

FORM 10-K

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 1999

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

Commission File No. 1-12616

SUN COMMUNITIES, INC.
(Exact name of registrant as specified in its charter)

STATE OF MARYLAND
State of Incorporation

38-2730780
I.R.S. Employer I.D. No.

31700 MIDDLEBELT ROAD
SUITE 145
FARMINGTON HILLS, MICHIGAN 48334
(248) 932-3100

(Address of principal executive offices and telephone number)

Securities Registered Pursuant to Section 12(b) of the Act:
COMMON STOCK, PAR VALUE \$.01 PER SHARE

Securities Registered Pursuant to Section 12(g) of the Act:
NONE

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

As of March 6, 2000, the aggregate market value of the Registrant's voting stock held by non-affiliates of the Registrant was approximately \$482,828,018 based on the closing sales price of \$29.00 on such date using beneficial ownership of stock rules adopted pursuant to Section 13 of the Securities Exchange Act of 1934 to exclude voting stock owned by directors and officers of the Registrant, some of whom may not be held to be affiliates upon judicial determination.

As of March 6, 2000, there were 17,467,417 shares of the Registrant's

common stock issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the Registrant's definitive Proxy Statement to be filed for its 1999 Annual Meeting of Shareholders are incorporated by reference into Part III of this Report.

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PART I

ITEM 1. BUSINESS

GENERAL

Sun Communities, Inc. (the "Company") owns, operates and finances manufactured housing communities concentrated in the midwestern and southeastern United States. The Company is a fully integrated real estate company which, together with its affiliates and predecessors, has been in the business of acquiring, operating and expanding manufactured housing communities since 1975. At December 31, 1999, the Company owned and operated or financed a portfolio of 111 developed properties located in sixteen states (the "Properties"), including 94 manufactured housing communities, 5 recreational vehicle communities, and 12 properties containing both manufactured housing and recreational vehicle sites. At December 31, 1999, the Properties contained an aggregate of 33,950 developed manufactured home sites, approximately 7,350 manufactured home sites suitable for development and approximately 4,650 recreational vehicle sites. In order to enhance property performance and cash flow, the Company, through Sun Home Services, Inc., a Michigan corporation ("Home Services" or "SHS"), actively markets and sells new and used manufactured homes for placement in the Properties.

The Company made an election to be taxed as a REIT for federal income tax purposes commencing with the calendar year beginning January 1, 1994, and is self-administered and self-managed.

The Company's executive and principal property management office is located at 31700 Middlebelt Road, Suite 145, Farmington Hills, Michigan 48334 and its telephone number is (248) 932-3100. The Company has regional property management offices located in Elkhart, Indiana, and Tampa, Florida. The Company, which is a Maryland corporation, employed 639 people as of December 31, 1999.

STRUCTURE OF THE COMPANY

The operations of the Company are carried on through certain subsidiaries (the "Subsidiaries"), including Sun Communities Operating Limited Partnership, a Michigan limited partnership (the "Operating Partnership") which, among other things, enables the Company to comply with certain complex requirements under the Federal tax rules and regulations applicable to REITs. The Company established the Operating Partnership to allow the Company to acquire manufactured housing communities in transactions that defer some or all of the sellers' tax consequences. Substantially all of the Company's assets are held by or through the Operating Partnership, of which the Company is the sole general partner, and wholly-owned subsidiaries of the Company. In addition to the Operating Partnership, the Subsidiaries include Home Services, which provides manufactured home sales and other services to current and prospective tenants of the Properties. The Operating Partnership owns 100% of the non-voting preferred stock of Home Services, which entitles the Operating Partnership to 95% of the cash flow from operating activities of Home Services. The voting common stock of Home Services is currently owned by Gary A. Shiffman and Jeffrey P. Jorissen, executive officers of the Company, and the Estate of Milton M. Shiffman, a former executive officer of the Company, entitling them to the remaining 5% of such cash flow from operating activities. Sun Water Oak Golf, Inc. ("Sun Golf") is a wholly-owned subsidiary of Home Services. Sun Golf was organized to own and operate the golf course, restaurant and related facilities located on the Water Oak Property that were acquired in November 1994.

THE MANUFACTURED HOUSING COMMUNITY INDUSTRY

A manufactured housing community is a residential subdivision designed and improved with sites for the placement of manufactured homes and related improvements and amenities. Manufactured homes are detached, single-family homes which are produced off-site by manufacturers and installed on sites within the community. Manufactured homes are available in a wide array of designs, providing owners with a level of customization generally unavailable in other forms of multi-family housing.

Modern manufactured housing communities, such as the Properties, contain improvements similar to other garden-style residential developments, including centralized entrances, paved streets, curbs and gutters, and parkways. In addition, these communities also often provide a number of amenities, such as a clubhouse, a swimming pool, shuffleboard courts, tennis courts, laundry facilities and cable television service.

The owner of each home in the Company's communities leases the site on which the home is located. The Company owns the underlying land, utility connections, streets, lighting, driveways, common area amenities and other capital improvements and is responsible for enforcement of community guidelines and maintenance. Some communities provide water and sewer service through public or private utilities, while others provide these services to residents from on-site facilities. Each owner within the Company's communities is responsible for the maintenance of his home and leased site. As a result, capital expenditure needs tend to be less significant, relative to multi-family rental apartment complexes.

PROPERTY MANAGEMENT

The Company's property management strategy emphasizes intensive, hands-on management by dedicated, on-site community managers. The Company believes that this on-site focus enables it to continually monitor and address tenant concerns, the performance of competitive properties and local market conditions. Of the Company's 639 employees, 577 are located on-site as property managers, support staff, or maintenance personnel.

The Company's community managers are overseen by Brian W. Fannon, Senior Vice President and Chief Operating Officer, who has 30 years of property management experience, two Senior Vice Presidents, four Regional Vice Presidents and fourteen Regional Property Managers. In addition, the Regional Property Managers are responsible for semi-annual market surveys of competitive communities, interaction with local manufactured home dealers and regular property inspections.

Each community manager performs regular inspections in order to continually monitor the property's physical condition and provides managers with the opportunity to understand and effectively address tenant concerns. In addition to a community manager, each property has an on-site maintenance person and management support staff. The Company holds periodic training sessions for all property management personnel to ensure that management policies are implemented effectively and professionally.

HOME SALES

Home Services offers manufactured home sales services to tenants and prospective tenants in the Company's communities. Since tenants often purchase a home already on-site within a community, such services enhance occupancy and property performance. Additionally, because many of the homes in the Properties are sold through Home Services, better control of home quality in the Company's communities can be maintained than if sales services were conducted solely

through third-party brokers.

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COMPETITION

All of the Properties are located in developed areas that include other manufactured housing community properties. The number of competitive manufactured housing community properties in a particular area could have a material effect on the Company's ability to lease sites and on rents charged at the Properties or at any newly acquired properties. The Company may be competing with others that have greater resources than the Company and whose officers and directors have more experience than the Company's officers and directors. In addition, other forms of multi-family residential properties, such as private and federally funded or assisted multi-family housing and single-family housing, provide housing alternatives to potential tenants of manufactured housing communities.

REGULATIONS AND INSURANCE

General. Manufactured housing community properties are subject to various laws, ordinances and regulations, including regulations relating to recreational facilities such as swimming pools, clubhouses and other common areas. The Company believes that each Property has the necessary operating permits and approvals.

Americans with Disabilities Act ("ADA"). The Properties and any newly acquired manufactured housing communities must comply with the ADA. The ADA has separate compliance requirements for "public accommodations" and "commercial facilities," but generally requires that public facilities such as clubhouses, pools and recreation areas be made accessible to people with disabilities. Compliance with ADA requirements could require removal of access barriers and other capital improvements at the Company's properties. Noncompliance could result in imposition of fines or an award of damages to private litigants. The Company does not believe the ADA will have a material adverse impact on the Company's results of operations. If required property improvements involve a greater expenditure than the Company currently anticipates, or if the improvements must be made on a more accelerated basis than it anticipates, the Company's ability to make expected distributions could be adversely affected. The Company believes that its competitors face similar costs to comply with the requirements of the ADA.

Rent Control Legislation. State and local rent control laws in certain jurisdictions limit the Company's ability to increase rents and to recover increases in operating expenses and the costs of capital improvements. Enactment of such laws has been considered from time to time in other jurisdictions. The Company presently expects to continue to operate manufactured housing community properties, and may purchase additional properties, in markets that are either subject to rent control or in which rent-limiting legislation exists or may be enacted. For example, 25 of the Properties are located in Florida, which has enacted a law which provides that a majority of tenants in a manufactured housing community may require that a proposed increase in site rental rates, reduction in services or utilities or change in the community's rules and regulations be submitted for formal mediation or arbitration if they believe that the proposal is unreasonable.

Insurance. Management believes that the Properties are covered by adequate fire, flood, property and business interruption insurance provided by reputable companies and with commercially reasonable deductibles and limits. The Company maintains a blanket policy that covers all of the Properties. The Company has obtained title insurance insuring fee title to the Properties in an aggregate amount which the Company believes to be adequate.

ITEM 2. PROPERTIES

General. At December 31, 1999, the Properties consisted of 94 manufactured housing communities, 5 recreational vehicle communities, and 12 properties containing both manufactured

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housing and recreational vehicle sites located in sixteen states concentrated in the midwestern and southeastern United States. At December 31, 1999, the Properties contained 33,950 developed manufactured home sites, approximately 7,350 manufactured home sites suitable for development and approximately 4,650 recreational vehicle sites. In addition, at December 31, 1999, the Company owned seven undeveloped properties on which the Company plans to develop approximately 3,400 manufactured home sites. Most of the Properties include amenities oriented towards family and retirement living. Of the 111 Properties, 51 have more than 300 developed manufactured home sites, with the largest having 913 developed manufactured home sites.

The Properties had an aggregate occupancy rate of 94.0% as of December 31, 1999, excluding recreational vehicle sites. Since January 1, 1999, the Properties have averaged an aggregate annual turnover of homes (where the home is moved out of the community) of approximately 3.1% and an average annual turnover of residents (where the home is sold and remains within the community, typically without interruption of rental income) of approximately 8.5%.

The Company believes that its Properties' high amenity levels contribute to low turnover and generally high occupancy rates. All of the Properties provide residents with attractive amenities with most offering a clubhouse, a swimming pool, laundry facilities and cable television service. Many Properties offer additional amenities such as sauna/whirlpool spas, tennis, shuffleboard and basketball courts and/or exercise rooms.

The Company has sought to concentrate its communities within certain geographic areas in order to achieve economies of scale in management and operation. The Properties are principally concentrated in the midwestern and southeastern United States. The Company has identified Florida as a key market in which to expand its existing operations in the southeast because of Florida's stable tenant base, relatively low cost of living and attractive acquisition opportunities. Additionally, the Company's midwestern operations serve as a source of prospective tenants for the Florida Properties, which are generally oriented towards retirement living. Nevertheless, because the Company believes that geographic diversification will help insulate the portfolio from regional economic influences, the Company is also interested in expanding its operations in the western United States.

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The following table sets forth certain information relating to the Properties owned or financed as of December 31, 1999:

PROPERTY AND LOCATION	DEVELOPED SITES AS OF 12/31/99	OCCUPANCY AS OF 12/31/97 (1)	OCCUPANCY AS OF 12/31/98 (1)	OCCUPANCY AS OF 12/31/99 (1)
MIDWEST				
MICHIGAN				
Allendale	352	80% (5)	82%	95%
Allendale, MI				
Alpine	381	99%	99%	99%
Grand Rapids, MI				
Bedford Hills	339	98%	100%	99%
Battle Creek, MI				
Brentwood	195	99%	98%	99%
Kentwood, MI				
Byron Center	143	100%	99%	99%
Byron Center, MI				
Candlewick Court	211	98%	100%	96%
Owosso, MI				
College Park Estates	230	99%	99%	98%
Canton, MI				
Continental Estates	385	92%	93%	88%
Davison, MI				
Continental North	474	96%	70% (5)	84%
Davison, MI				
Country Acres	182	96%	99%	99%
Cadillac, MI				
Country Meadows	577	96% (5)	100%	100%
Flat Rock, MI				
Countryside Village	360	96%	97%	96%
Perry, MI				
Creekwood (2)	336	98%	86% (5)	94%
Burton, MI				
Cutler Estates	281	98%	98%	99%
Grand Rapids, MI				
Davison East	190	97%	97%	95%
Davison, MI				
Fisherman's Cove	162	97%	98%	97%
Flint, MI				
Grand	311	99%	96%	98%
Grand Rapids, MI				
Hamlin	147	98%	99%	100%
Webberville, MI				
Kensington Meadows	289	77% (5)	80%	95%
Lansing, MI				
Kings Court	639	95% (5)	98%	100%
Traverse City, MI				
Lafayette Place	254	(4)	97%	99%
Metro Detroit, MI				
Lincoln Estates	191	100%	99%	98%
Holland, MI				
Maple Grove Estates	46	98%	100%	100%
Dorr, MI				
Meadow Lake Estates	425	100%	100%	99%
White Lake, MI				
Meadowbrook Estates	453	100%	100%	100%
Monroe, MI				
Meadowstream Village	159	99%	97%	97%
Sodus, MI				
Parkwood	249	98%	99%	94%
Grand Blanc, MI				

