operates the business of the REIT;

WHEREAS, the REIT is the sole general partner of SCOLP;

WHEREAS, Executive has historically provided services not only to the REIT, but also to SCOLP; and

WHEREAS, the Company desires to continue the employment of the Executive, and the Executive desires to continue to be employed by the Company, on the terms and subject to the conditions set forth below.

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. Employment.

- (a) The Company agrees to employ the Executive and the Executive accepts the employment, on the terms and subject to the conditions set forth below. During the Term (defined below), the Executive shall serve as Executive Vice President and Chief Operating Officer of the REIT, and shall do and perform diligently all such services, acts and things as are customarily done and performed by such officers of companies in similar business and in size to the REIT, together with such other duties as may reasonably be requested from time to time by the REIT's Chief Executive Officer or the Board of Directors of the REIT (the "Board"), which duties shall be consistent with the Executive's positions as set forth above.
- (b) For service as an officer and employee of the Company, the Executive shall be entitled to the full protection of the applicable indemnification provisions of the Articles of Incorporation and Bylaws of the REIT, as they may be amended from time to time.

2. Term of Employment.

- (a) Subject to the provisions for termination provided below, the term of the Executive's employment under this Agreement shall commence on the Effective Date and shall continue thereafter until December 31, 2015 (the "Initial Term"); provided, however, that following the expiration of the Initial Term, the term of this Agreement shall be automatically extended for successive terms of one (1) year each thereafter (each a "Renewal Term"), unless either party notifies the other party in writing of its desire to terminate this Agreement at least ninety (90) days before the end of the Initial Term or the Renewal Term then in effect. The Initial Term and each Renewal Term are collectively
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referred to as the "Term."

- (b) Executive acknowledges and agrees that Executive is an "at-will" employee and that Executive's employment may be terminated, with or without cause, at the option of Executive or the REIT.

3. Devotion to the Company's Business. The Executive shall devote his best efforts, knowledge, skill, and his entire productive time, ability and attention to the business of the Company during the term of this Agreement.

4. Compensation.

- (a) During the Term, the Company shall pay or provide, as the case may be, to the Executive the compensation and other benefits and rights set forth in Sections 4, 5 and 6 of this Agreement.

- (b) Base Compensation. As compensation for the services to be performed hereunder, the Company shall pay to the Executive, during his employment hereunder, an annual base salary (the "Base Salary"), at the rate of:

- (i) Three Hundred Forty Five Thousand Dollars (\$345,000.00) for the period beginning on the Effective Date and ending on December 31, 2011;

- (ii) Three Hundred Seventy Five Thousand Dollars (\$375,000.00) for the period beginning on January 1, 2012 and ending on December 31, 2012;

- (iii) Four Hundred Thousand Dollars (\$400,000.00) for the period beginning on January 1, 2013 and ending on December 31, 2013; and

- (iv) Four Hundred Twenty Five Thousand Dollars (\$425,000.00) thereafter, but subject to adjustment pursuant to Section 4(c) below.

The Base Salary shall be payable in accordance with the Company's usual pay practices (including tax withholding), but in no event less frequently than monthly.

- (c) COLA Adjustment. Commencing with January 1, 2015 and at the beginning of each calendar year of this Agreement thereafter (each an "Adjustment Date"), Executive's Base Salary shall be increased in accordance with the increase, if any, in the cost of living during the preceding one year as determined by the percentage increase in the Consumers Price Index-All Urban Consumers (U.S. City Average/all items) published by the Bureau of Labor Statistics of the U.S. Department of Labor (the "Index"). The Base Salary for the calendar year following each Adjustment Date shall be the then current Base Salary increased by the percentage increase, if any, in the average annual Index for the calendar year immediately preceding the Adjustment Date (the "Preceding Year") over the average annual Index for the calendar year immediately preceding the Preceding Year. In the event the Index shall cease to be published or the formula underlying the Index shall change materially from the formula used for the Index as of the date hereof, then there shall be substituted for the Index such other index of similar nature as is then generally recognized and accepted. In no event shall the Base Salary during each adjusted calendar year be less than that paid during the preceding year of this Agreement.

