

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, 2000

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
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As of March 19, 2001, the aggregate market value of the Registrant's
voting stock held by non-affiliates of the Registrant was approximately
\$513,193,961.

As of March 19, 2001, there were 17,607,511 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 2001 Annual Meeting of Shareholders are incorporated by reference into Part
III of this Report.

PART I

ITEM 1. BUSINESS

GENERAL

Sun Communities, Inc. and its subsidiaries (collectively, the "Company") own, operate and finance 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, 2000, the Company owned and operated or financed a portfolio of 109 developed properties located in fifteen states (the "Properties"), including 99 manufactured housing communities, 5 recreational vehicle communities, and 5 properties containing both manufactured housing and recreational vehicle sites. At December 31, 2000, the Properties contained an aggregate of 38,282 developed sites comprised of 33,620 developed manufactured home sites and 4,662 recreational vehicle sites and an additional 2,392 manufactured home sites suitable for development. In addition, at December 31, 2000, the Company owned four undeveloped properties on which the Company plans to develop an aggregate of approximately 1,856 manufactured home 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 Austin, Texas, Dayton, Ohio, Grand Rapids, Michigan, Elkhart, Indiana and Orlando, Florida. The Company, which is a Maryland corporation, employed 513 people as of December 31, 2000.

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, as well as 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 was 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 Properties 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 of the Properties 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 Properties is responsible for the maintenance of his or her 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 district managers and 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 513 employees, 448 are located on-site as property managers, support staff, or maintenance personnel.

The Company's community managers are overseen by Brian W. Fannon, Chief Operating Officer, who has 31 years of property management experience, a Senior-Vice President-Operations, three Vice Presidents of Operations and nine 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 district or 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 district or community manager, each district or property has an on-site maintenance personnel 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.

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HOME SALES

Home Services offers manufactured home sales services to tenants and prospective tenants of the Company's Properties. 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.

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.

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.

FACTORS THAT MAY AFFECT FUTURE RESULTS

The Company's prospects are subject to certain uncertainties and risks. This report also contains certain forward-looking statements within the meaning of the federal securities laws. The Company's future results could differ materially from its current results, and actual results could differ materially from those projected in the forward-looking statements as a result of certain risk factors. These risk factors include, but are not limited to, those set forth below, other one-time events and other important factors disclosed previously and from time to time in the Company's other filings with the Securities and Exchange Commission.

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Conflicts of Interest.

Failure to Enforce Terms of Home Services Agreement. Gary A. Shiffman, President, Chief Executive Officer and Chairman of the Board of Directors of the Company, the Estate of Milton M. Shiffman (former Chairman of the Board of the Company), and Jeffrey P. Jorissen, Senior Vice President, Treasurer, Chief Financial Officer and Secretary of the Company, are the owners of all of the outstanding common stock of Home Services, and as such are entitled to 5% of the cash flow from the operating activities of Home Services (the Operating Partnership is entitled to 95% of such cash flow). Home Services has entered into an agreement with the Operating Partnership for sales, brokerage, and leasing services. Thus, Messrs. Shiffman and Jorissen will have a conflict of interest with respect to their obligations as officers and/or directors of the Company to enforce the terms of this services agreement due to their right to receive a portion of the cash flow from the operating activities of Home Services. The failure to enforce the material terms of this agreement could have an adverse effect on the Company.

Tax Consequences Upon Sale of Properties. Gary A. Shiffman, President, Chief Executive Officer and Chairman of the Board of Directors of the Company, holds limited partnership interests in the Operating Partnership ("Common OP Units") which were received in connection with the sale of 24 Properties the Company acquired from partnerships previously affiliated with him (the "Sun Partnerships"). Prior to any redemption of Common OP Units for the Company's common stock (the "Common Stock"), Mr. Shiffman will have tax consequences different from those of the Company and its public stockholders on the sale of any of the Sun Partnerships. Therefore, Mr. Shiffman and the Company, as partners in the Operating Partnership, may have different objectives regarding the appropriate pricing and timing of any sale of those Properties.

Adverse Consequences of Being a Lender. The Company provides financing to Bingham Financial Services Corporation ("Bingham"). Gary A. Shiffman, the Chairman of the Board and President and Chief Executive Officer of the Company, is a director and officer of Bingham, and Arthur A. Weiss, one of the Company's directors, is a director of Bingham. The financing consists of three separate facilities: a \$4.0 million subordinated term loan, bearing interest at the rate of 9.75% per annum (the "Term Loan"); a \$10.0 million subordinated demand line of credit, bearing interest at a rate of 235 basis points over LIBOR (the "\$10 Million Line"); and a \$50.0 million subordinated demand line of credit, bearing interest at a rate of 235 basis points over LIBOR (the "\$50 Million Line" and, together with the Term Loan and \$10 Million Line, the "Subordinated Debt Facilities"). The Term Loan matures on September 30, 2004. As of December 31, 2000, there was \$4.0 million outstanding under the Term Loan, no borrowings under the \$10 Million Line, and \$35.8 million outstanding under the \$50 Million Line. The Company has a subordinate security interest in the assets of Bingham to secure Bingham's obligations under the Subordinated Debt Facilities.

The Subordinated Debt Facilities subject the Company to the risks of being a lender. These risks include the risks relating to borrower delinquency and default and the adequacy of the collateral for such loans. Because the Subordinated Debt Facilities are subordinated to certain senior debt of Bingham, in the event Bingham was unable to meet its obligations under the senior debt facility, the Company's right to receive amounts owed to it under the Subordinated Debt Facilities would be suspended pending payment of the amounts owing under the senior debt facility. In addition, because the security interest securing Bingham's obligations under the Subordinated Debt Facilities is subordinate to the security interest of certain senior debt of Bingham, in the event of a bankruptcy of

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Bingham, the Company's right to access Bingham's assets to satisfy the amounts outstanding under the Subordinated Debt Facilities would be subject to the senior debtor's prior rights to the same collateral.

Adverse Consequences of Being a Borrower. The Company is subject to the risks normally associated with debt financing, including the following risks:

- cash flow will be insufficient to meet required payments of principal and interest;
- existing indebtedness will not be able to be refinanced;
- the terms of such refinancing will not be as favorable as the terms of such existing indebtedness; and
- necessary capital expenditures for such purposes as renovations and other improvements will not be able to be financed on favorable terms or at all.

If a property is mortgaged to secure payment of indebtedness and the Company is unable to meet mortgage payments, the property could be transferred to the mortgagee with a consequent loss of income and asset value to the Company.