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PROPERTY AND LOCATION	DEVELOPED SITES AS OF 12/31/99	OCCUPANCY AS OF 12/31/97 (1)	OCCUPANCY AS OF 12/31/98 (1)	OCCUPANCY AS OF 12/31/99 (1)
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Presidential	364	92% (5)	99%	98%
Hudsonville, MI				
Richmond Place (7)	117	(4)	98%	99%
Metro Detroit, MI				
Scio Farms	913	100%	100%	100%
Ann Arbor, MI				
Sherman Oaks	366	98%	99%	98%
Jackson, MI				
St. Clair Place (7)	100	(4)	99%	99%
Metro Detroit, MI				
Timberline Estates	296	100%	98%	97%
Grand Rapids, MI				
Town & Country	192	99%	99%	99%
Traverse City, MI				
White Lake	268	97%	99%	100%
White Lake, MI				
White Oak Estates	440	97%	88% (5)	92%
Mt. Morris, MI				
Windham Estates	352	(4)	59% (5)	78% (5)
Jackson, MI				
Woodhaven Place (7)	220	(4)	100%	99%
Metro Detroit, MI				
Village Trails	100	(4)	82%	64% (5)
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Howard City, MI				
Michigan Total	11,689	97%	95%	96%
=====		===	===	===
INDIANA				
Brookside Village	570	84% (5)	84% (5)	87% (5)
Goshen, IN				
Carrington Pointe	320	76%	55% (5)	88% (5)
Ft. Wayne, IN				
Clear Water Village	227	94% (5)	96%	98%
South Bend, IN				
Cobus Green	386	98%	99%	97%
Elkhart, IN				
Deerfield Run	81	(3)	(3)	59% (5)
Anderson, IN				
Holiday Village	326	98%	99%	98%
Elkhart, IN				
Liberty Farms	220	100%	100%	98%
Valparaiso, IN				
Maplewood	207	97%	98%	97%
Lawrence, IN				
Meadows	330	99%	98%	97%
Nappanee, IN				
Pine Hills	128	94%	92%	95%
Middlebury, IN				
Timberbrook	567	97%	98%	93%
Bristol, IN				
Valleybrook	799	98%	98%	97%
Indianapolis, IN				
West Glen Village	552	99%	100%	98%
Indianapolis, IN				
Woodlake	225	(4)	93%	97%
Ft. Wayne, IN				
Woods Edge	598	98%	84% (5)	91%
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West Lafayette, IN				
Indiana Total	5,536	94%	93%	94%
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OTHER				
Apple Creek	177	(3)	(3)	99%
Cincinnati, OH				

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PROPERTY AND LOCATION	DEVELOPED SITES AS OF 12/31/99	OCCUPANCY AS OF 12/31/97 (1)	OCCUPANCY AS OF 12/31/98 (1)	OCCUPANCY AS OF 12/31/99 (1)
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Autumn Ridge Ankeny, IA	413	99%	97%	99%
Bell Crossing Clarksville, TN	134	(3)	(3)	81%
Boulder Ridge Pflugerville, TX	362	18%(5)	82%(5)	96%
Branch Creek Estates Austin, TX	392	99%	99%	100%
Byrne Hill Toledo, OH	236	(3)	(3)	97%
Candlelight Chicago Heights, IL	309	99%	98%	97%
Casa del Valle (8) Alamo, TX	408	96%	100%	100%
Catalina Community Middletown, OH	462	97%	98%	94%
Chateau Philomath Philomath, OR	76	(3)	(3)	86%
Chisholm Point Estates Pflugerville, TX	412	98%	99%	100%
Comal (2) New Braunfels, TX	139	(3)	(3)	22%(5)
Edwardsville Edwardsville, KS	634	90%(6)	95%	94%
High Point(9) Frederica, DE	411	97%	96%	95%
Kenwood (8) LaFeria, TX	291	(3)	(3)	100%
Oakwood Village Dayton, Ohio	511	(5)	100%	75%(5)
Orchard Lake Cincinnati, OH	147	(3)	(3)	99%
Paradise Park Chicago Heights, IL	277	100%	97%	98%
Pine Ridge Petersburg, VA	245	99%	98%	98%
Pin Oak Parc O'Fallon, MO	502	96%(5)	79%(5)	91%
Pine Trace Houston, TX	209	(3)	(3)	67%(5)
Sea Air(9) Rehoboth Beach, DE	527	99%	99%	99%
Snow to Sun (8) Weslaco, TX	486	98%	99%	99%
Southfork Belton, MO	477	98%	95%	96%
Sun Villa Estates Reno, NV	324	(4)	100%	100%
Superstition Falls (2) Apache Junction, AZ	251	(4)	(4)	0%(5)
Timber Ridge Ft. Collins, CO	581	100%	99%	99%
Westbrook Park (7) Toledo, OH	344	(3)	(3)	99%
Willowbrook (7) Toledo, OH	266	97%	98%	100%
Woodland Park Estates Eugene, OR	399	(4)	100%	99%
Woodside Terrace (7) Holland, OH	439	98%	99%	98%
Worthington Arms Delaware, OH	224	99%	99%	100%
Other Total	11,065	96%	96%	91%
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SOUTHEAST				
FLORIDA				
Arbor Terrace (8) Bradenton, FL	430	(6)	(6)	(6)
Ariana Village Lakeland, FL	209	79%	82%	83%
Bonita Lake (8) Bonita Springs, FL	166	(6)	(6)	(6)
Chain O'Lakes (8)	321	95%	92%	92%

Grand Island, FL				
Elmwood Mobile Home Park	100	100%	100%	99%
Daytona Beach, FL				
Gold Coaster (8)	545	100%	100%	100%
Florida City, FL				
Golden Lakes	426	94%	94%	95%
Plant City, FL				
Groves RV Resort (8)	306	(6)	(6)	(6)
Lee County, FL				
Holly Forest Estates	402	100%	100%	100%
Holly Hill, FL				
Indian Creek (8)	1,554	100%	100%	100%
Ft. Myers Beach, FL				
Island Lakes	301	99%	100%	100%
Merritt Island, FL				
Kings Lake	245	76%	82%	91%
Debary, FL				
Kings Pointe	227	52%	53%	56%
Winter Haven, FL				
Kissimmee Gardens	239	100%	100%	99%
Kissimmee, FL				
Lake Juliana	289	59%	63%	69%
Auburndale, FL				
Lake San Marino (8)	400	(6)	(6)	(6)
Naples, FL				
Leesburg Landing	96	50%	59%	66%
Lake County, FL				
Meadowbrook Village	257	100%	99%	100%
Tampa, FL				
Orange Tree	246	89%	92%	96%
Orange City, FL				
Royal Country	864	99%	99%	100%
Miami, FL				
Saddle Oak Club	376	99%	99%	100%
Ocala, FL				
Siesta Bay (8)	859	(6)	(6)	(6)
Ft. Myers Beach, FL				
Silver Star	426	95%	93%	95%
Orlando, FL				
Tallowood	261	68%	71%	76%
Coconut Creek, FL				
Water Oak Country Club	772	100%	100%	100%
Estates				
Lady Lake, FL				
Florida Total	10,317	92%	92%	94%
	=====	===	===	===
TOTAL/AVERAGE	38,607	95%	94%	94%
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(1) Occupancy percentage relates to manufactured housing sites, excluding recreational vehicle sites.

(2) This Property is owned by a joint venture in which the Operating Partnership owns or controls a 50% interest.

(3) Acquired in 1999.

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(4) Acquired in 1998.

(5) Occupancy in these Properties reflects the fact that these communities are in their initial lease-up phase following an expansion or ground up development.

(6) This Property contains only recreational vehicle sites.

- (7) The Company leases this Property. The Company has the option to purchase the Property upon the expiration of the lease. If the Company does not exercise its option to purchase, the lessor has the right to cause the Company to purchase the Property at the expiration of the lease at the option price.
- (8) This Property contains recreational vehicle sites.
- (9) This Property is financed and managed by the Company.

Leases. The typical lease entered into between a tenant and the Company for the rental of a site is month-to-month or year-to-year, renewable upon the consent of both parties, or, in some instances, as provided by statute. In some cases, leases are for one-year terms, with up to ten renewal options exercisable by the tenant, with rent adjusted for increases in the consumer price index. These leases are cancelable for non-payment of rent, violation of community rules and regulations or other specified defaults. See "Regulations and Insurance."

ITEM 3. LEGAL PROCEEDINGS

The Company is involved in various legal proceedings arising in the ordinary course of business. All such proceedings, taken together, are not expected to have a material adverse impact on the Company's results of operations or financial condition.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of the Company's security holders during the fourth quarter of the fiscal year covered by this report.

PART II

ITEM 5. MARKET FOR THE COMPANY'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

MARKET INFORMATION

The Company's Common Stock has been listed on the New York Stock Exchange ("NYSE") since December 8, 1993 under the symbol "SUI." On March 6, 2000, the closing sales price of the Common Stock was \$29.00 and the Common Stock was held by approximately 1,110 holders of record. The following table sets forth the high and low closing sales prices per share for the Common Stock for the periods indicated as reported by the NYSE and the distributions paid by the Company with respect to each such period.

	High ----	Low ---	Distribution -----
FISCAL YEAR ENDED DECEMBER 31, 1998			
First Quarter of 1998.....	36 1/4	33 3/4	.49
Second Quarter of 1998.....	35	32 3/8	.49
Third Quarter of 1998.....	34	30 1/2	.49
Fourth Quarter of 1998.....	34 13/16	31 1/2	.49
FISCAL YEAR ENDED DECEMBER 31, 1999			
First Quarter of 1999.....	35 3/8	30 1/2	.51

Second Quarter of 1999.....	37	31 3/8	.51
Third Quarter of 1999.....	35 15/16	33 1/16	.51
Fourth Quarter of 1999.....	33 3/8	29 7/8	.51

RECENT SALES OF UNREGISTERED SECURITIES

In 1997, the Operating Partnership issued an aggregate of 38,021 units ("OP Units") to certain sellers in exchange for property. In 1998, the Operating Partnership issued an aggregate of 90,704 OP Units to certain sellers in exchange for property. On December 15, 1998, pursuant to the terms of the Company's 1998 Stock Purchase Plan, the Operating Partnership issued an aggregate of 679,025 OP Units to certain officers, directors and consultants of the Company and its subsidiaries for a purchase price of \$31.75 per OP Unit. In 1999, the Operating Partnership issued an aggregate 27,606 OP Units to a seller in exchange for property. On September 29, 1999, the Operating Partnership issued an aggregate of 2,000,000 Series A Cumulative Redeemable Perpetual Preferred Units to Belcrest Realty Corporation and Belair Real Estate Corporation for an aggregate of \$50 million.

In 1997, the Company issued an aggregate of 41,621 shares of Common Stock upon conversion of an aggregate of 41,621 OP Units. In 1998, the Company issued an aggregate of 312,870 shares of Common Stock upon conversion of an aggregate of 312,870 OP Units. On June 5, 1998, the Company issued, as compensation, an aggregate of 165,000 shares of Common Stock to certain of its officers, which shares are restricted by the terms of certain Restricted Stock Award Agreements. On December 15, 1998, pursuant to the terms of the Company's 1998 Stock Purchase Plan, the Company issued an aggregate of 122,600 shares of Common Stock to certain employees and consultants of the Company and its subsidiaries for a purchase price of \$31.75 per share. In 1999, the Company issued an aggregate of 139,706 shares of Common Stock upon conversion of an aggregate of 139,706 OP Units.

All of the above OP Units and shares of Common Stock were issued in private placements in reliance on Section 4(2) of the Securities Act of 1933, as amended, including Regulation D promulgated thereunder. No underwriters were used in connection with any of such issuances.

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ITEM 6.

SELECTED FINANCIAL DATA

SUN COMMUNITIES, INC.