- (d) Signing Bonus. Within five (5) days after the date hereof, the Company shall pay Executive a one-time signing bonus of One Hundred Fifty Thousand Dollars

(\$150,000.00); provided, however, that, if this Agreement is terminated for cause pursuant to Section 7(a)(ii) below, or Executive voluntarily resigns his employment, in either case on or before the first anniversary of the Effective Date, then the Executive shall promptly reimburse such signing bonus to the Company.

- (e) Annual Discretionary Bonus. Executive will be eligible to receive a discretionary bonus for each calendar year during the Term (the "Bonus"). The amount of any Bonus shall be determined in the sole discretion of the Compensation Committee of the Board and shall be an amount of up to 100% of the Base Salary for each calendar year that the Executive is employed under this Agreement ("Bonus Year"), which Bonus shall be determined and calculated with respect to each Bonus Year as follows: (i) the Executive shall receive a Bonus in the amount of up to 50% of the then current Base Salary in the sole discretion of the Compensation Committee based on attainment of the objectives set forth in a written plan approved by the Compensation Committee for such Bonus Year; and (ii) up to an additional 50% the then current Base Salary may be awarded to the Executive in the sole discretion of the Compensation Committee based on any other criteria. The determination of the Bonus shall be made by the Compensation Committee of the Board no later than March 7th of the following calendar year and any Bonus shall be paid to the Executive on or before March 15th of the following calendar year.
- (f) Disability. During any period that the Executive fails to perform his duties hereunder as a result of incapacity due to physical or mental illness (the "Disability Period"), the Executive shall continue to receive his full Base Salary, Bonus and other benefits at the rate in effect for such period until his employment is terminated by the Company pursuant to Section 7(a)(iii) below; provided, however, that payments so made to the Executive during the Disability Period shall be reduced by the sum of the amounts, if any, which are paid to the Executive following the onset of the disability under disability benefit plans of the Company.
- (g) Restricted Stock. Promptly after the execution of this Agreement, the REIT shall grant and issue to Executive (the "Restricted Stock Award") 12,500 shares of the REIT's common stock (the "Shares"). The grant of the Restricted Stock Award shall be subject to the terms and conditions contained in the REIT's standard Restricted Stock Award Agreement (the "Restricted Stock Award Agreement") and all applicable terms and conditions of the REIT's Equity Incentive Plan. In addition to the foregoing, the Restricted Stock Award shall vest as follows: (i) 4,166 of the Shares shall vest on each of the fourth and fifth anniversaries of the Effective Date; and (ii) the remainder of the Shares shall vest on the sixth anniversary of the Effective Date. The grant of the Restricted Stock Award is expressly conditioned upon the Executive's execution of the Restricted Stock Award Agreement.
- (h) Clawback. Notwithstanding anything to the contrary herein, the Bonus and any other incentive compensation paid or payable to the Executive hereunder shall not be deemed fully earned and vested, and shall be reimbursed by the Executive to the Company if previously paid, to the extent such incentive compensation becomes subject to clawback pursuant to the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act, any rules promulgated thereunder or the rules and regulations of the New York Stock Exchange.

5. Benefits.

- (a) Insurance. The Company shall provide to the Executive life, medical and hospitalization insurance for himself, his spouse and eligible family members as may be

determined by the Board to be consistent with the Company's standard policies.

(b) Benefit Plans. The Executive, at his election, may participate, during his employment hereunder, in all retirement plans, 401(k) plans and other benefit plans of the Company generally available from time to time to other executive employees of the Company and for which the Executive qualifies under the terms of the plans (and nothing in this Agreement shall or shall be deemed to in any way affect the Executive's right and benefits under any such plan except as expressly provided herein). At the discretion of the Compensation Committee of the Board, the Executive may also be entitled to participate in any equity, stock option or other employee benefit plan that is generally available to senior executives of the Company. In addition to the foregoing, the Executive's participation in and benefits under any such plan shall be on the terms and subject to the conditions specified in the governing document of the particular plan. Nothing contained in this Agreement shall be construed to create any obligation on the part of the Company to establish any such plan or to maintain the existence of any such plan which may be in effect from time to time.