As of December 31, 2000, the Company had outstanding \$66.5 million of indebtedness that is collateralized by mortgage liens on sixteen of the Properties (the "Mortgage Debt"). In addition, as of December 31, 2000, the Company had entered into four capitalized lease obligations having an aggregate value of \$36.0 million. Each capitalized lease obligation involves a lease for a manufactured housing community providing that the Company will lease the community for a certain number of years and then have the option to purchase the community at or prior to the end of the lease term. In each case, if the Company fails to exercise its purchase right, the landlord has the right to require the Company to buy the property at the same price for which it had the purchase option. If the Company fails to meet its obligations under the Mortgage Debt, the lender would be entitled to foreclose on all or some of the Properties securing such debt. If the Company fails to satisfy its lease obligations or an obligation to purchase the property, the landlord/seller would be entitled to evict the Company from the property. In each event, this could have a material adverse effect on the Company and its ability to make expected distributions, and could threaten its continued viability.

Changes in Investment and Financing Policies Without Stockholder Approval. The Company's investment and financing policies, and its policies with

respect to certain other activities, including growth, debt, capitalization, distributions, real estate investment trust ("REIT") status, and operating policies, are determined by the Board of Directors. Although the Board of Directors has no present intention to do so, these policies may be amended or revised from time to time at the discretion of the Board of Directors without notice to or a vote of the Company's stockholders. Accordingly, stockholders may not have control over changes in the Company's policies, and changes in the Company's policies may not fully serve the interests of all stockholders.

Dependence on Key Personnel. The Company is dependent on the efforts of its executive officers, particularly Gary Shiffman, Jeffrey Jorissen and Brian Fannon (together, the "Senior Officers"). While the Company believes that it could find replacements for these key personnel, the loss of their services could have a temporary adverse effect on the Company's operations. The Company does not currently maintain or contemplate obtaining any "key-man" life insurance on the Senior Officers.

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Ownership Limit and Limits on Changes in Control.

9.8% Ownership Limit. In order to qualify and maintain its qualification as a REIT, not more than 50% of the outstanding shares of the Company's capital stock may be owned, directly or indirectly, by five or fewer individuals. Thus, ownership of more than 9.8% of the Company's outstanding shares of Common Stock by any single stockholder has been restricted, with certain exceptions, for the purpose of maintaining the Company's qualification as a REIT under the Internal Revenue Code of 1986, as amended (the "Code"). Such restrictions in the Company's charter do not apply to Mr. Shiffman, the Estate of Milton M. Shiffman and Robert B. Bayer, a former director and officer of the Company.

The 9.8% ownership limit, as well as the Company's ability to issue additional shares of Common Stock or shares of other stock (which may have rights and preferences over the Common Stock), may discourage a change of control of the Company and may also: (1) deter tender offers for the Common Stock, which offers may be advantageous to the Company's stockholders; and (2) limit the opportunity for stockholders to receive a premium for their Common Stock that might otherwise exist if an investor were attempting to assemble a block of Common Stock in excess of 9.8% of the outstanding shares of the Company or otherwise effect a change of control of the Company.

Staggered Board. The Board of Directors has been divided into three classes of directors. The term of one class will expire each year. Directors for each class will be chosen for a three-year term upon the expiration of such class's term, and the directors in the other two classes will continue in office. The staggered terms for directors may affect the stockholders' ability to change control of the Company even if a change in control were in the stockholders' interest.

Preferred Stock. The Company's charter authorizes the Board of Directors to issue up to 10,000,000 shares of preferred stock and to establish the preferences and rights (including the right to vote and the right to convert into shares of Common Stock) of any shares issued. The power to issue preferred stock could have the effect of delaying or preventing a change in control of the Company even if a change in control were in the stockholders' interest.

Rights Plan. The Company adopted a stockholders rights plan in 1998 that provides that the Company's stockholders (other than a stockholder attempting to acquire a 15% or greater interest in the Company) will have the right to purchase stock in the Company at a discount in the event any person attempts to acquire a 15% or greater interest in the Company. Because this plan could make it more expensive for a person to acquire a controlling interest in the Company, it could have the effect of delaying or preventing a change in control of the Company even if a change in control were in the stockholders' interest.

Real Estate Investment Considerations.

General. Income from real property investments, and the Company's ability to make expected distributions to stockholders, may be adversely affected by:

- the general economic climate;

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- local conditions such as oversupply of manufactured housing sites or a reduction in demand for manufactured housing sites in an area;
- the attractiveness of the Properties to tenants;
- zoning or other regulatory restrictions;
- competition from other available manufactured housing sites and alternative forms of housing (such as apartment buildings and site-built single-family homes); or
- the ability to provide adequate maintenance and insurance, and increased operating costs (including insurance premiums and real estate taxes).

The Company's income would also be adversely affected if tenants were unable to pay rent or if sites were unable to be rented on favorable terms. If the Company were unable to promptly relet or renew the leases for a significant number of the sites, or if the rental rates upon such renewal or reletting were significantly lower than expected rates, then funds from operations and ability to make expected distributions to stockholders could be adversely affected. In addition, certain expenditures associated with each equity investment (such as real estate taxes and maintenance costs) generally are not reduced when circumstances cause a reduction in income from the investment. Furthermore, real estate investments are relatively illiquid and, therefore, will tend to limit the Company's ability to vary its portfolio in response to changes in economic or other conditions.

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 competes with others with greater resources and whose officers and directors have more experience than its officers and directors. In addition, other forms of multi-family residential properties, such as private and federally funded or assisted multi-family housing projects and single-family housing, provide housing alternatives to potential tenants of manufactured housing communities.

Changes in Laws. Costs resulting from changes in real estate tax laws generally may be passed through to tenants and will not affect the Company. Increases in income, service or other taxes, however, generally are not passed through to tenants under leases and may adversely affect the Company's funds from operations and its ability to make distributions to stockholders. Similarly, changes in laws increasing the potential liability for environmental conditions existing on properties or increasing the restrictions on discharges or other conditions may result in significant unanticipated expenditures, which would adversely affect the Company's funds from operations and our ability to make distributions to stockholders.

Investments in Real Estate and Installment Loans. As of December 31, 2000, the Company had an investment of approximately \$49.1 million in real estate loans to several entities and Properties which are secured by a first lien on the underlying property. The Company holds subordinated notes for approximately \$11.4 million which are secured by a

lien on the underlying real estate subordinate to the lien held by the primary lender. Also, as of December 31, 2000, it had outstanding approximately \$32.4 million in installment loans to owners of manufactured homes. These installment loans are collateralized by the manufactured homes. In addition, the Company may invest in additional mortgages and installment loans in the future. By virtue of its investment in the mortgages and the loans, the Company is subject to the following risks of such investment:

- the borrowers may not be able to make debt service payments or pay principal when due;
- the value of property securing the mortgages and loans may be less than the amounts owed; and
- interest rates payable on the mortgages and loans may be lower than the Company's cost of funds.

If any of the above occurred, funds from operations and the Company's ability to make expected distributions to stockholders could be adversely affected.