	YEAR ENDED DECEMBER 31, (2)				
	1999	1998	1997	1996	1995
	(IN THOUSANDS EXCEPT FOR PER SHARE AND OTHER DATA)				
OPERATING DATA:					
Revenues:					
Income from property.....	\$ 125,424	\$ 114,346	\$ 93,188	\$ 71,312	\$ 44,048
Income from affiliate.....	1,726	2,147	1,154	506	325
Other income.....	7,266	3,549	1,788	1,381	739
Total revenues.....	134,416	120,042	96,130	73,199	45,112
Expenses:					
Property operating and maintenance....	27,300	25,647	21,111	15,970	9,838
Real estate taxes.....	8,888	8,728	7,481	5,654	2,981
Property management.....	2,638	2,269	1,903	1,246	937
General and administrative.....	3,682	3,339	2,617	2,212	1,598
Depreciation and amortization.....	28,551	24,961	20,668	14,887	9,747
Interest.....	26,751	23,699	14,423	11,277	6,420
Total expenses.....	97,810	88,643	68,203	51,246	31,521

Income before other, net, extraordinary item and minority interests.....	36,606	31,399	27,927	21,953	13,591
Other, net	829	655	-	-	-
Extraordinary item, early extinguishment of debt	-	-	-	(6,896)	-
Income before minority interests.....	37,435	32,054	27,927	15,057	13,591
Income allocated to minority interests.....	8,346	5,958	5,672	3,353	1,930
Net income	29,089	\$ 26,096	\$ 22,255	\$ 11,704	\$ 11,661
Net income per weighted average share:					
Basic	\$ 1.69	\$ 1.55	\$ 1.38	\$.85	\$ 1.19
Diluted	\$ 1.68	\$ 1.53	\$ 1.37	\$.85	\$ 1.19
Weighted average common shares outstanding-basic.....	17,191	16,856	16,081	13,733	9,792
Distribution per common share (1).....	\$ 2.02	\$ 1.94	\$ 1.865	\$ 1.81	\$ 1.335
BALANCE SHEET DATA:					
Rental property, before accumulated depreciation.....	\$ 866,191	\$ 803,152	\$ 684,821	\$ 588,813	\$ 326,613
Total assets	\$ 911,083	\$ 821,439	\$ 690,914	\$ 585,056	\$ 325,104
Total debt	\$ 405,473	\$ 365,164	\$ 264,264	\$ 185,000	\$ 107,055
Stockholders' equity.....	\$ 338,358	\$ 340,364	\$ 326,780	\$ 300,932	\$ 177,593
OTHER DATA:					
Total properties (at end of period).....	111	104	99	83	54
Total sites (at end of period).....	38,607	37,566	35,936	30,026	18,145

- (1) The distribution of \$.445 per share for the fourth quarter of 1995 was declared and paid in January 1996, and accordingly, is not included in the \$1.335.
- (2) See the Consolidated Financial Statements of the Company included elsewhere herein.

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ITEM 7. MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION & RESULTS OF OPERATIONS

OVERVIEW

The following discussion and analysis of the consolidated financial condition and results of operations should be read in conjunction with the Consolidated Financial Statements and notes thereto.

RESULTS OF OPERATIONS

Comparison of year ended December 31, 1999 to year ended December 31, 1998

For the year ended December 31, 1999, income before other, net and minority interests increased by \$5.2 million from \$31.4 million to \$36.6 million, when compared to the year ended December 31, 1998. The increase was due to increased revenues of \$14.4 million while expenses increased by \$9.2 million.

Income from property increased by \$11.1 million from \$114.3 million to \$125.4 million, or 9.7 percent, due to acquisitions (\$4.0 million), rent increases (\$4.1 million), lease up of manufactured home sites (\$1.7 million) and other community revenues (\$1.3 million).

Income from affiliate decreased \$0.5 million from \$2.2 million to \$1.7 million due to the Company no longer providing floorplan financing of the model home inventories of Sun Home Services ("SHS").

Other income increased by \$3.7 million from \$3.6 million to \$7.3 million due primarily to a \$2.7 million increase in interest income.

Property operating and maintenance expenses increased by \$1.7 million from \$25.6 million to \$27.3 million, or 6.4 percent, due primarily to

acquisitions (\$1.0 million).

Real estate taxes increased by \$0.2 million from \$8.7 million to \$8.9 million, or 1.8 percent, due primarily to the acquired communities.

Property management expenses increased by \$0.3 million from \$2.3 million to \$2.6 million, or 16.3 percent, representing 2.1 percent and 2.0 percent of income from property in 1999 and 1998, respectively.

General and administrative expenses increased by \$0.4 million from \$3.3 million to \$3.7 million, or 10.3 percent, due primarily to increased staffing to manage the growth of the Company. General and administrative expenses as a percentage of income from property remained constant at 2.9 percent in both periods.

Interest expense increased by \$3.1 million from \$23.7 million to \$26.8 million due primarily to investments in rental property and notes receivable. Included in interest is amortization of deferred finance costs of \$0.9 million and \$0.7 million in 1999 and 1998, respectively.

Earnings before interest, taxes, depreciation and amortization ("EBITDA") increased by \$11.8 million from \$80.1 million to \$91.9 million. EBITDA as a percent of revenues increased to 68.4 percent in 1999 compared to 66.7 percent in 1998.

Depreciation and amortization expense increased by \$3.6 million from \$25.0 million to \$28.6 million due primarily to the acquisition and development of communities in 1999 and 1998.

Comparison of year ended December 31, 1998 to year ended December 31, 1997

For the year ended December 31, 1998, income before other, net and minority interests increased by \$3.5 million from \$27.9 million to \$31.4 million, when compared to the year ended December 31, 1997. The increase was due to increased revenues of \$23.9 million while expenses increased by \$20.4 million.

Income from property increased by \$21.1 million from \$93.2 million to \$114.3 million due primarily to the acquisition of 10 communities comprising approximately 2,100 developed sites during 1998 and 14 communities comprising approximately 5,200 developed sites during 1997.

Income from affiliate increased \$1.0 million from \$1.2 million to \$2.2 million due primarily to increased sales of homes by SHS.

Other income increased by \$1.8 million from \$1.8 million to \$3.6 million primarily due to a \$1.1 million increase in interest income.

Property operating and maintenance expenses increased by \$4.5 million from \$21.1 million to \$25.6 million, or 21.5 percent, due primarily to the acquired communities.

Real estate taxes increased by \$1.2 million from \$7.5 million to \$8.7 million, or 16.7 percent, due primarily to the acquired communities.

Property management expenses increased by \$0.4 million from \$1.9 million to \$2.3 million, or 19.2 percent, representing 2.0 percent of income from property in 1998 and 1997.

General and administrative expenses increased by \$0.7 million from \$2.6 million to \$3.3 million, or 27.6 percent, due primarily to additional staff and facilities as a result of the Company's growth.

Interest expense increased by \$9.3 million from \$14.4 million to \$23.7 million due primarily to investments in rental property. Included in interest is amortization of deferred finance costs of \$0.7 million and \$0.2 million in 1998 and 1997, respectively.

EBITDA increased by \$17.1 million from \$63.0 million to \$80.1 million. EBITDA as a percent of revenues was 66.7 percent compared to 65.6 percent in 1997.

Depreciation and amortization expense increased by \$4.3 million from \$20.7 million to \$25.0 million due primarily to the acquisition of communities in 1998 and 1997.

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SAME PROPERTY INFORMATION

The following table reflects property-level financial information as of and for the years ended December 31, 1999 and 1998. The "Same Property" data represents information regarding the operation of communities owned as of January 1, 1998 and December 31, 1999. Site, occupancy, and rent data for those communities is presented as of the last day of each period presented. The table includes sites where the Company is providing financing and managing the properties. Such amounts relate to the total portfolio data and include 938 sites in 1999 and 924 sites in 1998.

	SAME PROPERTY		TOTAL PORTFOLIO	
	1999	1998	1999	1998
	(in thousands)		(in thousands)	
Income from property	\$ 87,093	\$ 81,911	\$125,424	\$114,346
Property operating expenses:				
Property operating and maintenance	15,929	15,441	27,300	25,647
Real estate taxes	6,831	6,932	8,888	8,728
Property operating expenses	22,760	22,373	36,188	34,375
Property EBITDA	\$ 64,333	\$ 59,538	\$ 89,236	\$ 79,971
Number of properties	77	77	111 (2)	104
Developed sites	27,118	26,950	38,607 (2)	37,566
Occupied sites	25,925	25,379	35,565	34,644
Occupancy %	95.6% (1)	94.2% (1)	94.0% (1)	94.3% (1)
Weighted average monthly rent per site	\$ 278 (1)	\$ 266 (1)	\$ 277 (1)	\$ 267 (1)
Sites available for development	1,262	1,369	7,348 (3)	6,924 (3)
Sites planned for development in next year	131	164	1,677 (3)	2,019

(1) Occupancy % and weighted average rent relates to manufactured housing sites, excluding recreational vehicle sites.

(2) Includes two communities and 390 developed sites owned through a joint venture.

(3) Includes 1,138 and 717 sites available for development in 1999 and 1998, respectively, and 322 sites planned for development owned through a joint venture.

On a same property basis, property revenues increased by \$5.2 million from \$81.9 million to \$87.1 million, or 6.3 percent, due primarily to increases in rents and occupancy related charges including water and property tax pass

through. Also contributing to revenue growth was the increase of 546 leased sites at December 31, 1999 compared to December 31, 1998.

Property operating expenses increased by \$0.4 million from \$22.4 million to \$22.8 million, or 1.7 percent, due to increased occupancies and costs. Property EBITDA increased by \$4.8 million from \$59.5 million to \$64.3 million, or 8.1 percent.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents increased by \$1.7 million to \$11.4 million at December 31, 1999 compared to \$9.7 million at December 31, 1998 because cash provided by operating and financing activities exceeded cash used in investing activities.

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Net cash provided by operating activities increased by \$8.2 million to \$61.4 million for the year ended December 31, 1999 compared to \$53.2 million for the year ended December 31, 1998. This increase was primarily due to income before minority interests, depreciation and amortization and other, net increasing by \$6.7 million and other assets decreasing by \$6.4 million, offset by accounts payable and other liabilities decreasing by \$5.0 million.

Net cash used in investing activities decreased by \$16.1 million to \$90.3 million from \$106.4 million due to a \$29.2 million decrease in rental property acquisition activities and an increase of \$15.9 in proceeds related to asset sales, offset by an increase of \$29.1 million used to finance notes receivable.

Net cash provided by financing activities decreased by \$30.1 million to \$30.5 million for the year ended December 31, 1999 compared to \$60.6 million for the year ended December 31, 1998. This decrease was primarily because \$65.0 million of notes payable were issued in 1998 and none issued in 1999 and distributions increasing by \$3.5 million offset by \$26.1 million of additional proceeds from common stock and operating partnership units and increased borrowings on the line of credit of \$12.0 million.

The Company expects to meet its short-term liquidity requirements generally through its working capital provided by operating activities. The Company expects to meet certain long-term liquidity requirements such as scheduled debt maturities and property acquisitions through the issuance of equity or debt securities, or interests in the Operating Partnership. The Company considers these sources to be adequate and anticipates they will continue to be adequate to meet operating requirements, capital improvements, investment in development, and payment of distributions by the Company in accordance with REIT requirements in both the short and long term. The Company may also meet these short-term and long-term requirements by utilizing its \$125 million line of credit which bears interest at LIBOR plus 1.0 percent and is due January 1, 2003. See "Special Note Regarding Forward-Looking Statements."

On September 29, 1999, through the Operating Partnership, the Company completed a private placement of 2 million Series A Perpetual Preferred Units to institutional investors in exchange for a capital contribution of \$50 million. Series A Preferred Units, which may be called by the Company at par on or after September 29, 2004, have no stated maturity or mandatory redemption and pay a cumulative, quarterly dividend at an annualized rate of 8.875 percent. The Series A Preferred Units are convertible into preferred stock under certain circumstances. The Company used the proceeds from such private placement to

reduce outstanding indebtedness under its revolving credit facility.

At December 31, 1999, the Company's debt to total market capitalization approximated 34.7 percent (assuming conversion of all Common and Preferred OP Units to shares of common stock), with a weighted average maturity of approximately 5.3 years and a weighted average interest rate of 7.12 percent.

Capital expenditures for 1999 included recurring capital expenditures of \$5.9 million including \$0.4 million for additional space and related costs at corporate headquarters and revenue producing capital expenditures of \$1.1 million which principally consisted of water metering programs.

RATIO OF EARNINGS TO FIXED CHARGES

The Company's ratio of earnings to fixed charges for the years ended December 31, 1999, 1998, and 1997 was 1.96:1, 2.04:1, and 2.40:1 respectively.

INFLATION

Most of the leases allow for periodic rent increases which provide the Company with the opportunity to achieve increases in rental income as each lease expires. Such types of leases generally minimize the risk of inflation to the Company.

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SAFE HARBOR STATEMENT

This Form 10-K contains various "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, and the Company intends that such forward-looking statements be subject to the safe harbors created thereby. The words "may", "will", "expect", "believe", "anticipate", "should", "estimate", and similar expressions identify forward-looking statements. These forward-looking statements reflect the Company's current views with respect to future events and financial performance, but are based upon current assumptions regarding the Company's operations, future results and prospects, and are subject to many uncertainties and factors relating to the Company's operations and business environment which may cause the actual results of the Company to be materially different from any future results expressed or implied by such forward-looking statements. Please see the section entitled "Risk Factors" of the Company's Registration Statement on Form S-3 filed with the Securities and Exchange Commission on February 15, 2000 for a list of uncertainties and factors.

Such factors include, but are not limited to, the following: (i) changes in the general economic climate; (ii) increased competition in the geographic areas in which the Company owns and operates manufactured housing communities; (iii) changes in government laws and regulations affecting manufactured housing communities; and (iv) the ability of the Company to continue to identify, negotiate and acquire manufactured housing communities and/or vacant land which may be developed into manufactured housing communities on terms favorable to the Company. The Company undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

YEAR 2000 UPDATE

The Year 2000 ("Y2K") issue concerns the inability of computerized information systems to accurately calculate, store and process data using a date after 1999.

The Company's Y2K compliance program consisted of three phases, (i)

inventory and assessment, (ii) upgrade, replacement and testing, and (iii) assurance from material third-party service providers and vendors, all of which were successfully completed prior to December 31, 1999. In February 2000, the Company officially concluded its Y2K compliance program as no events had occurred that significantly affected either the Company's operations or its financial statements.