(c) Annual Vacation. The Executive shall be entitled to four (4) weeks' vacation time each year, without loss of compensation. The Executive shall not take more than fourteen (14) consecutive calendar days of vacation without the prior approval of the REIT's Chief Executive Officer. Unless otherwise approved by the Chief Executive Officer of the REIT, in the event that the Executive does not take the total amount of vacation time authorized under this Agreement during any calendar year, such vacation time shall not accrue and the Executive shall forfeit any such unused vacation time. In the event this Agreement is terminated for any reason whatsoever, the Executive shall not be entitled to receive any payment for unused vacation time.

6. Reimbursement of Business Expenses. The Company shall reimburse the Executive for travel, entertainment and other expenses reasonably and necessarily incurred by the Executive in the performance of his duties under this Agreement. The Executive shall furnish such documentation with respect to reimbursement to be paid hereunder as the Company shall reasonably request.

7. Termination of Employment.

(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; and
- (iv) upon the Executive's death.

(b) For purposes hereof, for "cause" shall mean: (i) a material breach of any provision of this Agreement by Executive (if the breach is curable, it will constitute cause only if it continues uncured for a period of twenty (20) days after Executive's receipt of written notice of such breach from the Company); (ii) Executive's failure or refusal, in any material manner, to perform all lawful services required of him pursuant to this Agreement, which failure or refusal continues for more than twenty (20) days after

Executive's receipt of written notice of such deficiency; (iii) Executive's commission of fraud, embezzlement or theft, or a crime constituting moral turpitude, in any case, whether or not involving Company, that in the reasonable good faith judgment of the REIT, renders Executive's continued employment harmful to the Company; (iv) Executive's misappropriation of Company assets or property, including, without limitation, obtaining reimbursement through fraudulent vouchers or expense reports; or (v) Executive's conviction or the entry of a plea of guilty or no contest by Executive with respect to any felony or other crime that, in the reasonable good faith judgment of the REIT, adversely affects the Company or its reputation or business.

- (c) For purposes hereof, the Executive's "permanent disability" shall be deemed to have occurred if Executive has become unable to perform the essential functions and responsibilities of his position with reasonable accommodation, as required under the Americans with Disabilities Act, as the same has and may be amended (the "ADA"), by virtue of a disability (as defined under the ADA).

8. Compensation Upon Termination or Disability.

- (a) In the event that the REIT terminates the Executive's employment under this Agreement without "cause" pursuant to Section 7(a)(i), (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 15th 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"). Notwithstanding the foregoing, the Company, in its sole discretion, may elect to make the Severance Payment to the Executive in one lump sum due within thirty (30) days of the Executive's termination of employment and the Severance Payment shall not be due Executive if Executive is entitled to Change in Control Benefits (as defined in Section 10 below).
- (b) In the event of termination of the Executive's employment under this Agreement for "cause" or if the Executive voluntarily terminates his employment hereunder, the Executive shall be entitled to no further compensation or other benefits under this Agreement, except only as to 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.
- (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 15th 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. Notwithstanding the foregoing, the Company, in its sole discretion, may elect to make the Disability Payment to the Executive in one lump sum due within thirty (30) days of the Executive's termination of employment. 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.

- (d) Notwithstanding anything to the contrary in this Section 8, the Company's obligation to pay, and the Executive's right to receive, any compensation under this Section 8, including, without limitation, the Severance Payment and the Disability Payment, shall terminate upon the Executive's breach of any provision of Section 12 hereof. In addition, the Executive shall promptly return to the Company any compensation received from the Company under this Section 8, including, without limitation, the Severance Payment and the Disability Payment, upon the Executive's breach of any provision of Section 12 hereof.

9. Resignation of Executive. Upon any termination of the Executive's employment under this Agreement, the Executive shall be deemed to have resigned from any and all offices and directorships held by the Executive in the Company and/or any of the Affiliates (as defined below).