Development of New Communities. The Company is engaged in the development of new communities. The manufactured housing community development business involves significant risks in addition to those involved in the ownership and operation of established manufactured housing communities, including the following risks:

- financing may not be available on favorable terms for development projects;
- construction and lease-up may not be completed on schedule resulting in increased debt service expense and construction costs;
- long-term financing may not be available upon completion of construction; and
- sites may not be leased on profitable terms.

If any of the above occurred, the Company's ability to make expected distributions to stockholders could be adversely affected.

Rent Control Legislation. State and local rent control laws in certain jurisdictions may 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. Certain Properties are located, and the Company may purchase additional properties, in markets that are either subject to rent control or in which rent-limiting legislation exists or may be enacted.

Environmental Matters. Under various Federal, state and local laws, ordinances and regulations, an owner of real estate is liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Such laws often impose such liability without regard to whether the owner knew of, or was responsible for, the presence

of such hazardous or toxic substances. The presence of such substances, or the failure to properly remediate such substances, may adversely affect the owner's ability to sell or rent such property or to borrow

using such property as collateral. Persons who arrange for the disposal or treatment of hazardous or toxic substances may also be liable for the costs of removal or remediation of such substances at a disposal or treatment facility, whether or not such facility is owned or operated by such person. Certain environmental laws impose liability for release of asbestos-containing materials ("ACMs") into the air and third parties may seek recovery from owners or operators of real properties for personal injury associated with ACMs. In connection with the ownership (direct or indirect), operation, management, and development of real properties, the Company may be considered an owner or operator of such properties or as having arranged for the disposal or treatment of hazardous or toxic substances and, therefore, is potentially liable for removal or remediation costs, as well as certain other related costs, including governmental fines and injuries to persons and property.

All of the Properties have been subject to a Phase I or similar environmental audit (which involves general inspections without soil sampling or ground water analysis) completed by independent environmental consultants. These environmental audits have not revealed any significant environmental liability that would have a material adverse effect on the Company's business. No assurances can be given that existing environmental studies of the Properties reveal all environmental liabilities, that any prior owner of a Property did not create any material environmental condition not known to the Company, or that a material environmental condition does not otherwise exist as to any one or more Properties.

Uninsured Loss. The Company maintains comprehensive liability, fire, flood (where appropriate), extended coverage, and rental loss insurance coverage on the Properties with policy specifications, limits, and deductibles which are customarily carried for similar properties. Certain types of losses, however, may be either uninsurable or not economically insurable, such as losses due to earthquakes, riots, or acts of war. In the event an uninsured loss occurs, the Company could lose both its investment in and anticipated profits and cash flow from the affected property which could adversely affect the Company's ability to make distributions to its stockholders.

Adverse Consequences of Failure to Qualify as a REIT.

Taxation as a Corporation. The Company expects to qualify and has made an election to be taxed as a REIT under the Code, commencing with the calendar year beginning January 1, 1994. Although the Company believes that it is organized and will operate in such a manner, no assurance can be given that it is organized or will be able to operate in a manner so as to qualify or remain so qualified. Qualification as a REIT involves the satisfaction of numerous requirements (some on an annual and quarterly basis) established under highly technical and complex Code provisions for which there are only limited judicial or administrative interpretations, and involves the determination of various factual matters and circumstances not entirely within the Company's control.

If the Company were to fail to qualify as a REIT in any taxable year, it would be subject to Federal income tax (including any applicable alternative minimum tax) on its taxable income at corporate rates. Moreover, unless entitled to relief under certain statutory provisions,

it also would be disqualified from treatment as a REIT for the four taxable years following the year during which qualification is lost. This treatment would reduce the Company's net earnings available for investment or distribution to stockholders because of the additional tax liability of the Company for the years involved. In addition, distributions to stockholders would no longer be required to be made.

Other Tax Liabilities. Even though the Company qualifies as a

REIT, it is subject to certain Federal, state and local taxes on its income and property. In addition, its sales operations, which are conducted through Home Services, generally will be subject to Federal income tax at regular corporate rates.

REIT Modernization Act. In December 1999, the REIT Modernization Act ("RMA") was signed into law. The RMA contains several provisions that will allow REIT's to create a taxable REIT subsidiary ("TRS") that can provide services to residents and others without disqualifying the rents that a REIT receives from its residents. Furthermore, RMA changes the minimum distribution requirement from 95 percent to 90 percent of the REIT's taxable income, which will allow REIT's to reinvest a larger percentage of capital into their real estate assets or repay their existing debt.

Adverse Effect of Distribution Requirements. The Company may be required from time to time, under certain circumstances, to accrue as income for tax purposes interest and rent earned, but not yet received. In such event, it could have taxable income without sufficient cash to enable the Company to meet the distribution requirements of a REIT. Accordingly, it could be required to borrow funds or liquidate investments on adverse terms in order to meet such distribution requirements.

Adverse Consequences of Failure to Qualify as a Partnership. The Company believes that the Operating Partnership and other various Company subsidiary partnerships have each been organized as partnerships and will qualify for treatment as such under the Code. If the Operating Partnership and such other partnerships fail to qualify for such treatment under the Code, the Company would cease to qualify as a REIT, and the Operating Partnership and such other partnerships would be subject to Federal income tax (including any alternative minimum tax) on their income at corporate rates.

Adverse Effect on Price of Shares Available for Future Sale. Sales of a substantial number of shares of Common Stock, or the perception that such sales could occur, could adversely affect prevailing market prices for shares. As of December 31, 2000, up to 4,091,889 shares of Common Stock may be issued in the future to the limited partners of the Operating Partnership (both Common and Preferred OP Units). The limited partners may sell such shares pursuant to registration rights or an available exemption from registration. Also, Water Oak, Ltd., a former owner of one of the Properties, will be issued Common OP Units with a value of approximately \$1,000,000 annually through 2009. In addition, as of December 31, 2000, 2,119,514 shares of Common Stock have been reserved for issuance pursuant to the Company's 1993 Employee Stock Option Plan and 1993 Non-Employee Director Stock Option Plan (the "Plans"). Under the Plans options for 553,378 shares have been exercised, and 188,750 shares of restricted stock have been issued as of December 31, 2000. Mr. Shiffman's employment agreement provides for incentive compensation payable in shares of Common Stock. The Company has also reserved 240,000 shares of Common Stock for issuance commencing January 31, 2002 pursuant to its Long Term Incentive Plan which is for the benefit of all salaried employees, other than officers, employed with the Company on or prior to December 31, 2000. No

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prediction can be made regarding the effect that future sales of shares of Common Stock will have on the market price of shares.

Adverse Effect of Market Interest Rates on Price of Common Stock. One of the factors that may influence the price of the Common Stock in the public market will be the annual distributions to stockholders relative to the prevailing market price of the Common Stock. An increase in market interest rates may tend to make the Common Stock less attractive relative to other investments, which could adversely affect the market price of Common Stock.