The Company believes that its expenditures for assessing Y2K issues, though difficult to quantify, have not been material as the Company's Y2K evaluation has been conducted primarily by its own personnel or by its vendors in connection with their servicing agreements.

RECENT ACCOUNTING PRONOUNCEMENTS

In June 1998, FASB issued SFAS No. 133 "Accounting for Derivative Instruments and Hedging Activities" ("SFAS 133"). This Statement establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, (collectively referred to as derivatives) and for hedging activities. This statement will be adopted effective January 1, 2001. There is no effect from the application of SFAS 133 on the earnings and financial position of the Company as the Company has no derivative instruments at December 31, 1999.

OTHER

Industry analysts consider funds from operations ("FFO") to be an appropriate measure of the performance of an equity REIT. It is defined as income before minority interests plus non-cash items such as depreciation and amortization. FFO should not be considered as an alternative to net income as an indication of the Company's performance or to cash flows as a measure of liquidity.

The following table presents FFO for each of the quarters during 1999, 1998 and 1997:

Quarters Ended	1999	1998	1997
March 31	\$ 15,134	\$ 13,271	\$ 11,204
June 30	15,176	13,366	11,178
September 30	15,317	13,473	11,485
December 31	15,626	13,577	12,081
	-----	-----	-----
	\$ 61,253	\$ 53,687	\$ 45,948
	=====	=====	=====
For the year ended December 31,	1999	1998	1997
-----	-----	-----	-----
Weighted average			
OP Units used for basic FFO per share	19,961	19,101	18,444
Dilutive securities:			
Stock options and other	152	176	187
Convertible preferred OP Units	1,245	1,210	1,224
	-----	-----	-----
Weighted average OP			
Units used for diluted FFO per share	21,358	20,487	19,855
	=====	=====	=====

Diluted FFO per unit reflects the potential dilution that would occur if securities were exercised or converted into OP Units. For purposes of calculating diluted FFO per OP Unit, \$2,505 would be added to FFO in 1999, 1998 and 1997.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company's principle market risk exposure is interest rate risk. The Company's exposure to market risk for changes in interest rates relates primarily to refinancing long-term fixed rate obligations, the opportunity cost of fixed rate obligations in a falling interest rate environment and its variable rate line of credit. The Company primarily enters into debt obligations to support general corporate purposes including acquisitions, capital improvements and working capital needs.

The table below presents principal, interest and related weighted average interest rates by year of maturity (in thousands):

	Cash Flows						Total	Fair Value
	2000	2001	2002	2003	2004	Thereafter		
Debt (all fixed rate except line of credit)								
Unsecured debt								
Principal	\$ -	\$65,000	\$ -	\$85,000	\$ -	\$100,000	\$250,000	\$250,000
Interest	\$18,115	\$14,919	\$13,321	\$ 9,000	\$ 6,840	\$ 52,784	\$114,980	
Average interest rate	7.25%	7.22%	7.20%	7.01%	6.84%	6.80%	6.98%	
Mortgage notes								
Principal amortization	\$ 1,473	\$ 1,471	\$ 1,212	\$ 1,098	\$ 2,301	\$ 64,207	\$ 71,853	\$ 71,853
Interest	\$ 5,184	\$ 5,112	\$ 5,034	\$ 4,954	\$ 4,879	\$ 17,683	\$ 42,846	
Average interest rate	7.25%	7.29%	7.29%	7.29%	7.30%	7.18%	7.24%	
Capitalized lease obligations								
Principal	\$ 611	\$ 9,965	\$16,176	\$ 263	\$ 9,606	-	\$ 36,620	\$ 36,620
Interest	\$ 2,173	\$ 1,694	\$ 1,465	\$ 537	\$ 44	-	\$ 5,913	
Average interest rate	5.98%	5.88%	5.85%	5.51%	5.51%	-	5.87%	
Line of Credit								
Principal				\$47,000			\$ 47,000	\$ 47,000
Interest				\$ 3,349			\$ 3,349	
Average interest rate				7.13%			7.13%	

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Financial statements and supplementary data are filed herewith under Item 14

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no changes in the Company's independent public accountants during the past two fiscal years.

PART III

The information required by ITEMS 10, 11, 12 AND 13 will be included in

the Company's proxy statement for its 2000 Annual Meeting of Shareholders, and is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) The following documents are filed herewith as part of this Form 10-K:

(1) A list of the financial statements required to be filed as a part of this Form 10-K is shown in the "Index to the Consolidated Financial Statements and Financial Statement Schedule" filed herewith.

(2) A list of the financial statement schedules required to be filed as a part of this Form 10-K is shown in the "Index to the Consolidated Financial Statements and Financial Statement Schedule" filed herewith.

(3) A list of the exhibits required by Item 601 of Regulation S-K to be filed as a part of this Form 10-K is shown on the "Exhibit Index" filed herewith.

(b) Reports on Form 8-K

On October 15, 1999, the Company filed a Form 8-K. This Form 8-K, dated October 14, 1999, reported the Operating Partnership's issuance of an aggregate of 2,000,000 Series A Cumulative Redeemable Perpetual Preferred Units to Belcrest Realty Corporation and Belair Real Estate Corporation for \$50 million in the aggregate.

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Financial Statements:	
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Consolidated Statement of Income for the Years Ended December 31, 1999, 1998 and 1997	F-4
Consolidated Statement of Stockholders' Equity for the Years Ended December 31, 1999, 1998 and 1997	F-5
Consolidated Statement of Cash Flows for the Years Ended December 31, 1999, 1998 and 1997	F-6
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REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of
Sun Communities, Inc.:

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of income, stockholders' equity and of cash flows present fairly, in all material respects, the financial position of Sun Communities, Inc. (the "Company") at December 31, 1999 and December 31, 1998, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1999, in conformity with accounting principles generally accepted in the United States. In addition, in our opinion, the financial statement schedule listed in the index appearing under Item 14(a)(2) presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. These financial statements and financial statement schedule are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

PricewaterhouseCoopers LLP

Detroit, Michigan
February 11, 2000

SUN COMMUNITIES, INC.
CONSOLIDATED BALANCE SHEET
DECEMBER 31, 1999 AND 1998
(AMOUNTS IN THOUSANDS EXCEPT FOR PER SHARE DATA)

ASSETS	1999 ----	1998 ----
Investment in rental property, net	\$ 773,633	\$ 732,212
Cash and cash equivalents	11,355	9,646
Notes and other receivables	94,092	47,366
Other assets	32,003	32,215
	-----	-----
Total assets	\$ 911,083	\$ 821,439
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Line of credit	\$ 47,000	\$ 26,000
Debt	358,473	339,164
Accounts payable and accrued expenses	18,258	12,637

Deposits and other liabilities	8,660	12,051
	-----	-----
Total liabilities	432,391	389,852
	-----	-----
Minority interests	140,334	91,223
	-----	-----
Stockholders' equity:		
Preferred stock, \$.01 par value, 10,000 shares authorized, none issued		
Common stock, \$.01 par value, 100,000 shares authorized, 17,459 and 17,256 issued and outstanding in 1999 and 1998, respectively	174	172
Paid-in capital	393,360	389,448
Officers' notes	(11,452)	(11,609)
Unearned compensation	(5,459)	(5,302)
Distributions in excess of accumulated earnings	(38,265)	(32,345)
	-----	-----
Total stockholders' equity	338,358	340,364
	-----	-----
Total liabilities and stockholders' equity	\$ 911,083	\$ 821,439
	=====	=====

The accompanying notes are an integral part of the consolidated financial statements.

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SUN COMMUNITIES, INC.
CONSOLIDATED STATEMENT OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 1999, 1998 AND 1997

(AMOUNTS IN THOUSANDS EXCEPT FOR PER SHARE DATA)

	1999	1998	1997
	----	----	----
REVENUES			
Income from property.....	\$ 125,424	\$ 114,346	\$ 93,188
Income from affiliate.....	1,726	2,147	1,154
Other income.....	7,266	3,549	1,788
	-----	-----	-----
Total revenues.....	134,416	120,042	96,130
	-----	-----	-----
EXPENSES			
Property operating and maintenance.....	27,300	25,647	21,111
Real estate taxes.....	8,888	8,728	7,481
Property management.....	2,638	2,269	1,903
General and administrative.....	3,682	3,339	2,617
Depreciation and amortization.....	28,551	24,961	20,668
Interest.....	26,751	23,699	14,423
	-----	-----	-----
Total expenses.....	97,810	88,643	68,203
	-----	-----	-----
Income before other, net and minority interests	36,606	31,399	27,927
Other, net.....	829	655	-
	-----	-----	-----
Income before minority interests.....	37,435	32,054	27,927
Less income allocated to minority interests:			
Preferred OP Units.....	3,663	2,505	2,505
Common OP Units.....	4,683	3,453	3,167
	-----	-----	-----
Net income.....	\$ 29,089	\$ 26,096	\$ 22,255
	=====	=====	=====
Earnings per common share:			
Basic.....	\$ 1.69	\$ 1.55	\$ 1.38
	=====	=====	=====
Diluted.....	\$ 1.68	\$ 1.53	\$ 1.37
	=====	=====	=====
Weighted average common shares outstanding-basic.....	17,191	16,856	16,081
	=====	=====	=====

The accompanying notes are an integral part of the consolidated financial statement

SUN COMMUNITIES, INC.
 CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
 FOR THE YEARS ENDED DECEMBER 31, 1999, 1998 AND 1997
 (AMOUNTS IN THOUSANDS EXCEPT FOR PER SHARE DATA)

	COMMON STOCK	PAID-IN CAPITAL	UNEARNED COMPENSATION	DISTRIBUTIONS IN EXCESS OF EARNINGS
	----	-----	-----	-----
Balance, January 1, 1997.....	\$ 154	\$ 328,321		\$ (18,370)
Issuance of common stock, net.....	12	36,712		
Reclassification and conversion of minority interests.....		(983)		
Net income.....				22,255
Cash distributions declared of \$1.865 per share.....				(29,548)
Balance, December 31, 1997.....	166	364,050		(25,663)
Issuance of common stock, net.....	6	11,418	\$ (5,302)	
Reclassification and conversion of minority interests.....		13,980		
Net income.....				26,096
Cash distributions declared of \$1.94 per share.....				(32,778)
Balance, December 31, 1998.....	172	389,448	(5,302)	(32,345)
Issuance of common stock, net.....	2	1,595	(157)	
Reclassification and conversion of minority interests.....		2,317		
Net income.....				29,089
Cash distributions declared of \$2.02 per share.....				(35,009)
Balance, December 31, 1999.....	\$ 174	\$ 393,360	\$ (5,459)	\$ (38,265)

The accompanying notes are an integral part of the consolidated financial statements.

SUN COMMUNITIES, INC.
 CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE YEARS ENDED DECEMBER 31, 1999, 1998 AND 1997
 (AMOUNTS IN THOUSANDS)

	1999	1998	1997
	----	----	----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income.....	\$ 29,089	\$ 26,096	\$ 22,255
Adjustments to reconcile net income to cash provided by operating activities:			
Income allocated to minority interests.....	4,683	3,453	3,167
Other, net and gain from asset sales.....	(1,781)	(655)	-
Depreciation and amortization costs.....	28,551	24,961	20,668
Amortization of deferred financing costs.....	865	681	235
Increase in other assets.....	(2,001)	(8,363)	(14,054)
Increase in accounts payable and other liabilities.....	2,080	7,070	796

Net cash provided by operating activities.....	61,486	53,243	33,067
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in rental properties.....	(76,062)	(105,268)	(78,552)
Proceeds related to asset sales.....	36,720	20,773	-
Investment in notes receivable, net.....	(51,126)	(22,044)	(19,414)
Officer note.....	157	164	(2,600)
Net cash used in investing activities.....	(90,311)	(106,375)	(100,566)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from issuance of common stock and operating partnership units.....	53,451	27,396	36,724
Borrowings on line of credit, net.....	21,000	9,000	17,000
Proceeds from notes payable and other debt.....	-	65,000	45,000
Repayments on notes payable and other debt.....	(1,741)	(935)	(189)
Payments for deferred financing costs.....	(1,554)	(2,794)	(4,326)
Distributions.....	(40,622)	(37,087)	(33,748)
Net cash provided by financing activities.....	30,534	60,580	60,461
Net increase (decrease) in cash and cash equivalents.....	1,709	7,448	(7,038)
Cash and cash equivalents, beginning of year.....	9,646	2,198	9,236
Cash and cash equivalents, end of year.....	\$ 11,355	\$ 9,646	\$ 2,198
SUPPLEMENTAL INFORMATION			
Cash paid for interest including capitalized amounts of \$2,322, \$1,333 and \$756 in 1999, 1998 and 1997, respectively.....	\$ 28,422	\$ 23,517	\$ 14,742
Noncash investing and financing activities:			
Debt assumed for rental properties and other.....	10,445	18,356	-
Capitalized lease obligations for rental properties and other.....	10,605	9,479	17,453
Property acquired through the exchange of similar property.....	7,700	-	-
Common stock issued as unearned compensation.....	720	5,631	-
Property acquired in satisfaction of note receivable.....	4,400	-	-
Issuance of partnership units for rental properties and other.....	-	2,204	-

The accompanying notes are an integral part of the consolidated financial statements.