10. Effect of Change in Control.

- (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 in accordance with Section 7(a)(i) at any time within twenty-four (24) months after the Change in Control, (ii) 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, or (iii) there are less than eighteen (18) months remaining under the Initial Term of this Agreement (without regard to the last clause of Section 2 hereof).
- (b) For purposes of this Agreement, the “Change in Control Benefits” shall mean the following benefits:
- (i) A cash payment equal to (A) two and 99/100 (2.99) times the Base Salary in effect on the date of such Change in Control, less (B) any amounts paid to Executive under this Agreement following a Change in Control, but prior to the occurrence of a Triggering Event, payable within sixty (60) days of the Change in Control or, in the event that the cessation of Executive's employment hereunder triggers the Change in Control Benefits, payable within thirty (30) days after such cessation of employment; and

- (ii) Continued receipt of all group health benefits set forth in Sections 5(a) and 5(b) of this Agreement, until the earlier of (A) one year following the Change in Control (which period shall run concurrently with Executive's COBRA period) or (B) the commencement of comparable coverage from another employer. The provision of any one benefit by another employer shall not preclude the Executive from continuing participation in Company benefit programs provided under this Section 10(b)(ii) that are not provided by the subsequent employer. The Executive shall promptly notify the Company upon receipt of benefits from a new employer comparable to any benefit provided under this Section 10(b)(ii).
 - (c) Notwithstanding anything to the contrary herein, (i) in the event that the Executive's employment under this Agreement is terminated by the Company or its successor in accordance with Section 7(a)(i) within sixty (60) days prior to a Change in Control, such termination shall be deemed to have been made in connection with the Change in Control and the Executive shall be entitled to the Change in Control Benefits and reimbursed for any COBRA premiums previously paid by Executive.
 - (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 as a result of the Change in Control.
 - (e) Notwithstanding anything to the contrary contained herein, in the event it shall be determined that any compensation payment or distribution by the Company to or for the benefit of the Executive would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code"), the Change in Control Benefits will be reduced to the extent necessary so that no excise tax will be imposed, but only if to do so would result in the Executive retaining a larger amount, on an after-tax basis, taking into account the excise and income taxes imposed on all payments made to the Executive hereunder.
 - (f) For purposes of this Agreement, a "Change in Control" shall be deemed to have occurred upon the closing of any of the following transactions:
 - (i) if any person or group of persons acting together (other than (a) the Company or any person (A) who as of the date hereof was a director or officer of the REIT, or (B) whose shares of Common Stock of the REIT are treated as "beneficially owned" by any such director or officer, or (b) any institutional investor (filing reports under Section 13(g) rather than 13(d) of the Securities Exchange Act of 1934, as amended, including any employee benefit plan or employee benefit trust sponsored by the Company)), becomes a beneficial owner, directly or indirectly, of securities of the REIT representing fifty percent (50%) or more of either the then-outstanding Common Stock of the REIT or the combined voting power of the REIT then-outstanding voting securities (other than as a result of an acquisition of securities directly from the REIT);
 - (ii) if the Company sells all or substantially all of the Company's assets to any person (other than a wholly-owned subsidiary of the Company formed for the purpose of changing the Company's corporate domicile);
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- (iii) if the Company merges or consolidates with another person as a result of which the shareholders of the REIT immediately prior to such merger or consolidation would beneficially own (directly or indirectly), immediately after such merger or consolidation, securities of the surviving entity representing less than fifty percent (50%) of the then outstanding voting securities of the surviving entity; or
- (iv) if the new directors appointed to the Board during any twelve-month period constitute a majority of the members of the Board, unless (A) the directors who were in office for at least twelve (12) months prior to such twelve-month period (the "Incumbent Directors") plus (B) the new directors who were recommended or appointed by a majority of the Incumbent Directors constitutes a majority of the members of the Board.

For purposes of this Section 10(f), a "person" includes an individual, a partnership, a corporation, an association, an unincorporated organization, a trust or any other entity.