ITEM 2. PROPERTIES

General. At December 31, 2000, the Properties consisted of 99 manufactured housing communities, 5 recreational vehicle communities, and 5 properties containing both manufactured housing and recreational vehicle sites located in fifteen states concentrated in the midwestern and southeastern United States. At December 31, 2000, the Properties contained 38,282 developed sites

comprised of 33,620 developed manufactured home sites and 4,662 recreational vehicle sites and an additional 2,392 manufactured home sites suitable for development. In addition, at December 31, 2000, the Company owned four undeveloped properties on which the Company plans to develop an aggregate of approximately 1,856 manufactured home sites. Most of the Properties include amenities oriented towards family and retirement living. Of the 109 Properties, 53 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 95.0% as of December 31, 2000, excluding recreational vehicle sites. Since January 1, 2000, the Properties have averaged an aggregate annual turnover of homes (where the home is moved out of the community) of approximately 2.4% 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 8.6%.

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.

The following table sets forth certain information relating to the Properties owned or financed as of December 31, 2000:

PROPERTY AND LOCATION	DEVELOPED SITES AS OF 12/31/00	OCCUPANCY AS OF 12/31/98 (1)	OCCUPANCY AS OF 12/31/99 (1)	OCCUPANCY AS OF 12/31/00 (1)
MIDWEST				
MICHIGAN				
Allendale	352	82%	95%	98%
Allendale, MI				
Alpine	381	99%	99%	99%
Grand Rapids, MI				
Bedford Hills	339	100%	99%	98%
Battle Creek, MI				
Brentwood	195	98%	99%	99%
Kentwood, MI				
Byron Center	143	99%	99%	99%
Byron Center, MI				
Candlewick Court	211	100%	96%	95%
Owosso, MI				
College Park Estates	230	99%	98%	100%
Canton, MI				
Continental Estates	385	93%	88%	84%
Davison, MI				
Continental North	474	70% (6)	84%	88%
Davison, MI				
Country Acres	182	99%	99%	96%
Cadillac, MI				
Country Meadows	577	100%	100%	100%

Flat Rock, MI				
Countryside Village Perry, MI	360	97%	96%	96%
Creekwood Burton, MI	336	86% (6)	94%	96%
Cutler Estates Grand Rapids, MI	258	98%	99%	98%
Davison East Davison, MI	190	97%	95%	89%
Fisherman's Cove Flint, MI	162	98%	97%	99%
Grand Grand Rapids, MI	201	96%	98%	99%
Hamlin Webberville, MI	147	99%	100%	100%
Kensington Meadows Lansing, MI	290	80%	95%	97%
Kings Court Traverse City, MI	639	98%	100%	98%
Lafayette Place Metro Detroit, MI	254	97%	99%	98%
Lincoln Estates Holland, MI	191	99%	98%	99%
Maple Grove Estates Dorr, MI	46	100%	100%	100%

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PROPERTY AND LOCATION -----	DEVELOPED SITES AS OF 12/31/00 -----	OCCUPANCY AS OF 12/31/98 (1) -----	OCCUPANCY AS OF 12/31/99 (1) -----	OCCUPANCY AS OF 12/31/00 (1) -----
Meadow Lake Estates White Lake, MI	425	100%	99%	100%
Meadowbrook Estates Monroe, MI	453	100%	100%	99%
Meadowstream Village Sodus, MI	159	97%	97%	98%
Parkwood Grand Blanc, MI	249	99%	94%	93%
Presidential Hudsonville, MI	364	99%	98%	98%
Richmond Place (8) (2) Metro Detroit, MI	117	98%	99%	99%
Scio Farms Ann Arbor, MI	913	100%	100%	100%
Sherman Oaks Jackson, MI	366	99%	98%	99%
St. Clair Place (8) (2) Metro Detroit, MI	100	99%	99%	99%
Timberline Estates Grand Rapids, MI	296	98%	97%	100%
Town & Country Traverse City, MI	192	99%	99%	99%
Westpointe Academy (3) Canton, MI	441	(3)	(3)	99%
White Lake White Lake, MI	268	99%	100%	100%
White Oak Estates Mt. Morris, MI	480	88% (6)	92%	85%
Windham Estates Jackson, MI	353	59% (6)	78% (6)	88%
Woodhaven Place (8) (2) Metro Detroit, MI	220	100%	99%	99%
Village Trails Howard City, MI	100	82%	64% (6)	77%
Michigan Total	12,039 =====	95% ===	96% ===	96% ===

INDIANA

Brookside Village Goshen, IN	570	84% (6)	87% (6)	93%
Carrington Pointe Ft. Wayne, IN	320	55% (6)	88% (6)	89%
Clear Water Village South Bend, IN	227	96%	98%	95%
Cobus Green Elkhart, IN	386	99%	97%	94%
Deerfield Run (6) Anderson, IN	172	(4)	59% (6)	75% (6)
Four Seasons (3) Elkhart, IN	218	(3)	(3)	96%
Holiday Village Elkhart, IN	326	99%	98%	99%
Liberty Farms Valparaiso, IN	220	100%	98%	100%

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PROPERTY AND LOCATION -----	DEVELOPED SITES AS OF 12/31/00 -----	OCCUPANCY AS OF 12/31/98 (1) -----	OCCUPANCY AS OF 12/31/99 (1) -----	OCCUPANCY AS OF 12/31/00 (1) -----
Maplewood Lawrence, IN	207	98%	97%	94%
Meadows Nappanee, IN	330	98%	97%	95%
Pine Hills Middlebury, IN	129	92%	95%	91%
Timberbrook Bristol, IN	567	98%	93%	90%
Valleybrook Indianapolis, IN	799	98%	97%	95%
West Glen Village Indianapolis, IN	552	100%	98%	99%
Woodlake (6) Ft. Wayne, IN	338	93%	97%	67% (6)
Woods Edge West Lafayette, IN	598	84% (6)	91%	93%
Indiana Total	5,959 =====	93% ===	94% ===	92% ===
OTHER				
Apple Creek Cincinnati, OH	176	(4)	99%	98%
Autumn Ridge Ankeny, IA	413	97%	99%	100%
Bell Crossing Clarksville, TN	134	(4)	81%	84%
Boulder Ridge Pflugerville, TX	362	82% (6)	96%	98%
Branch Creek Estates Austin, TX	392	99%	100%	99%
Byrne Hill Toledo, OH	236	(4)	97%	97%
Candlelight Chicago Heights, IL	309	98%	97%	96%
Casa del Valle (9) Alamo, TX	408	100%	100%	100%
Catalina Community Middletown, OH	462	98%	94%	90%
Forest Meadows Philomath, OR	76	(4)	86%	88%
Chisholm Point Estates Pflugerville, TX	415	99%	100%	99%
Desert View Village West Wendover, NV	93	(5) (6)	(5) (6)	6% (6)
Edwardsville Edwardsville, KS	634	95%	94%	97%
High Point (10) Frederica, DE	411	96%	95%	95%