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SUN COMMUNITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1999, 1998 AND 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. BUSINESS: Sun Communities, Inc. and its subsidiaries (the "Company") is a real estate investment trust ("REIT") which owns and operates or finances 111 manufactured housing communities located in 16 states concentrated principally in the Midwest and Southeast comprising approximately 38,600 developed sites and approximately 7,350 sites suitable for development. The Company, which has elected to be taxed under Section 856(c) of the Internal Revenue Code of 1986, generally will not be subject to federal or state income taxes to the extent it distributes its REIT taxable income to its stockholders.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

B. PRINCIPLES OF CONSOLIDATION: The accompanying financial statements include the accounts of the Company and all majority-owned and controlled subsidiaries. The minority interests include Common Operating Partnership Units ("OP Units") which are convertible into an equivalent number of shares of the Company's common stock. Such conversion would have no effect on earnings per share since the allocation of earnings to an OP Unit is equivalent to earnings allocated to a share of common stock. Of the 20.2 million OP Units outstanding, the Company owns 17.5 million or 86.6 percent. The

minority interests are adjusted to their relative ownership interest whenever OP Units or common stock are issued, converted or retired by reclassification to/from paid-in capital.

Included in minority interests at December 31, 1999 are 2 million Series A Perpetual Preferred OP Units ("PPOP Units") issued at \$25 per unit in September 1999 bearing an annual coupon rate of 8.875 percent. The PPOP Units may be called by the Company at par on or after September 29, 2004, have no stated maturity or mandatory redemption and are convertible into preferred stock under certain circumstances.

Also included in minority interests are 1.3 million Preferred OP Units ("POP Units") issued at \$27 per unit bearing an annual cumulative dividend of \$1.89 and redeemable at par or convertible in June, 2002. The POP Units are convertible one-for-one into OP Units at prices up to \$31.50 per share. At prices above \$31.50 per share, the POP Units are convertible into OP Units based on a formula the numerator of which is \$31.50 plus 25 percent of stock price appreciation above \$36 per share. The denominator is the then stock price. Had conversion occurred at the December 31, 1999 stock price of \$32.188, the 1.325 million POP Units would have converted into 1.297 million OP Units.

- C. RENTAL PROPERTY: Rental property is recorded at the lower of cost, less accumulated depreciation or fair value. Management evaluates the recoverability of its investment in rental property whenever events or changes in circumstances such as recent operating results, expected net operating cash flow and plans for future operations indicate that full asset recoverability is questionable.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. Useful lives are 30 years for land improvements and buildings and 7 to 15 years for furniture, fixtures and equipment.

Expenditures for ordinary maintenance and repairs are charged to operations as incurred and significant renovations and improvements, which improve and/or extend the useful life of the asset, are capitalized and depreciated over their estimated useful lives. Construction costs related to new community or expansion sites development including interest are capitalized until the property is open for occupancy.

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SUN COMMUNITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, CONTINUED
DECEMBER 31, 1999, 1998 AND 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED:

- D. CASH AND CASH EQUIVALENTS: The Company considers all highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents.
- E. INVESTMENTS IN AND ADVANCES TO AFFILIATES: Sun Home Services ("SHS") provides home sales and other services to current and prospective tenants. The Company owns 100 percent of the outstanding preferred stock of SHS, is entitled to 95 percent of the operating cash flow, and accounts for its investment utilizing the equity method of accounting. The common stock is owned by three officers of the Company who are entitled to receive 5 percent of the operating cash flow. Included in other assets at December 31, 1999 and 1998 is \$6.4 million and \$11.3

million, respectively, related to the Company's investment in SHS.

On December 31, 1999, "SunChamp", a 50 percent controlled joint venture of the Company and Champion Enterprises, Inc., acquired three communities under initial development. The Company intends to account for its investment utilizing the equity method of accounting.

- F. REVENUE RECOGNITION: Rental income attributable to leases is recorded on a straight-line basis when earned from tenants. Leases entered into by tenants generally range from month-to-month to one year and are renewable by mutual agreement of the Company and resident or, in some cases, as provided by statute.
- G. FAIR VALUE OF FINANCIAL INSTRUMENTS: The carrying value of financial instruments which includes cash and cash investments, mortgages and notes receivable and debt approximates fair value.
- H. TAX STATUS OF DIVIDENDS: Approximately 19.4, 19.8, and 31.2 percent of the distributions paid in 1999, 1998, and 1997, respectively, represent a return of capital. The distributions paid included a 16.6 and 14.6 percent capital gain in 1999 and 1998, respectively.
- I. CASH FLOW HEDGES: The company has periodically entered into hedge transactions to lock-in the basic interest cost of financing acquisitions. The gain or loss on such hedges is amortized as an adjustment to interest expense over the term of the related financing.
- J. RECLASSIFICATIONS: Certain 1998 and 1997 amounts have been reclassified to conform with the 1999 financial statement presentation. Such reclassifications have no effect on results of operations as originally presented.

2. RENTAL PROPERTY (AMOUNTS IN THOUSANDS):

	AT DECEMBER 31	
	1999	1998
Land.....	\$ 76,745	\$ 71,930
Land improvements and buildings.....	724,574	679,755
Furniture, fixtures, and equipment	16,943	15,209
Land held for future development.....	22,943	9,747
Property under development.....	24,986	26,511
	866,191	803,152
Less accumulated depreciation.....	(92,558)	(70,940)
	\$ 773,633	\$ 732,212

SUN COMMUNITIES, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, CONTINUED
 DECEMBER 31, 1999, 1998 AND 1997

2. RENTAL PROPERTY, CONTINUED:

Land improvements and buildings consist primarily of infrastructure, roads, landscaping, clubhouses, maintenance buildings and amenities. Included in rental property at December 31, 1999 and 1998 are net carrying amounts related to capitalized leases of \$40.8 million and \$29.8 million, respectively.

During 1999, the Company acquired nine manufactured housing communities comprising 1,624 developed sites and 534 sites suitable for development for

\$37.1 million and five development communities comprising 2,046 sites, some of which are partially developed, for \$13.1 million. During 1998, the Company acquired ten communities comprising 2,100 developed sites and 1,000 sites suitable for development for \$65.5 million and eight development communities comprising 3,650 sites for \$20.1 million. These transactions have been accounted for as purchases, and the statements of income include the operations of the acquired communities from the dates of their respective acquisitions. In conjunction with a prior year acquisition, the Company is obligated to issue \$10.2 million of OP Units over the expected lease-up of the community through 2009 based on the per unit price of the OP Units on each annual date.

3. NOTES AND OTHER RECEIVABLES (AMOUNTS IN THOUSANDS):

	DECEMBER 31	
	1999	1998
Mortgage notes receivable with minimum monthly interest payments at 7%, maturing June 2012, collateralized by manufactured housing/recreational vehicle communities (a).	\$ 15,093	\$ 15,093
Note receivable, collateralized by all assets of the borrower, bears interest at LIBOR + 2.35% and payable on demand	40,794	10,774
Note receivable, bears interest at 9.75% and matures September 2005	4,000	4,000
Installment loans on manufactured homes with interest payable monthly at a weighted average interest rate and maturity of 11% and 21 years, respectively.	18,635	5,339
Notes receivable, other, various interest rates ranging from 6% to 9.5% or prime + 1.5%, various maturity dates through December 2003.	1,562	1,853
Other receivables	14,008	10,307
	\$ 94,092	\$ 47,366

(a) The stated interest rate is 12%. The excess of the interest earned at the stated rate over the pay rate is recognized upon receipt of payment.

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SUN COMMUNITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, CONTINUED
DECEMBER 31, 1999, 1998 AND 1997

3. NOTES AND OTHER RECEIVABLES, CONTINUED:

Officers' notes are 10 year, LIBOR + 1.75% notes, with a minimum and maximum interest rate of 6% and 9%, respectively, collateralized by 366,206 shares of the Company's common stock and 127,794 OP Units with substantial personal recourse. Interest income of \$0.8 million, \$0.9 million and \$0.8 million has been recognized in 1999, 1998 and 1997, respectively.

4. DEBT (AMOUNTS IN THOUSANDS):

	AT DECEMBER 31	
	1999	1998
Collateralized term loan, interest at 7.01%, due September 9, 2007.....	\$ 43,927	\$ 44,425
Senior notes, interest at 7.375%, due May 1, 2001.....	65,000	65,000

Senior notes, interest at 7.625%, due May 1, 2003.....	85,000	85,000
Senior notes, interest at 6.97%, due December 3, 2007.....	35,000	35,000
Senior notes, interest at 6.77%, due May 14, 2015, callable/redeemable May 16, 2005.....	65,000	65,000
Capitalized lease obligations, interest ranging from 6.1% to 6.3%, due March 2001 through December 2002.....	36,620	26,542
Mortgage notes, other.....	27,926	18,197
	-----	-----
	\$ 358,473	\$ 339,164
	-----	-----

The Company has a \$125 million unsecured line of credit at LIBOR plus 1.0% maturing in January 2003, of which \$78 million was available at December 31, 1999. The average interest rate of outstanding borrowings at December 31, 1999 was 6.68%.

The term loan is collateralized by seven communities comprising approximately 3,400 sites. The capitalized lease obligations and mortgage notes are collateralized by fifteen communities comprising approximately 3,850 sites. \$27.1 million of the capitalized lease obligations are convertible into OP units at prices ranging from \$35 to \$40 per OP Unit. Annual payments under capitalized lease obligations range from \$1.3 million to \$1.4 million during their terms.

At December 31, 1999, the maturities of debt, excluding the line of credit, during the next five years are approximately as follows: 2000 - \$2.1 million; 2001 - \$76.4 million; 2002 - \$17.4 million; 2003 - \$133.5 million; and 2004 - \$11.9 million.

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SUN COMMUNITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1999, 1998 AND 1997

5. STOCK OPTIONS:

Data pertaining to stock option plans are as follows:

	1999	1998	1997
	----	----	----
Options outstanding, January 1.....	1,055,600	965,900	767,434
Options granted.....	99,000	162,500	262,000
Option price.....	\$30.03-\$32.96	\$33.75-\$34.13	\$27-\$35.39
Options exercised.....	35,099	66,800	61,033
Option price.....	\$22.75-\$33.75	\$20-\$33.75	\$20-\$28.64
Options forfeited.....	1,501	6,000	2,501
Option price.....	\$33.75	\$33.75-\$34.91	\$24.88-\$28.64
Options outstanding, December 31.....	1,118,000 (a)	1,055,600	965,900
Option price.....	\$20-\$35.39	\$20-\$35.39	\$20-\$35.39
Options exercisable, December 31.....	709,811 (a)	601,410	482,651

(a) There are 273,400 options outstanding and exercisable, respectively, which range from \$20.00 - \$27.99 with a weighted average life of 5.0 years related to the outstanding options. The weighted average exercise price for these outstanding and exercisable options is \$22.81. There are 844,600 and 436,433 options outstanding and exercisable, respectively, which range from \$28.00 - \$35.99 with a weighted average life of 6.0 years related to the outstanding options. The weighted average exercise price for these outstanding and exercisable options is \$30.96 and \$29.96, respectively.

At December 31, 1999, 512,875 shares of common stock were available for the granting of options. Options are granted at fair value and generally vest over a two-year period and may be exercised for 10 years after date of grant. The stock option plans provide for the grant of up to 2,116,000 options. In addition, the Company established a Long-Term Incentive Plan

for certain employees granting up to 240,000 options in 1997, which become exercisable in equal installments in 2002-2004 based on corporate profit performance.

The Company has opted to measure compensation cost utilizing the intrinsic value method. The fair value of each option grant was estimated as of the date of grant using the Black-Scholes option-pricing model with the following assumptions for options granted

	1999 ----	1998 ----	1997 ----
Estimated fair value per share of options granted during year.....	\$ 2.43	\$ 2.43	\$ 2.82
Assumptions:			
Annualized dividend yield.....	7.1%	7.0%	7.1%
Common stock price volatility.....	15.3%	15.9%	15.6%
Risk-free rate of return.....	6.4%	5.4%	6.7%
Expected option term (in years).....	6	4	7

If compensation cost for stock option grants had been recognized based on the fair value at the grant date, this would have resulted in net income of \$28.8 million, \$25.8 million and \$21.9 million and basic net income per share of \$1.68, \$1.53 and \$1.36 in 1999, 1998 and 1997, respectively.

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SUN COMMUNITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1999, 1998 AND 1997

6. STOCKHOLDERS' EQUITY:

In April 1998, the Company declared a dividend of one Preferred Stock Purchase Right (Right) for each outstanding share of common stock. The Rights are not presently exercisable. Each Right entitles the holder, upon the occurrence of certain specified events, including a material change in the ownership of the Company, to purchase preferred stock and common stock, from the Company and/or from another person into which the Company is merged or which acquires control of the Company. The Rights may be generally redeemed by the Company at a price of \$0.01 per Right. The Rights expire on June 8, 2008.