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 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, 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. All Stock Option 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 Stock Option Agreements, this Section 11 shall control.

12. Covenant Not To Compete and Confidentiality.

- (a) The Executive acknowledges the Company's reliance on and expectation of the Executive's continued commitment to performance of his duties and responsibilities during the term of this Agreement. In light of such reliance and expectation on the part of the Company, the Executive agrees that:
 - (i) for a period commencing on the date of this Agreement and ending upon the expiration of twenty-four (24) months following the termination of the Executive's employment under this Agreement for any reason, including, without limitation, the expiration of the term of this Agreement (the "Non-competition Period"), the Executive shall not, either directly or indirectly, engage in, or have an interest in or be associated with (whether as an officer, director, stockholder, partner, associate, employee, consultant, owner or otherwise) any corporation, firm or enterprise which is engaged in the development, ownership, leasing, management, financing or sales of manufactured housing communities and/or manufactured homes, anywhere within the continental United States or Canada; provided, however, that, notwithstanding anything to the contrary herein, (A) in the event that the Company terminates the Executive's employment hereunder without "cause", the Non-competition Period shall be reduced to twelve (12) months, and (B) the Executive may invest in any publicly held corporation engaged, if such investment does not exceed one percent (1%) in value of the issued and outstanding capital stock of such corporation;

- (ii) the Executive will not at any time, for so long as any Confidential Information (as defined below) shall remain confidential or otherwise remain wholly or partially protectable, either during the term of this Agreement or thereafter, use or disclose, directly or indirectly, to any person outside of the Company, or any corporation owned or controlled by the Company or under common control with the Company (the "Affiliates"), any Confidential Information;
- (iii) promptly upon the termination of this Agreement for any reason, the Executive (or in the event of the Executive's death, his personal representative) shall return to the Company any and all copies (whether prepared by or at the direction of the Company or Executive) of all records, drawings, materials, memoranda and other data constituting or pertaining to Confidential Information;
- (iv) for a period commencing on the date of this Agreement and ending upon the expiration of the Non-competition Period, the Executive shall not, either directly or indirectly, divert, or by aid to others, do anything which would tend to divert, from the Company or any Affiliate any trade or business with any customer or supplier with whom the Executive had any contact or association during the term of the Executive's employment with the Company or with any party whose identity or potential as a customer or supplier was confidential or learned by the Executive during his employment by the Company; and
- (v) for a period commencing on the date of this Agreement and ending upon the expiration of the Non-competition Period, the Executive shall not, either directly or indirectly, call upon, compete for or solicit for employment any person with whom the Executive was acquainted while employed by the Company.

As used in this Agreement, the term "Confidential Information" shall mean all business information of any nature and in any form which at the time or times concerned is not generally known to those persons engaged in business similar to that conducted or contemplated by the Company or any Affiliate (other than by the act or acts of an employee not authorized by the Company to disclose such information) and which relates to any one or more of the aspects of the present or past business of the Company or any of the Affiliates or any of their respective predecessors, including, without limitation, financial information, business plans, prospects, opportunities which have been discussed or considered by the management of the Company, and other trade secrets.

- (b) The Executive agrees and understands that the remedy at law for any breach by him of this Section 12 will be inadequate and that the damages flowing from such breach are not readily susceptible to being measured in monetary terms. Accordingly, it is acknowledged that, upon adequate proof of the Executive's violation of any legally enforceable provision of this Section 12, the Company shall be entitled to immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach. Nothing in this Section 12 shall be deemed to limit the Company's remedies at law or in equity for any breach by the Executive of any of the provisions of this Section 12 which may be pursued or availed of by the Company. This Section 12 shall survive the termination of this Agreement.
- (c) Executive acknowledges and agrees that the covenants set forth above are reasonable and valid in geographical and temporal scope and in all other respects. If any court determines that any of the covenants, or any part of any covenant, is invalid or unenforceable, the remainder of the covenants shall not be affected and shall be given full