Kenwood (9) LaFeria, TX	289	(4)	100%	100%
Oakwood Village Dayton, OH	511	100%	75% (6)	78%
Orchard Lake Cincinnati, OH	147	(4)	99%	98%

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PROPERTY AND LOCATION -----	DEVELOPED SITES AS OF 12/31/00 -----	OCCUPANCY AS OF 12/31/98 (1) -----	OCCUPANCY AS OF 12/31/99 (1) -----	OCCUPANCY AS OF 12/31/00 (1) -----
Paradise Park Chicago Heights, IL	277	97%	98%	99%
Pine Ridge Petersburg, VA	245	98%	98%	98%
Pin Oak Parc O'Fallon, MO	502	79% (6)	91%	98%
Sea Air (10) Rehoboth Beach, DE	527	99%	99%	100%
Snow to Sun (9) Weslaco, TX	493	99%	99%	99%
Southfork Belton, MO	477	95%	96%	96%
Sun Villa Estates Reno, NV	324	100%	100%	100%
Timber Ridge Ft. Collins, CO	582	99%	99%	98%
Westbrook Park (8) Toledo, OH	344	(4)	99%	98%
Willowbrook (8) Toledo, OH	266	98%	100%	99%
Woodland Park Estates Eugene, OR	399	100%	99%	99%
Woodside Terrace (8) Holland, OH	439	99%	98%	96%
Worthington Arms Delaware, OH	224 -----	99% ---	100% ---	99% ---
Other Total	10,567 =====	96% ===	91% ===	95% ===
SOUTHEAST				
FLORIDA				
Arbor Terrace (9) Bradenton, FL	402	(7)	(7)	(7)
Ariana Village Lakeland, FL	209	82%	83%	85%
Bonita Lake (9) Bonita Springs, FL	167	(7)	(7)	(7)
Chain O'Lakes (9) (11) Grand Island, FL	321	92%	92%	88%
Gold Coaster (9) Florida City, FL	548	100%	100%	100%
Golden Lakes (11) Plant City, FL	421	94%	95%	97%
Groves RV Resort (9) Lee County, FL	306	(7)	(7)	(7)
Holly Forest Estates Holly Hill, FL	402	100%	100%	100%
Indian Creek (9) Ft. Myers Beach, FL	1,554	100%	100%	100%
Island Lakes Merritt Island, FL	301	100%	100%	100%
Kings Lake Debary, FL	245	82%	91%	96%

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PROPERTY AND LOCATION	DEVELOPED SITES AS OF 12/31/00	OCCUPANCY AS OF 12/31/98 (1)	OCCUPANCY AS OF 12/31/99(1)	OCCUPANCY AS OF 12/31/00(1)
Kings Pointe Winter Haven, FL	227	53%	56%	56%
Lake Juliana Auburndale, FL	288	63%	69%	71%
Lake San Marino (9) Naples, FL	415	(7)	(7)	(7)
Leesburg Landing Lake County, FL	96	59%	66%	68%
Meadowbrook Village Tampa, FL	257	99%	100%	98%
Orange Tree Orange City, FL	246	92%	96%	99%
Royal Country Miami, FL	864	99%	100%	100%
Saddle Oak Club Ocala, FL	376	99%	100%	99%
Siesta Bay (9) Ft. Myers Beach, FL	859	(7)	(7)	(7)
Silver Star Orlando, FL	426	93%	95%	96%
Water Oak Country Club Estates Lady Lake, FL	787	100%	100%	100%
Florida Total	9,717 =====	92% ===	94% ===	94% ===
TOTAL/AVERAGE	38,282 =====	94% ===	95% ===	95% ===

- (1) Occupancy percentage relates to manufactured housing sites, excluding recreational vehicle sites.
- (2) The Company has exercised its option to purchase this Property.
- (3) Acquired in 2000.
- (4) Acquired in 1999.
- (5) Acquired in 1998.
- (6) Occupancy in these Properties reflects the fact that these communities are in their initial lease-up phase following an expansion or ground up development.
- (7) This Property contains only recreational vehicle sites.
- (8) The Company leases this Property. The Company has the option and intends 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 then outstanding lease obligation.
- (9) This Property contains recreational vehicle sites.
- (10) This Property is financed and managed by the Company.
- (11) These Properties were sold in January 2001.

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."

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 19, 2001, the closing sales price of the Common Stock was \$31.45 and the Common Stock was held by approximately 759 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, 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
FISCAL YEAR ENDED DECEMBER 31, 2000			
First Quarter of 2000.....	34 15/16	27 3/8	.53
Second Quarter of 2000.....	33 5/8	29 3/8	.53
Third Quarter of 2000.....	33 3/4	30 3/16	.53
Fourth Quarter of 2000.....	35 5/8	29	.53

RECENT SALES OF UNREGISTERED SECURITIES

In 1998, the Operating Partnership issued an aggregate of 90,704 Common OP Units to certain sellers in exchange for property valued at \$3,165,769 including \$961,840 related to property acquired in 1993. 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 Common OP Units to certain officers, directors and consultants of the Company and the Subsidiaries for a purchase price of \$31.75 per Common OP Unit, or an aggregate of \$21,559,043. In 1999, the Operating Partnership issued an aggregate 27,606 Common OP Units to a seller in exchange for property acquired in 1993 at 961,540. 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 \$50.0 million (the "Series A Units"). The Series A Units are redeemable by the Operating Partnership on or after September 29, 2004 for a redemption price equal to the capital account balance of the Series A Unit holders' accounts which must be paid solely from the proceeds of the sale of the Company's capital stock. The Series A Units may not be redeemed unless the redemption price is at least \$25.00 per Series A Unit. In 2000, the Operating Partnership issued an aggregate of 32,253 Common OP Units to sellers in exchange for property with an aggregate value of \$995,334. On May 2, 2000, the Operating Partnership issued 35,637 Series B Preferred Units to Four Seasons Mobile Home Park in exchange for property with an agreed upon value of \$3,563,700 (the "Series B Units"). Holders of the Series B Units may request the Operating Partnership redeem an aggregate of 10,000 Series B Units on May 1, 2003, or all of the outstanding Series B Units on May 1, 2004 or May 1, 2005. The Operating Partnership is required to redeem all outstanding Series B Units on May 1, 2006. The Operating Partnership shall pay a redemption price

of \$100 for each Series B Unit redeemed.

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 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 the Subsidiaries for a purchase price of \$31.75 per share, or an aggregate of \$3,892,550.00. In 1999, the Company issued an aggregate of 139,706 shares of Common Stock upon conversion of an aggregate of 139,706 OP Units. In 2000, the Company issued an aggregate of 36,814 shares of its Common Stock upon the conversion of an aggregate of 36,814 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.