In December 1999, and June 1998, the Company issued stock awards of 24,000 and 165,000 restricted shares, respectively, to officers and certain employees which are being amortized over their five to ten year vesting period.

In December 1998, the Company issued common stock and OP units aggregating \$25.5 million to directors, employees and consultants. The purchase was financed by personal bank loans guaranteed by the Company until January 2004.

7. EARNINGS PER SHARE (AMOUNTS IN THOUSANDS):

	1999 ----	1998 ----	1997 ----
Earnings used for basic and diluted earnings per share computation	\$ 29,089 =====	\$ 26,096 =====	\$ 22,255 =====
Total shares used for basic earnings per share	17,191	16,856	16,081

Dilutive securities:			
Stock options and other	152	175	187
	-----	-----	-----
Total weighted average shares used for diluted earnings per share computation	17,343	17,031	16,268
	=====	=====	=====

Diluted earnings per share reflect the potential dilution that would occur if dilutive securities were exercised or converted into common stock. Convertible POP Units are excluded from the computations as their inclusion would have an anti-dilutive effect on earnings per share in 1999, 1998 and 1997.

8. QUARTERLY FINANCIAL DATA (UNAUDITED):

The following unaudited quarterly amounts are in thousands, except for per share amounts:

	FIRST QUARTER MARCH 31 -----	SECOND QUARTER JUNE 30 -----	THIRD QUARTER SEPT. 30 -----	FOURTH QUARTER DEC. 31 -----
1999				
Total revenues.....	\$ 32,884	\$ 32,635	\$ 33,990	\$ 34,907
Operating income (a).....	\$ 22,309	\$ 22,391	\$ 23,014	\$ 24,194
Income before other, net and allocation to minority interests.....	\$ 8,938	\$ 8,727	\$ 8,727	\$ 10,214
Other, net (b).....	\$ -	\$ -	\$ -	\$ 829
Net income.....	\$ 7,135	\$ 6,964	\$ 6,985	\$ 8,005
Weighted average common shares outstanding.....	17,113	17,160	17,223	17,269
Earnings per common share-basic.....	\$ 0.42	\$ 0.40	\$ 0.41	\$ 0.46

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SUN COMMUNITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1999, 1998 AND 1997

8. QUARTERLY FINANCIAL DATA (UNAUDITED) CONTINUED:

	FIRST QUARTER MARCH 31 -----	SECOND QUARTER JUNE 30 -----	THIRD QUARTER SEPT. 30 -----	FOURTH QUARTER DEC. 31 -----
1998				
Total revenues.....	\$ 29,417	\$ 29,715	\$ 30,164	\$ 30,746
Operating income (a).....	\$ 19,515	\$ 19,977	\$ 20,081	\$ 20,486
Income before other, net and allocation to minority interests.....	\$ 7,999	\$ 7,968	\$ 8,027	\$ 7,405
Other, net (b).....	\$ 937	\$ -	\$ 2,093	\$ (2,375)
Net income.....	\$ 7,301	\$ 6,503	\$ 8,410	\$ 3,882
Weighted average common shares outstanding.....	16,682	16,867	16,900	16,978
Earnings per common share-basic.....	\$.44	\$.38	\$.50	\$.23

(a) Operating income is defined as total revenues less property operating and maintenance expense, real estate tax expense, property management, and general and administrative expenses. Operating income is a measure of the performance of the operations of the properties before the effects of depreciation, amortization and interest expense. Operating income is not necessarily an indication of the performance of the Company or a measure of liquidity.

(b) Other, net consists principally of net gains (losses) on the sale/dispositions of depreciated properties.

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SUN COMMUNITIES, INC.
 REAL ESTATE AND ACCUMULATED DEPRECIATION
 DECEMBER 31, 1999
 (AMOUNTS IN THOUSANDS)

SCHEDULE III

PROPERTY NAME	LOCATION	ENCUMBRANCE	INITIAL COST TO COMPANY		COST CAPITALIZED SUBSEQUENT TO ACQUISITION IMPROVEMENTS	
			LAND	BUILDING AND FIXTURES	LAND	BUILDING AND FIXTURES
Allendale	Allendale, MI	-	393	\$ 3,684	-	\$ 3,349
Alpine	Grand Rapids, MI	-	729	6,692	-	2,528
Apple Creek	Amelia, OH	(3)	543	5,480	-	-
Arbor Terrace	Bradenton, FL	-	481	4,410	-	179
Ariana Village	Lakeland, FL	-	240	2,195	-	387
Autumn Ridge	Ankeny, IO	-	890	8,054	-	648
Bedford Hills	Battle Creek, MI	(1)	1,265	11,562	-	232
Bell Crossing	Clarksville, TN	-	717	1,916	-	95
Bonita Lake	Bonita Springs, FL	-	285	2,641	-	80
Boulder Ridge	Pflugerville, TX	-	1,000	500	\$ 518	9,088
Branch Creek	Austin, TX	-	796	3,716	-	4,202
Brentwood	Kentwood, MI	-	385	3,592	-	138
Brookside Village	Goshen, IN	-	260	1,080	386	6,711
Byrne Hill Village	Toledo, OH	-	383	3,903	-	5
Byron Center	Byron Center, MI	-	257	2,402	-4	101
Candlelight Village	Chicago Heights, IL	-	600	5,623	-	422
Candlewick Court	Owosso, MI	-	125	1,900	132	929
Carrington Pointe	Ft. Wayne, IN	-	1,076	3,632	-	2,692
Casa Del Valle	Alamo, TX	-	246	2,316	-	274
Catalina	Middletown, OH	-	653	5,858	-	414
Cave Creek	Evans, CO	-	2,170	-	71	575
Chain O'Lakes	Grand Island, FL	-	551	5,003	-	163
Chisholm Point	Pflugerville, TX	-	609	5,286	-	1,507
Clearwater Village	South Bend, IN	-	80	1,270	61	1,732
Cobus Green	Elkhart, IN	-	762	7,037	-	502
College Park Estates	Canton, MI	-	75	800	174	4,404
Comal Farms	New Braunfels, TX	(4)	1,474	1,843	-	-
Continental Estates	Davison, MI	-	1,625	16,581	150	879
Continental North	Davison, MI	-	-	-	-	3,002
Country Acres	Cadillac, MI	-	380	3,495	-	111
Country Meadows	Flat Rock, MI	-	924	7,583	296	8,939

GROSS AMOUNT
 CARRIED AT
 DECEMBER 31, 1999

PROPERTY NAME	LAND	BUILDING AND FIXTURES	ACCUMULATED TOTAL	DEPRECIATION	DATE OF CONSTRUCTION (C) ACQUISITION (A)
Allendale	\$ 393	\$ 7,033	\$ 7,426	\$ 655	1996 (A)
Alpine	729	9,220	9,949	907	1996 (A)
Apple Creek	543	5,480	6,023	78	1999 (A)
Arbor Terrace	481	4,589	5,070	556	1996 (A)
Ariana Village	240	2,582	2,822	464	1994 (A)
Autumn Ridge	890	8,702	9,592	994	1996 (A)
Bedford Hills	1,265	11,794	13,059	1,407	1996 (A)
Bell Crossing	717	2,011	2,728	36	1999 (A)
Bonita Lake	285	2,721	3,006	328	1996 (A)
Boulder Ridge	1,518	9,588	11,106	468	1998 (C)
Branch Creek	796	7,918	8,714	839	1995 (A)
Brentwood	385	3,730	4,115	457	1996 (A)
Brookside Village	646	7,791	8,437	1,004	1985 (A)
Byrne Hill Village	383	3,908	4,291	70	1999 (A)
Byron Center	253	2,503	2,756	312	1996 (A)
Candlelight Village	600	6,045	6,645	716	1996 (A)
Candlewick Court	257	2,829	3,086	568	1985 (A)
Carrington Pointe	1,076	6,324	7,400	418	1997 (A)
Casa Del Valle	246	2,590	2,836	232	1997 (A)
Catalina	653	6,272	6,925	1,293	1993 (A)
Cave Creek	2,241	575	2,816	-	1998 (A)
Chain O'Lakes	551	5,166	5,717	683	1996 (A)
Chisholm Point	609	6,793	7,402	920	1995 (A)
Clearwater Village	141	3,002	3,143	463	1986 (A)
Cobus Green	762	7,539	8,301	1,520	1993 (A)
College Park Estates	249	5,204	5,453	948	1978 (A)
Comal Farms	1,474	1,843	3,317	-	1999 (A)
Continental Estates	1,775	17,460	19,235	2,145	1996 (A)
Continental North	-	3,002	3,002	-	1996 (A)
Country Acres	380	3,606	3,986	433	1996 (A)
Country Meadows	1,220	16,522	17,742	2,301	1994 (A)

REAL ESTATE AND ACCUMULATED DEPRECIATION, CONTINUED
 DECEMBER 31, 1999
 (AMOUNTS IN THOUSANDS)

PROPERTY NAME	LOCATION	ENCUMBRANCE	INITIAL COST TO COMPANY		COST CAPITALIZED SUBSEQUENT TO ACQUISITION IMPROVEMENTS	
			LAND	BUILDING AND FIXTURES	LAND	BUILDING AND FIXTURES
Countryside Village	Perry, MI	(1)	275	3,920	185	1,781
Creekside	Reidsville, NC	(4)	369	1,403	-	-
Creekwood Meadows	Burton, MI	-	808	2,043	404	4,435
Cutler Estates	Grand Rapids, MI	(1)	822	7,604	-	165
Davison	Davison, MI	-	-	-	-	2
Deerfield Run	Anderson, MI	1,700	990	1,607	-	116
Desert View Village	West Wendover, NV	-	1,180	-	423	940
Eagle Crest	Firestone, CO	-	4,073	150	45	4,679
Edwardsville	Edwardsville, KS	(1)	425	8,805	541	2,081
Elmwood	Holly Hill, FL	-	230	2,076	-	45
Fisherman's Cove	Flint, MI	-	380	3,438	-	397
Goldcoaster	Homestead, FL	-	446	4,234	74	915
Golden Lakes	Plant City, FL	-	1,092	7,161	-	891
Grand	Grand Rapids, MI	-	578	5,396	-	99
Groves	Ft. Myers, FL	-	249	2,396	-	430
Hamlin	Webberville, MI	-	125	1,675	280	887
Holiday Village	Elkhart, IN	-	100	3,207	143	1,096
Holly Forest	Holly Hill, FL	-	920	8,376	-	177
Hunter's Glen	Leighton Twp., MI	-	1,063	-	39	1,573
Indian Creek	Ft. Myers Beach, FL	-	3,832	34,660	-	544
Island Lake	Merritt Island, FL	-	700	6,431	-	188
Kensington Meadows	Lansing, MI	-	250	2,699	-	3,354
Kenwood	La Feria, TX	-	145	1,857	-	-
King's Court	Traverse City, MI	-	1,473	13,782	-	1,100
King's Lake	Debary, FL	-	280	2,542	-	1,690
King's Pointe	Winter Haven, FL	-	262	2,359	-	318
Kissimmee Gardens	Kissimmee, FL	-	594	5,522	-	236
Lafayette Place	Warren, MI	-	669	5,979	-	561
Lake Juliana	Auburndale, FL	-	335	2,848	-	519
Lake San Marino	Naples, FL	-	650	5,760	-	259
Leesburg Landing	Leesburg, FL	-	50	429	921	365

GROSS AMOUNT
 CARRIED AT
 DECEMBER 31, 1999

PROPERTY NAME	LAND	BUILDING AND FIXTURES	ACCUMULATED TOTAL	DEPRECIATION	DATE OF CONSTRUCTION (C) ACQUISITION (A)
Countryside Village	460	5,701	6,161	1,036	1987 (A)
Creekside	369	1,403	1,772	-	1999 (A)
Creekwood Meadows	1,212	6,478	7,690	387	1997 (C)
Cutler Estates	822	7,769	8,591	931	1996 (A)
Davison	-	2	2	-	1996 (A)
Deerfield Run	990	1,723	2,713	30	1999 (A)
Desert View Village	1,603	940	2,543	-	1998 (A)
Eagle Crest	4,118	4,829	8,947	-	1998 (A)
Edwardsville	966	10,886	11,852	2,074	1987 (A)
Elmwood	230	2,121	2,351	176	1997 (A)
Fisherman's Cove	380	3,835	4,215	772	1993 (A)
Goldcoaster	520	5,149	5,669	424	1997 (A)
Golden Lakes	1,092	8,052	9,144	1,605	1993 (A)
Grand	578	5,495	6,073	672	1996 (A)
Groves	249	2,826	3,075	231	1997 (A)
Hamlin	405	2,562	2,967	475	1984 (A)
Holiday Village	243	4,303	4,546	866	1986 (A)
Holly Forest	920	8,553	9,473	719	1997 (A)
Hunter's Glen	1,102	1,573	2,675	-	1998 (A)
Indian Creek	3,832	35,204	39,036	4,263	1996 (A)
Island Lake	700	6,619	7,319	1,003	1995 (A)
Kensington Meadows	250	6,053	6,303	624	1995 (A)
Kenwood	145	1,857	2,002	29	1999 (A)
King's Court	1,473	14,882	16,355	1,727	1996 (A)
King's Lake	280	4,232	4,512	633	1994 (A)
King's Pointe	262	2,677	2,939	490	1994 (A)
Kissimmee Gardens	594	5,758	6,352	1,243	1993 (A)
Lafayette Place	669	6,540	7,209	338	1998 (A)
Lake Juliana	335	3,367	3,702	610	1994 (A)
Lake San Marino	650	6,019	6,669	723	1996 (A)
Leesburg Landing	971	794	1,765	86	1996 (A)