effect, without regard to the invalid portion. If any court determines that any of the covenants, or any part of any covenant, is unenforceable because of its duration or geographic scope, such court shall have the power to reduce the duration or scope, as the case may be, and, enforce such provision in such reduced form. Executive and the Company intend to and hereby confer jurisdiction to enforce the covenants upon the courts of any jurisdiction within the geographical scope of such covenants. If the courts of any one or more of such jurisdictions hold the covenants, or any part of any covenant, unenforceable by reason of the breadth of such scope or otherwise, it is the intention of Executive and the Company that such determination not bar or in any way affect the right of the Company to the relief provided above in the courts of any other jurisdiction within the geographical scope of such covenants as to breaches of such covenants in such other respective jurisdictions. For this purpose, such covenants as they relate to each jurisdiction shall be severable into diverse and independent covenants.

13. Arbitration. The parties agree that any and all disputes, controversies or claims of any nature whatsoever relating to, or arising out of, this Agreement or Executive's employment, whether in contract, tort, or otherwise (including, without limitation, claims of wrongful termination of employment, claims under Title VII of the Civil Rights Act, the Fair Labor Standards Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, or comparable state or federal laws, and any other laws dealing with employees' rights and remedies), shall be settled by mandatory arbitration administered by the American Arbitration Association under its National Rules for the Resolution of Employment Disputes (the "Rules") and the following provisions: (a) a single arbitrator (the "Arbitrator"), mutually agreeable to the Company and Executive, shall preside over the arbitration and shall make all decisions with respect to the resolution of the dispute, controversy or claim between the parties; (b) in the event that the Company and Executive are unable to agree on an Arbitrator within fifteen (15) days after either party has filed for arbitration in accordance with the Rules, they shall select a truly neutral arbitrator in accordance with the rules for the selection of neutral arbitrators, who shall be the "Arbitrator" for the purposes of this Section 13; (c) the place of arbitration shall be Southfield, Michigan unless mutually agreed otherwise; (d) judgment may be entered on any award rendered by the Arbitrator in any federal or state court having jurisdiction over the parties; (e) all fees and expenses of the Arbitrator shall be shared equally between Company and Executive; (f) the decision of the Arbitrator shall govern and shall be conclusive and binding upon the parties; (g) the parties shall be entitled to reasonable levels of discovery in accordance with the Federal Rules of Civil Procedure or as permitted by the Arbitrator, provided, however, that the time permitted for discovery shall not exceed eight (8) weeks and each party shall be limited to two (2) depositions; and (h) this provision shall be enforceable by specific performance and/or injunctive relief, and shall constitute a basis for dismissal of any legal action brought in violation of the duty to arbitrate. The parties hereby acknowledge that it is their intent to expedite the resolution of any dispute, controversy or claim hereunder and that the Arbitrator shall schedule the timing of discovery and of the hearing consistent with that intent. Notwithstanding anything to the contrary herein, nothing contained in this Section shall be construed to preclude Company from obtaining injunctive or other equitable relief to secure specific performance or to otherwise prevent Executive's breach of Section 12 of this Agreement.

14. Notice. Any notice, request, consent or other communication given or made hereunder shall be given or made only in writing and (a) delivered personally to the party to whom it is directed; (b) sent by first class mail or overnight express mail, postage and charges prepaid, addressed to the party to whom it is directed; or (c) telecopied to the party to whom it is directed, at the following addresses or at such other addresses as the parties may hereafter indicate by written notice as provided herein:

If to the REIT or SCOLP:

Sun Communities, Inc.
27777 Franklin Road, Suite 200
Southfield, Michigan 48034
Fax: (248) 208-2641
Attn: Chief Executive Officer

If to the Executive:

John B. McLaren
c/o Sun Communities, Inc.
27777 Franklin Road, Suite 200
Southfield, Michigan 48034
Fax: (248) 208-2644

In all events, with a copy to:

Jaffe, Raitt, Heuer & Weiss,
Professional Corporation
27777 Franklin Road
Suite 2500
Southfield, Michigan 48034
Attn: Arthur A. Weiss

Any such notice, request, consent or other communication given or made: (i) in the manner indicated in clause (a) of this Section shall be deemed to be given or made on the date on which it was delivered; (ii) in the manner indicated in clause (b) of this Section shall be deemed to be given or made on the third business day after the day in which it was deposited in a regularly maintained receptacle for the deposit of the United States mail, or in the case of overnight express mail, on the business day immediately following the day on which it was deposited in the regularly maintained receptacle for the deposit of overnight express mail; and (iii) in the manner indicated in clause (c) of this Section shall be deemed to be given or made when received by the telecopier owned or operated by the recipient thereof.