ITEM 6. SELECTED FINANCIAL DATA

SUN COMMUNITIES, INC.

	YEAR ENDED DECEMBER 31,				
	2000	1999	1998	1997	1996
(IN THOUSANDS EXCEPT FOR PER SHARE AND OTHER DATA)					
OPERATING DATA:					
Revenues:					
Income from property	\$132,440	\$125,424	\$114,346	\$ 93,188	\$ 71,312
Other income	14,105	9,530	5,984	2,942	1,887
Total revenues	146,545	134,954	120,330	96,130	73,199
Expenses:					
Property operating and maintenance	28,592	27,300	25,647	21,111	15,970
Real estate taxes	9,115	8,888	8,728	7,481	5,654
Property management	2,934	2,638	2,269	1,903	1,246
General and administrative	4,079	3,682	3,339	2,617	2,212
Depreciation and amortization	30,671	28,551	24,961	20,668	14,887
Interest	29,651	27,289	23,987	14,423	11,277
Total expenses	105,042	98,348	88,931	68,203	51,246
Income before other, net, extraordinary item and minority interests	41,503	36,606	31,399	27,927	21,953
Other, net and extraordinary item in 1996.....	4,801	829	655	--	(6,896)
Income before minority interests	46,304	37,435	32,054	27,927	15,057
Income allocated to minority interests	13,010	8,346	5,958	5,672	3,353
Net income	\$ 33,294	\$ 29,089	\$ 26,096	\$ 22,255	\$ 11,704
Net income per weighted average share:					
Basic	\$ 1.92	\$ 1.69	\$ 1.55	\$ 1.38	\$ 0.85
Diluted	\$ 1.91	\$ 1.68	\$ 1.53	\$ 1.37	\$ 0.85
Weighted average common shares outstanding:					
Basic	17,304	17,191	16,856	16,081	13,733
Diluted	17,390	17,343	17,031	16,268	13,820
Distribution per common share	\$ 2.10	\$ 2.02	\$ 1.94	\$ 1.865	\$ 1.81
BALANCE SHEET DATA:					
Rental property, before accumulated depreciation	\$867,377	\$847,696	\$803,152	\$684,821	\$ 588,813
Total assets	\$966,628	\$904,032	\$821,439	\$690,914	\$ 585,056
Total debt	\$464,508	\$401,564	\$365,164	\$264,264	\$ 185,000
Stockholders' equity	\$336,034	\$338,358	\$340,364	\$326,780	\$ 300,932
OTHER DATA (at end of period):					
Total properties	109	110	104	99	83
Total sites	38,282	38,217	37,566	35,936	30,026

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, 2000 to year ended December 31, 1999

For the year ended December 31, 2000, income before other, net and minority interests increased by \$4.9 million from \$36.6 million to \$41.5 million, when compared to the year ended December 31, 1999. The increase was due to increased revenues of \$11.6 million while expenses increased by \$6.7 million.

Income from property increased by \$7.0 million from \$125.4 million to \$132.4 million, or 5.6 percent, due to rent increases and other community revenues (\$5.3 million), acquisitions (\$3.1 million), lease up of manufactured home sites (\$2.2 million), offset by a revenue reduction of \$3.6 million due to the sale of communities during 1999.

Other income increased by \$4.6 million from \$9.5 million to \$14.1 million due primarily to an increase in interest income (\$3.0 million) and other income (\$2.7 million) offset by a \$1.1 million reduction in income from affiliate.

Property operating and maintenance expenses increased by \$1.3 million from \$27.3 million to \$28.6 million, or 4.7 percent, due primarily to acquisitions (\$0.8 million).

Real estate taxes increased by \$0.2 million from \$8.9 million to \$9.1 million, or 2.5 percent, due primarily to the acquired communities.

Property management expenses increased by \$0.3 million from \$2.6 million to \$2.9 million, or 11.2 percent, representing 2.2 percent and 2.1 percent of income from property in 2000 and 1999, respectively.

General and administrative expenses increased by \$0.4 million from \$3.7 million to \$4.1 million, or 10.8 percent, representing 2.8 percent and 2.7 percent of total revenues in 2000 and 1999, respectively.

Interest expense increased by \$2.4 million from \$27.3 million to \$29.7 million due primarily to investments in rental property and notes receivable.

Earnings before interest, taxes, depreciation and amortization ("EBITDA" an alternative financial performance measure that may not be comparable to similarly titled measures reported by other companies, defined as total revenues less property operating and maintenance, real estate taxes, property management and general and administrative expenses) increased by \$9.4 million from \$92.4 million to \$101.8 million. EBITDA as a percent of revenues increased to 69.5 percent in 2000 compared to 68.5 percent in 1999.

Depreciation and amortization expense increased by \$2.1 million from \$28.6 million to \$30.7 million due primarily to the acquisition and development/expansion of communities in 2000 and 1999.

The \$4.8 million gain included in other, net relates to property dispositions.

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 \$14.9 million while expenses increased by \$9.7 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).

Other income increased by \$3.5 million from \$5.7 million due primarily to an increase in interest income (\$3.2 million) and other income (\$0.7 million), offset by a \$0.4 million reduction in income from affiliate.

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, representing 2.7 percent and 2.8 percent of total revenues in 1999 and 1998, respectively.

Interest expense increased by \$3.3 million from \$24.0 million to \$27.3 million due primarily to investments in rental property and notes receivable.

EBITDA increased by \$12.1 million from \$80.3 million to \$92.4 million. EBITDA as a percent of revenues increased to 68.5 percent in 1999 compared to 66.8 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/expansion of communities in 1999 and 1998.

SAME PROPERTY INFORMATION

The following table reflects property-level financial information as of and for the years ended December 31, 2000 and 1999. The "Same Property" data represents information regarding the operation of communities owned as of January 1, 1999 and December 31, 2000. Site, occupancy, and rent data for those communities is presented as of the last day of each period presented. The "Total Portfolio" column differentiates from the "Same Property" column by including financial information for managed but not owned communities, recreational vehicle communities, new development and acquisition communities.

	SAME PROPERTY (2)		TOTAL PORTFOLIO	
	2000	1999	2000	1999
	(in thousands)		(in thousands)	
Income from property	\$100,360	\$95,405	\$132,440	\$125,424
Property operating expenses:				
Property operating and maintenance	18,169	17,684	28,592	27,300

Real estate taxes	7,733	7,280	9,115	8,888
	-----	-----	-----	-----
Property operating expenses	25,902	24,964	37,707	36,188
	-----	-----	-----	-----
Property EBITDA	\$ 74,458	\$70,441	\$ 94,733	\$ 89,236
	=====	=====	=====	=====
Number of properties	88	88	109	110
Developed sites	30,135	29,989	38,282	38,217
Occupied sites (1)	28,632	28,539	35,546	35,565
Occupancy % (1)	95.0%	95.2%	95.0%	95.1%
Weighted average monthly rent per site	\$ 291	\$ 279	\$ 288	\$ 277
Sites available for development	1,560	1,728	4,248	6,210
Sites planned for development in next year	84	281	659	1,355

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

(2) Includes 3 properties sold in December 2000.