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(AMOUNTS IN THOUSANDS)

PROPERTY NAME	LOCATION	ENCUMBRANCE	INITIAL COST TO COMPANY		COST CAPITALIZED SUBSEQUENT TO ACQUISITION IMPROVEMENTS	
			LAND	BUILDING AND FIXTURES	LAND	BUILDING AND FIXTURES
Liberty Farms	Valparaiso, IN	-	66	1,201	116	1,711
Lincoln Estates	Holland, MI	-	455	4,201	-	232
Maple Grove Estates	Dorr, MI	-	15	210	19	256
Maplewood	Lawrence, IN	-	280	2,122	-	611
Meadow Lake Estates	White Lake, MI	-	1,188	11,498	126	1,363
Meadowbrook Estates	Monroe, MI	-	431	3,320	379	5,580
Meadowbrook Village	Tampa, FL	-	519	4,728	-	214
Meadows	Nappanee, IN	-	300	2,300	-13	2,098
Meadowstream Village	Sodus, MI	-	100	1,175	109	1,216
Oakwood Village	Miamisburg, OH	704	1,964	6,401	-	3,073
Orange Tree	Orange City, FL	-	283	2,530	15	520
Orchard Lake	Milford, OH	(3)	395	4,064	-	-
Paradise	Chicago Heights, IL	-	723	6,638	-	408
Parkwood	Grand Blanc, MI	-	477	4,279	-	535
Pecan Branch	Georgetown, TX	-	1,379	-	-	65
Chateau Philomath	Philomath, OR	-	1,031	2,064	-	15
Pin Oak Parc	St. Louis, MO	-	1,038	3,250	467	4,088
Pine Hills	Middlebury, IN	-	72	544	56	1,532
Pine Ridge	Petersburg, VA	-	405	2,397	-	1,088
Pine Trace	Houston, TX	-	2,907	4,272	-	1,812
Presidential	Hudsonville, MI	-	680	6,314	-	1,000
Richmond	Richmond, MI	(2)	501	2,040	-	264
Royal Country	Miami, FL	(1)	2,290	20,758	-	455
Saddle Oak Club	Ocala, FL	-	730	6,743	-	409
Scio Farms	Ann Arbor, MI	-	2,300	22,659	-	3,306
Sherman Oaks	Jackson, MI	(1)	200	2,400	240	3,280
Siesta Bay	Ft. Myers Beach, FL	-	2,051	18,549	-	304
Silver Star	Orlando, FL	-	1,067	9,685	-	191
Snow to Sun	Weslaco, TX	97	190	2,143	15	629
Southfork	Belton, MO	-	1,000	9,011	-	847
St. Clair Place	St. Clair, MI	(2)	501	2,029	1	283

GROSS AMOUNT
CARRIED AT
DECEMBER 31, 1999

PROPERTY NAME	LAND	BUILDING AND FIXTURES	ACCUMULATED TOTAL	DEPRECIATION	DATE OF CONSTRUCTION (C) ACQUISITION (A)
Liberty Farms	182	2,912	3,094	553	1985 (A)
Lincoln Estates	455	4,433	4,888	527	1996 (A)
Maple Grove Estates	34	466	500	92	1979 (A)
Maplewood	280	2,733	3,013	544	1989 (A)
Meadow Lake Estates	1,314	12,861	14,175	2,448	1994 (A)
Meadowbrook Estates	810	8,900	9,710	1,783	1986 (A)
Meadowbrook Village	519	4,942	5,461	989	1994 (A)
Meadows	287	4,398	4,685	804	1987 (A)
Meadowstream Village	209	2,391	2,600	481	1984 (A)
Oakwood Village	1,964	9,474	11,438	399	1998 (A)
Orange Tree	298	3,050	3,348	520	1994 (A)
Orchard Lake	395	4,064	4,459	68	1999 (A)
Paradise	723	7,046	7,769	825	1996 (A)
Parkwood	477	4,814	5,291	951	1993 (A)
Pecan Branch	1,379	65	1,444	-	1999 (C)
Chateau Philomath	1,031	2,079	3,110	32	1999 (A)
Pin Oak Parc	1,505	7,338	8,843	845	1994 (A)
Pine Hills	128	2,076	2,204	397	1980 (A)
Pine Ridge	405	3,485	3,890	672	1986 (A)
Pine Trace	2,907	6,084	8,991	103	1999 (C)
Presidential	680	7,314	7,994	843	1996 (A)
Richmond	501	2,304	2,805	123	1998 (A)
Royal Country	2,290	21,213	23,503	4,298	1994 (A)
Saddle Oak Club	730	7,152	7,882	1,235	1995 (A)
Scio Farms	2,300	25,965	28,265	3,714	1995 (A)
Sherman Oaks	440	5,680	6,120	1,119	1986 (A)
Siesta Bay	2,051	18,853	20,904	2,281	1996 (A)
Silver Star	1,067	9,876	10,943	1,193	1996 (A)
Snow to Sun	205	2,772	2,977	226	1997 (A)
Southfork	1,000	9,858	10,858	498	1997 (A)
St. Clair Place	502	2,312	2,814	145	1998 (A)

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PROPERTY NAME	LOCATION	ENCUMBRANCE	INITIAL COST TO COMPANY		COST CAPITALIZED SUBSEQUENT TO ACQUISITION IMPROVEMENTS	
			LAND	BUILDING AND FIXTURES	LAND	BUILDING AND FIXTURES
Stonebridge	Richfield Twp., MI	1,119	2,044	-	17	380
Sun Villa	Reno, NV	6,916	2,385	11,773	-	294
Sunset Ridge	Portland, MI	-	2,044	-	-	54
Superstition Falls	Apache Junction, AZ	-	5,368	-	51	6,114
Tallowood	Coconut Creek, FL	-	510	-	140	817
Timber Ridge	Ft. Collins, CO	-	990	9,231	-	438
Timberbrook	Bristol, IN	(1)	490	3,400	101	4,539
Timberline Estates	Grand Rapids, MI	-	536	4,867	-	444
Town and Country	Traverse City, MI	-	406	3,736	-	174
Valley Brook	Indianapolis, IN	-	150	3,500	1,277	8,371
Village Trails	Howard City, MI	648	988	1,472	-	451
Water Oak Country Club Est.	Lady Lake, FL	-	2,503	17,478	-	2,419
Westbrook	Toledo, OH	(2)	1,110	10,462	-	2
West Glen Village	Indianapolis, IN	-	1,100	10,028	-	611
White Lake	White Lake, MI	-	673	6,179	-	2,302
White Oak	Mt. Morris, MI	-	782	7,245	112	2,406
Willowbrook	Toledo, OH	(2)	781	7,054	-	293
Windham Hills	Jackson, MI	-	2,673	2,364	-	3,591
Woodhaven Place	Wood Haven, MI	(2)	501	4,541	-	632
Woodlake Estates	Yoder, IN	-	632	3,674	-	998
Woodlake Trails	San Antonio, TX	(4)	1,206	668	-	-
Woodland Park Estates	Eugene, OR	8,005	1,593	14,398	-	108
Woods Edge	West Lafayette, IN	-	100	2,600	3	5,758
Woodside Terrace	Holland, OH	(2)	1,064	9,625	-	1,113
Worthington Arms	Delaware, OH	-	376	2,624	-	1,039
Corporate Headquarters	Farmington Hills, MI	-	-	-	-	3,419
			\$ 99,882	\$589,956	\$ 8,070	\$168,283

GROSS AMOUNT CARRIED AT DECEMBER 31, 1999

PROPERTY NAME	LAND	BUILDING AND FIXTURES	ACCUMULATED TOTAL	DEPRECIATION	DATE OF CONSTRUCTION (C) ACQUISITION (A)
Stonebridge	2,061	380	2,441	-	1998 (A)
Sun Villa	2,385	12,067	14,452	608	1998 (A)
Sunset Ridge	2,044	54	2,098	-	1998 (A)
Superstition Falls	5,419	6,114	11,533	-	1998 (A)
Tallowood	650	5,916	6,566	1,060	1994 (A)
Timber Ridge	990	9,669	10,659	1,163	1996 (A)
Timberbrook	591	7,939	8,530	1,443	1987 (A)
Timberline Estates	536	5,311	5,847	989	1994 (A)
Town and Country	406	3,910	4,316	471	1996 (A)
Valley Brook	1,427	11,871	13,298	2,018	1989 (A)
Village Trails	988	1,923	2,911	92	1998 (A)
Water Oak Country Club Est.	2,503	19,897	22,400	3,934	1993 (A)
Westbrook	1,110	10,464	11,574	180	1999 (A)
West Glen Village	1,100	10,639	11,739	1,932	1994 (A)
White Lake	673	8,481	9,154	627	1997 (A)
White Oak	894	9,651	10,545	712	1997 (A)
Willowbrook	781	7,347	8,128	372	1997 (A)
Windham Hills	2,673	5,955	8,628	235	1998 (A)
Woodhaven Place	501	5,173	5,674	269	1998 (A)
Woodlake Estates	632	4,672	5,304	206	1998 (A)
Woodlake Trails	1,206	668	1,874	-	1999 (A)
Woodland Park Estates	1,593	14,506	16,099	741	1998 (A)
Woods Edge	103	8,358	8,461	947	1985 (A)
Woodside Terrace	1,064	10,738	11,802	864	1997 (A)
Worthington Arms	376	3,663	4,039	720	1990 (A)
Corporate Headquarters	-	3,419	3,419	885	Various
	\$107,952 (5)	\$758,239 (6)	\$866,191	\$ 92,558	

- (1) These communities collateralize \$43.9 million of term debt.
- (2) These communities are financed by \$36.6 million of collateralized lease obligations.
- (3) These communities collateralize \$4.8 million of mortgage debt.
- (4) These communities collateralize \$3.9 million of mortgage debt.
- (5) Includes \$8.3 million of land in property under development in Footnote 2 "Rental Property" to the Company's Consolidated Financial Statements included elsewhere herein.
- (6) Includes \$16.7 million of property under development in Footnote 2 "Rental Property" to the Company's Consolidated Financial Statements included elsewhere herein.

SUN COMMUNITIES, INC.

REAL ESTATE AND ACCUMULATED DEPRECIATION, CONTINUED

SCHEDULE III

DECEMBER 31, 1999

(AMOUNTS IN THOUSANDS)

The change in investment in real estate for the years ended December 31, 1999, 1998 and 1997 is as follows:

	1999 -----	1998 -----	1997 -----
Balance, beginning of year	\$ 803,152	\$ 684,821	\$ 588,813
Community and land acquisitions, including immediate improvements	59,578	102,248	73,065
Community expansion and development	42,480	26,874	17,300
Improvements, other	7,022	6,193	5,643
Dispositions and other	(46,041)	(16,984)	--
Balance, end of year	\$ 866,191 =====	\$ 803,152 =====	\$ 684,821 =====

The change in accumulated depreciation for the years ended December 31, 1999, 1998 and 1997 is as follows:

	1999 -----	1998 -----	1997 -----
Balance, beginning of year	\$ 70,940	\$ 50,084	\$ 30,535
Depreciation for the period	25,112	22,765	19,549
Dispositions and other	(3,494)	(1,909)	--
Balance, end of year	\$ 92,558 =====	\$ 70,940 =====	\$ 50,084 =====

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 20, 2000

SUN COMMUNITIES, INC.