15. Cooperation in Future Matters. Executive hereby agrees that, for a period of eighteen (18) months following his termination of employment for any reason whatsoever, he shall cooperate with the Company's reasonable requests relating to matters that pertain to Executive's employment by the Company, including, without limitation, providing information or limited consultation as to such matters, participating in legal proceedings, investigations or audits on behalf of the Company, or otherwise making himself reasonably available to the Company for other related purposes. Any such cooperation shall be performed at scheduled times taking into consideration Executive's other commitments, and Executive shall be compensated at a reasonable hourly or per diem rate to be agreed upon by the parties to the extent such cooperation is required on more than an occasional and limited basis. Executive shall not be required to perform such cooperation to the extent it conflicts with any requirements of exclusivity of services for another employer or otherwise, nor in any manner that in the good faith belief of Executive would conflict with his rights under or ability to enforce this Agreement.

16. Miscellaneous.

- (a) The provisions of this Agreement are severable and if any one or more provisions may be determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions and any partially unenforceable provision to the extent

enforceable in any jurisdiction nevertheless shall be binding and enforceable.

- (b) Neither the Company nor the Executive may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other party; provided that the Company may assign its rights under this Agreement without the consent of the Executive in the event that the Company shall effect a reorganization, consolidate with or merge into another corporation, partnership, organization or other entity, or transfer all or substantially all of its properties or assets to any other corporation, partnership, organization or other entity. This Agreement shall inure to the benefit of and be binding upon the Company and the Executive, their respective successors, executors, administrators, heirs and permitted assigns.
- (c) The failure of either party to enforce any provision or protections of this Agreement shall not in any way be construed as a waiver of any such provision or provisions as to any future violations thereof, nor prevent that party thereafter from enforcing each and every other provision of this Agreement. The rights granted the parties herein are cumulative and the waiver of any single remedy shall not constitute a waiver of such party's right to assert all other legal remedies available to it under the circumstances.
- (d) The Board shall allocate all compensation described in Sections 4, 6, 8 and 10 between the REIT and SCOLP on an annual basis, after determining the services provided to each entity by the Executive for the relevant period. For tax reporting purposes, all compensation will be appropriately reported to the Executive and Federal and state taxing authorities based upon the Executive's legal relationship with each entity as determined under applicable law.
- (e) This Agreement sets forth the entire agreement and understanding of the parties to it with respect to its subject matter, and supersedes all prior agreements, understandings and communications, whether written or oral, with respect to its subject matter, including, without limitation, all previous employment agreements. All prior representations or agreements regarding the subject matter of this Agreement, whether written or verbal, not expressly incorporated in it, are superseded, and no changes in or additions to this Agreement shall be recognized unless and until made in writing and signed by all parties.
- (f) This Agreement shall be governed by and construed according to the laws of the State of Michigan.
- (g) Captions and Section headings used herein are for convenience and are not a part of this Agreement and shall not be used in construing it.
- (h) This Agreement 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.
- (i) Each party shall pay his or its own fees and expenses, including, without limitation, legal fees, incurred in connection with the transactions contemplated by this Agreement, including, without limitation, any fees incurred in connection with any arbitration arising out of the transactions contemplated by this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Employment Agreement on the date first written above.

REIT:

SUN COMMUNITIES, INC.,
a Maryland corporation

By /s/ Gary A. Shiffman
Gary A. Shiffman, President and
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, President and
Chief Executive Officer

EXECUTIVE:

JOHN B. MCLAREN /s/ John B. McLaren