On a same property basis, property revenues increased by \$5.0 million from \$95.4 million to \$100.4 million, or 5.2 percent, due primarily to increases in rents and occupancy related charges including water and property tax pass throughs. Also contributing to revenue growth was the increase of 93 leased sites at December 31, 2000 compared to December 31, 1999.

Property operating expenses increased by \$0.9 million from \$25.0 million to \$25.9 million, or 3.7 percent, due to increased occupancies and costs. Property EBITDA increased by \$4.0 million from \$70.4 million to \$74.4 million, or 5.7 percent.

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LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents increased by \$7.1 million to \$18.4 million at December 31, 2000 compared to \$11.3 million at December 31, 1999 because cash provided by operating and financing activities exceeded cash used in investing activities.

Net cash provided by operating activities increased by \$3.0 million to \$56.7 million for the year ended December 31, 2000 compared to \$53.7 million for the year ended December 31, 1999. This increase was primarily due to income before minority interests, depreciation and amortization and net gain from property dispositions increasing by \$3.8 million and other assets decreasing by \$1.9 million, offset by accounts payable and other liabilities decreasing by \$2.7 million.

Net cash used in investing activities decreased by \$11.0 million to \$69.1 million from \$80.1 million due to a \$9.8 million decrease in rental property acquisition activities and a \$5.6 million decrease in funds used for financing notes receivable offset by a \$2.2 million decrease in proceeds related to property dispositions and a \$2.2 million decrease in investment in and advances to affiliate.

Net cash provided by financing activities decreased by \$8.6 million to \$19.5 million for the year ended December 31, 2000 compared to \$28.1 million for the year ended December 31, 1999. This decrease was primarily because of a \$56.0 million reduction in borrowings on the line of credit, a \$50.8 million reduction in proceeds from common stock and Operating Partnership units and a \$1.7 million increase in distributions offset by proceeds of \$100 million received from the August 2000 issuance of senior notes which bear interest at 8.2 percent and mature August 15, 2008.

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 including debt maturities by utilizing its \$125 million line of credit which bears interest at LIBOR plus 1.0 percent and is due January 1, 2003. See "Safe Harbor Statement"

The terms of the \$35.8 million of Convertible Preferred Operating Partnership Units were renegotiated in the first quarter of 2000. The conversion price increased from \$27 to \$36 and the coupon rate was increased from 7 percent to 9 percent with equal serialized maturities in January 2003, 2004, 2005 and 2006.

At December 31, 2000, the Company's debt to total market capitalization approximated 36.8 percent (assuming conversion of all Common and Preferred OP Units to shares of common stock). The debt has a weighted average maturity of approximately 5.9 years and a weighted average interest rate of 7.4 percent.

Capital expenditures for the years ended December 31, 2000 and 1999 included recurring capital expenditures of \$4.6 million and \$5.9 million, respectively, including \$1.1 million in 1999 related to revenue producing capital expenditures consisting principally of water metering programs.

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RATIO OF EARNINGS TO FIXED CHARGES

The Company's ratio of earnings to fixed charges for the years ended December 31, 2000, 1999, and 1998 was 1.87:1, 1.95:1, and 2.03:1 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.

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 "Factors That May Affect Future Results" 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.

RECENT ACCOUNTING PRONOUNCEMENTS

In December 1999, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin No. 101 ("SAB 101"), "Revenue Recognition in Financial Statements". SAB 101 was adopted in the fourth quarter 2000. The Company examined its revenue recognition practices in light of interpretive guidance and determined SAB 101 will not have an effect on the earnings and financial position of the Company.

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. The Company will adopt SFAS 133 as amended by SFAS 137 and 138 effective January 1, 2001, the application of which will have no effect on the earnings and financial position of the Company.

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OTHER

Funds from operations ("FFO") is defined by the National Association of Real Estate Investment Trusts ("NAREIT") as "net income (computed in accordance with generally accepted accounting principles) excluding gains (or losses) from sales of property, plus rental property depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures." Industry analysts consider FFO to be an appropriate supplemental measure of the operating performance of an equity REIT primarily because the computation of FFO excludes historical cost depreciation as an expense and thereby facilitates the comparison of REITs which have different cost bases in their assets. Historical cost accounting for real estate assets implicitly assumes that the value of real estate assets diminishes predictably over time, whereas real estate values have instead historically risen or fallen based upon market conditions. FFO does not represent cash flow from operations as defined by generally accepted accounting principles and is a supplemental measure of performance that does not replace net income as a measure of performance or net cash provided by operating activities as a measure of liquidity. In addition, FFO is not intended as a measure of a REIT's ability to meet debt principal repayments and other cash requirements, nor as a measure of working capital. The following table calculates FFO data for both basic and diluted purposes for the years ended December 31, 2000, 1999 and 1998 (in thousands):

	2000 -----	1999 -----	1998 -----
Net income	\$ 33,294	\$ 29,089	\$ 26,096
Deduct Other, net	(4,801)	(829)	(655)
Add:			
Minority interest in earnings to common OP Unit holders	5,184	4,683	3,453
Depreciation and amortization, net of corporate office depreciation	30,393	28,310	24,793
	-----	-----	-----
Funds from operations -- basic	64,070	61,253	53,687
Deduct distributions on			
Convertible preferred OP Units	--	2,505	2,505
	-----	-----	-----
Funds from operations -- diluted	\$ 64,070	\$ 63,758	\$ 56,192
	=====	=====	=====

	2000 -----	DECEMBER 31, 1999 -----	1998 -----
Weighted average common shares and OP Units outstanding for basic per share/unit data	19,999	19,961	19,101
Dilutive securities:			
Stock options and awards	86	152	176
Convertible preferred OP Units	--	1,245	1,210
	-----	-----	-----
Weighted average common shares and OP Units outstanding for diluted per share/unit data	20,085	21,358	20,487
	=====	=====	=====

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ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company's principal market risk exposure is interest rate risk. The Company does not hedge interest rate risk using financial instruments nor is the Company subject to foreign currency risk on its long-term debt, mortgage notes and other notes receivable. 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 Company manages its exposure to interest rate risk on its variable rate indebtedness by borrowing on a short term basis under its line of credit until such time as it is able to retire the short term variable rate debt with a long term fixed rate debt offering on terms that are advantageous.

The Company's variable rate debt is limited to its \$125 million line of credit (\$12.0 million outstanding as of December 31, 2000) which bears interest at LIBOR plus 1.0 percent. If LIBOR increased/decreased by 1.0 percent during 2000 and 1999, the Company believes interest expense would have increased/decreased by approximately \$499,000 and \$588,000 based on the \$49.9 million and \$58.8 million average balance outstanding under the Company's line of credit for the year ended December 31, 2000 and 1999, respectively.