By /s/ Gary A. Shiffman

Gary A. Shiffman, President

this Annual Report on Form 10-K has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

NAME -----	TITLE -----	DATE ----
/s/ Gary A. Shiffman ----- Gary A. Shiffman	Chief Executive Officer, President and Director	March 20, 2000
/s/ Jeffrey P. Jorissen ----- Jeffrey P. Jorissen	Senior Vice President, Chief Financial Officer, Treasurer, Secretary and Principal Accounting Officer	March 20, 2000
/s/ Paul D. Lapidés ----- Paul D. Lapidés	Director	March 20, 2000
/s/ Ted J. Simon ----- Ted J. Simon	Director	March 20, 2000
/s/ Clunet R. Lewis ----- Clunet R. Lewis	Director	March 20, 2000

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NAME -----	TITLE -----	DATE ----
/s/ Ronald L. Piasecki ----- Ronald L. Piasecki	Director	March 20, 2000
/s/ Arthur A. Weiss ----- Arthur A. Weiss	Director	March 20, 2000

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EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----	SEQUENTIALLY NUMBERED PAGE -----
2.1	Form of Sun Communities, Inc.'s Common Stock Certificate	(1)
3.1	Amended and Restated Articles of Incorporation of Sun Communities, Inc.	(1)
3.2	Bylaws of Sun Communities, Inc.	(3)
4.1	Indenture, dated as of April 24, 1996, among Sun Communities, Inc., Sun Communities Operating Limited Partnership and Bankers Trust Company, as Trustee	(4)

4.2	Form of Note for the 2001 Notes	(4)
4.3	Form of Note for the 2003 Notes	(4)
4.4	First Supplemental Indenture, dated as of August 20, 1997, by and between Sun Communities Operating Limited Partnership and Bankers Trust Company, as Trustee	(9)
4.5	Form of Medium-Term Note (Floating Rate)	(9)
4.6	Form of Medium-Term Note (Fixed Rate)	(9)
4.7	Articles Supplementary of Board of Directors of Sun Communities, Inc. Designating a Series of Preferred Stock and Fixing Distribution and other Rights in such Series	(11)
4.8	Articles Supplementary of Board of Directors of Sun Communities, Inc. Designating a Series of Preferred Stock	(13)
10.1	Second Amended and Restated Agreement of Limited Partnership of Sun Communities Operating Limited Partnership	(8)
10.2	Second Amended and Restated 1993 Stock Option Plan	(12)
10.3	Amended and Restated 1993 Non-Employee Director Stock Option Plan	(8)
10.4	Form of Stock Option Agreement between Sun Communities, Inc. and certain directors, officers and other individuals	(1)
10.5	Form of Non-Employee Director Stock Option Agreement between Sun Communities, Inc. and certain directors	(5)
10.6	Employment Agreement between Sun Communities, Inc. and Gary A. Shiffman	(8)
10.7	Senior Unsecured Line of Credit Agreement with Lehman Brothers Holdings Inc.	(9)
10.8	Amended and Restated Loan Agreement between Sun Communities Funding Limited Partnership and Lehman Brothers Holdings Inc.	(9)
10.9	Amended and Restated Loan Agreement among Miami Lakes Venture Associates, Sun Communities Funding Limited Partnership and Lehman Brothers Holdings Inc.	(9)

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EXHIBIT NUMBER -----	DESCRIPTION -----	SEQUENTIALLY NUMBERED PAGE -----
10.10	Form of Indemnification Agreement between each officer and director of Sun Communities, Inc. and Sun Communities, Inc.	(9)
10.11	Loan Agreement among Sun Communities Operating Limited Partnership, Sea Breeze Limited Partnership and High Point Associates, LP.	(9)
10.12	Option Agreement by and between Sun Communities Operating Limited Partnership and Sea Breeze Limited Partnership	(9)
10.13	Option Agreement by and between Sun Communities Operating Limited Partnership and High Point Associates, LP	(9)
10.14	\$1,022,538.12 Promissory Note from Gary A. Shiffman to Sun Communities Operating Limited Partnership	(7)
10.15	\$1,022,538.13 Promissory Note from Gary A. Shiffman to Sun Communities Operating Limited Partnership	(7)
10.16	\$6,604,923.75 Promissory Note from Gary A. Shiffman to Sun Communities Operating Limited Partnership	(7)
10.17	Stock Pledge Agreement between Gary A. Shiffman and Sun Communities Operating Limited Partnership for 94,570 shares of Common Stock	(7)
10.18	Stock Pledge Agreement between Gary A. Shiffman and Sun Communities Operating Limited Partnership for 305,430 shares of Common Stock	(7)
10.19	\$ 1,300,195.40 Promissory Note from Gary A. Shiffman to Sun Communities Operating Limited Partnership	(9)
10.20	\$ 1,300,195.40 Promissory Note from Gary A. Shiffman to Sun Communities Operating Limited Partnership	(9)
10.21	Stock Pledge Agreement between Gary A. Shiffman and Sun Communities Operating Limited Partnership with respect to 80,000 shares of Common Stock	(9)
10.22	Employment Agreement between Sun Communities, Inc. and Jeffrey P. Jorissen#	(11)
10.23	Long Term Incentive Plan	(9)
10.24	Restricted Stock Award Agreement between Sun Communities, Inc. and Gary A. Shiffman, dated June 5, 1998#	(11)
10.25	Restricted Stock Award Agreement between Sun Communities, Inc. and Jeffrey P. Jorissen, dated June 5, 1998#	(11)
10.26	Restricted Stock Award Agreement between Sun Communities, Inc. and Jonathan M. Colman, dated June 5, 1998#	(11)
10.27	Restricted Stock Award Agreement between Sun Communities, Inc. and Brian W. Fannon, dated June 5, 1998#	(11)
10.28	Sun Communities, Inc. 1998 Stock Purchase Plan#	(11)
10.29	Employment Agreement between Sun Home Services, Inc. and Brian Fannon#	(11)

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EXHIBIT NUMBER -----	DESCRIPTION -----	SEQUENTIALLY NUMBERED PAGE -----
10.30	Facility and Guaranty Agreement among Sun Communities, Inc., Sun Communities Operating Limited Partnership, Certain Subsidiary Guarantors and First National Bank of Chicago, dated December 10, 1998	(11)
10.31	Rights Agreement between Sun Communities, Inc. and State Street Bank and Trust Company, dated April 24, 1998	(10)
10.32	Employment Agreement between Sun Communities, Inc. and Brian W. Fannon	(11)
10.33	Contribution Agreement, dated as of September 29, 1999, by and among the Company, the Operating Partnership, Belcrest Realty Corporation and Belair Real Estate Corporation	(13)
10.34	One Hundred Third Amendment to Second Amended and Restated Limited Partnership Agreement of the Operating Partnership	(13)
12.1	Computation of Ratio of Earnings to Fixed Charges and Ratio Earnings to Combined Fixed	(14)

-
- (1) Incorporated by reference to Sun Communities, Inc.'s Registration Statement No. 33-69340.
 - (2) Incorporated by reference to Sun Communities, Inc.'s Current Report on Form 8-K dated March 20, 1996.
 - (3) Incorporated by reference to Sun Communities, Inc.'s Annual Report on Form 10-K for the year ended December 31, 1995.
 - (4) Incorporated by reference to Sun Communities, Inc.'s Current Report on Form 8-K dated April 24, 1996.
 - (5) Incorporated by reference to Sun Communities, Inc.'s Registration Statement No. 33-80972.
 - (6) Incorporated by reference to Sun Communities, Inc.'s Annual Report on Form 10-K for the year ended December 31, 1994.
 - (7) Incorporated by reference to Sun Communities, Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 1995.
 - (8) Incorporated by reference to Sun Communities, Inc.'s Annual Report on Form 10-K for the year ended December 31, 1996.
 - (9) Incorporated by reference to Sun Communities, Inc.'s Annual Report on Form 10-K for the year ended December 31, 1997.

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- (10) Incorporated by reference to Sun Communities, Inc.'s Current Report on Form 8-K dated April 24, 1998.
- (11) Incorporated by reference to Sun Communities, Inc.'s Annual Report on Form 10-K for the year ended December 31, 1998.
- (12) Incorporated by reference to Sun Communities, Inc.'s Proxy Statement, dated April 20, 1999
- (13) Incorporated by reference to Sun Communities, Inc.'s Current Report on Form 8-K dated October 14, 1999.
- (14) Filed herewith.

Management contract or compensatory plan or arrangement required to be identified by Form 10-K Item 14.

EXHIBIT 12.1

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
AND RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED DIVIDENDS

The ratio of earnings to fixed charges for the Company (including its subsidiaries and majority-owned partnerships) presents the relationship of the Company's earnings to its fixed charges. "Earnings" as used in the computation, is based on the Company's net income (loss) from continuing operations (which includes a charge to income for depreciation and amortization expense) before income taxes, plus fixed charges. "Fixed charges" is comprised of (i) interest charges, whether expensed or capitalized, and (ii) amortization of loan costs and discounts or premiums relating to indebtedness of the Company and its subsidiaries and majority-owned partnerships, excluding in all cases items which would be or are eliminated in consolidation.

The Company's ratio of earnings to combined fixed charges presents the relationship of the Company's earnings (as defined above) to fixed charges (as defined above).

	Year Ended December 31				
	1999	1998	1997	1996	1995
	----	----	----	----	----
	(unaudited, in thousands)				
Earnings:					
Net income (before minority interest)	\$37,435	\$32,054	\$27,927	\$21,953(1)	\$13,591
Add fixed charges other than capitalized interest	26,751	24,245	14,534	1,277	6,420
	\$64,186	\$56,299	\$42,461	\$23,230	\$20,011
	=====	=====	=====	=====	=====
Fixed Charges:					
Interest expense	\$26,751	\$23,699	\$14,423	\$11,277	\$ 6,420
Preferred OP Unit distribution	3,663	2,505	2,505	1,670	-
Capitalized interest	2,322	1,333	756	380	192
	\$32,736	\$27,537	\$17,684	\$13,327	\$ 6,612
	=====	=====	=====	=====	=====

(1) Before Extraordinary Item

SUN COMMUNITIES, INC.
Exhibit 21 - List of Subsidiaries

Main operating subsidiary:

Sun Communities Operating Limited Partnership, a Michigan limited partnership

Other subsidiaries (wholly-owned):

SCF Manager, Inc., a Michigan corporation

SCN Manager, Inc., a Michigan corporation

Sun Acquiring, Inc., a Kansas corporation

Sun Florida QRS, Inc., a Michigan corporation

Sun Houston QRS, Inc., a Michigan corporation

Sun QRS, Inc., a Michigan corporation

Sun Texas QRS, Inc., a Michigan corporation

Subsidiaries of Sun Communities Operating Limited Partnership

8920 Associates, a Florida general partnership

Apache Junction MHC, LLC, a Michigan limited liability company

Apple Orchard, LLC, a Michigan limited liability company

Arizona Finance L.L.C., a Michigan limited liability company

Aspen-Allendale Project, L.L.C., a Michigan limited liability company

Aspen-Alpine Project, L.L.C., a Michigan limited liability company

Aspen-Arbor Terrace, L.P., a Delaware limited partnership

Aspen-Bonita Lake Resort Limited Partnership, a Michigan limited partnership

Aspen-Breezy Project Limited Partnership, a Michigan limited partnership

Aspen-Brentwood Project, L.L.C., a Michigan limited liability company

Aspen-Byron Project, L.L.C., a Michigan limited liability company

Aspen-Country Project, L.L.C., a Michigan limited liability company

Aspen-Cutler Associates, L.L.C., a Michigan limited liability company

Aspen-Ft. Collins Limited Partnership, a Michigan limited partnership

Aspen-Grand Project, L.L.C., a Michigan limited liability company

Aspen-Holland Estates, L.L.C., a Michigan limited liability company

Aspen-Indian Project Limited Partnership, a Michigan limited partnership

Aspen-Kings Court, L.L.C., a Michigan limited liability company

Aspen-Paradise Park II Limited Partnership, a Michigan limited partnership

Aspen-Presidential Project, L.L.C., a Michigan limited liability company
Aspen-Siesta Bay Limited Partnership, a Michigan limited partnership
Aspen-Silver Star II Limited Partnership, a Michigan limited partnership
Aspen-Town & Country Associates II, L.L.C., a Michigan limited liability company
Bedford Hills Mobile Village, L.L.C., a Michigan limited liability company
CM-GL Services, Inc., a Florida corporation
Family Retreat, Inc., a Michigan corporation
K.S. Park Property, Owners Association, Inc., a Florida non-profit corporation
Miami Lakes Venture Associates, a Florida general partnership
Mt. Morris MHC, L.L.C., a Michigan limited liability company

Snowbird Concessions, Inc., a Texas corporation
SunChamp, LLC, a Michigan limited liability company
Sun Communities Acquisitions, LLC, a Michigan limited liability company
Sun Communities Financing, LLC, a Michigan limited liability company
Sun Communities Funding Limited Partnership, a Michigan limited partnership
Sun Communities Houston Limited Partnership, a Michigan limited partnership
Sun Communities Nevada GP L.L.C., a Michigan limited liability company
Sun Communities Nevada Limited Partnership, a Michigan limited partnership
Sun Communities Texas Limited Partnership, a Michigan limited partnership
Sun Communities Funding GP L.L.C., a Michigan limited liability company
Sun/Forest, LLC, a Michigan limited liability company
Sun GP L.L.C., a Michigan limited liability company
Sun Home Services, Inc., a Michigan corporation
Sun Texas Financial, LLC, a Michigan limited liability company
Sun Water Oak Golf, Inc., a Michigan corporation
Sun/York L.L.C., a Michigan limited liability company
Tallowood Property Owners Association, Inc., a Florida non-profit corporation
White Oak Estates, L.L.C., a Michigan limited liability company

White Oak Estates Holding, LLC, a Michigan limited liability company

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the registration statements of Sun Communities, Inc. on Form S-3 (File No. 33-95694; File No. 333-1822; File No. 333-2522; File No. 333-14595; File No. 333-36451; File No. 333-45273; File No. 333-64271; File No. 333-72461; File No. 333-86237; and File No. 333-30462) and on Form S-8 (File No. 333-11923) of our report dated February 11, 2000 on our audits of the consolidated financial statements and financial statement schedule of Sun Communities, Inc. as of December 31, 1999 and 1998, and for the years ended December 31, 1999, 1998 and 1997, which report is included in this Annual Report on Form 10-K.

PRICEWATERHOUSECOOPERS LLP

Detroit, Michigan
March 16, 2000

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