Additionally, the Company has \$85.2 million LIBOR based variable rate mortgage notes and other notes receivables at December 31, 2000. If LIBOR increased/decreased by 1.0 percent during 2000 and 1999, the Company believes interest income would have increased/decreased by approximately \$0.7 million and \$0.3 million based on the \$68.0 million and \$33.8 million average balance outstanding on all variable rate notes receivables for the year ended December 31, 2000 and 1999, respectively.

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

Not applicable

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PART III

The information required by ITEMS 10, 11, 12 AND 13 will be included in the Company's proxy statement for its 2001 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

No Current Reports on Form 8-K were filed during the last fiscal quarter for the year ended December 31, 2000.

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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 30, 2001

SUN COMMUNITIES, INC.

By /s/ Gary A. Shiffman

Gary A. Shiffman, President

Pursuant to the requirements of the Securities Exchange Act of 1934, 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 Chairman of the Board of Directors	March 30, 2001
/s/ Jeffrey P. Jorissen ----- Jeffrey P. Jorissen	Senior Vice President, Chief Financial Officer, Treasurer, Secretary and Principal Accounting Officer	March 30, 2001
/s/ Paul D. Lapidés ----- Paul D. Lapidés	Director	March 30, 2001
/s/ Ted. J. Simon ----- Ted J. Simon	Director	March 30, 2001
/s/ Clunet R. Lewis ----- Clunet R. Lewis	Director	March 30, 2001
/s/ Ronald L. Piasecki ----- Ronald L. Piasecki	Director	March 30, 2001
/s/ Arthur A. Weiss ----- Arthur A. Weiss	Director	March 30, 2001

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SUN COMMUNITIES, INC.

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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 sheets 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, 2000 and December 31, 1999, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2000, in conformity with accounting principles generally accepted in the United States of America. 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 of America, 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 our opinion.

PricewaterhouseCoopers LLP

Detroit, Michigan
February 12, 2001

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SUN COMMUNITIES, INC.

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2000 AND 1999
(AMOUNTS IN THOUSANDS EXCEPT FOR PER SHARE DATA)

ASSETS	2000	1999
	-----	-----
Investment in rental property, net	\$ 751,820	\$ 755,138
Cash and cash equivalents	18,466	11,330
Notes and other receivables	156,349	101,158
Investment in and advances to affiliate	7,930	8,605
Other assets	32,063	27,801
	-----	-----
Total assets	\$ 966,628	\$ 904,032
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Line of credit	\$ 12,000	\$ 47,000
Debt	452,508	354,564
Accounts payable and accrued expenses	16,304	17,616
Deposits and other liabilities	8,839	8,660
	-----	-----
Total liabilities	489,651	427,840
	-----	-----
Minority interests	140,943	137,834
	-----	-----
Stockholders' equity:		
Preferred stock, \$.01 par value, 10,000 shares authorized, none issued	--	--
Common stock, \$.01 par value, 100,000 shares authorized, 17,516 and 17,459 issued and outstanding in 2000 and 1999, respectively	175	174
Paid-in capital	393,771	393,360
Officers notes	(11,257)	(11,452)
Unearned compensation	(4,746)	(5,459)
Distributions in excess of accumulated earnings	(41,688)	(38,265)
Treasury stock, at cost, 7 shares in 2000	(221)	--
	-----	-----
Total stockholders' equity	336,034	338,358
	-----	-----
Total liabilities and stockholders' equity	\$ 966,628	\$ 904,032
	=====	=====

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

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SUN COMMUNITIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2000, 1999 AND 1998
(AMOUNTS IN THOUSANDS EXCEPT FOR PER SHARE DATA)

	2000	1999	1998
	-----	-----	-----
REVENUES			
Income from property.....	\$ 132,440	\$ 125,424	\$ 114,346
Other income.....	14,105	9,530	5,984
	-----	-----	-----
Total revenues.....	146,545	134,954	120,330
	-----	-----	-----
EXPENSES			
Property operating and maintenance.....	28,592	27,300	25,647
Real estate taxes.....	9,115	8,888	8,728
Property management.....	2,934	2,638	2,269
General and administrative.....	4,079	3,682	3,339

Depreciation and amortization.....	30,671	28,551	24,961
Interest.....	29,651	27,289	23,987
	-----	-----	-----
Total expenses.....	105,042	98,348	88,931
	-----	-----	-----
Income before other, net and minority interests.....	41,503	36,606	31,399
Other, net.....	4,801	829	655
	-----	-----	-----
Income before minority interests.....	46,304	37,435	32,054
Less income allocated to minority interests:			
Preferred OP Units.....	7,826	3,663	2,505
Common OP Units.....	5,184	4,683	3,453
	-----	-----	-----
Net income.....	\$ 33,294	\$ 29,089	\$ 26,096
	=====	=====	=====
Earnings per common share:			
Basic.....	\$ 1.92	\$ 1.69	\$ 1.55
	=====	=====	=====
Diluted.....	\$ 1.91	\$ 1.68	\$ 1.53
	=====	=====	=====
Weighted average common shares outstanding:			
Basic.....	17,304	17,191	16,856
	=====	=====	=====
Diluted.....	17,390	17,343	17,031
	=====	=====	=====

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

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SUN COMMUNITIES, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2000, 1999 AND 1998
(AMOUNTS IN THOUSANDS EXCEPT FOR PER SHARE DATA)

	COMMON STOCK	PAID IN CAPITAL	UNEARNED COMPENSATION	DISTRIBUTION IN EXCESS OF EARNINGS	TREASURY STOCK
	-----	-----	-----	-----	-----
Balance, January 1, 1998.....	\$ 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)	
Issuance of common stock, net.....	1	445			
Amortization.....			713		
Treasury stock purchased, 7 shares.....					\$ (221)
Reclassification and conversion of minority interests.....		(34)			
Net income.....				33,294	
Cash distributions declared of \$2.10 per share.....				(36,717)	
	-----	-----	-----	-----	-----
Balance, December 31, 2000.....	\$ 175	\$ 393,771	\$ (4,746)	\$ (41,688)	\$ (221)
	=====	=====	=====	=====	=====

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

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SUN COMMUNITIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2000, 1999 AND 1998
(AMOUNTS IN THOUSANDS)

	2000	1999	1998
	-----	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 33,294	\$ 29,089	\$ 26,096
Adjustments to reconcile net income to cash provided by operating activities:			
Income allocated to minority interests	5,184	4,683	3,453
Net gain from property dispositions	(4,801)	(1,781)	(655)
Amortization of deferred financing costs	943	865	681
Increase in other assets	(7,480)	(9,329)	(4,449)
Increase (decrease) in accounts payable and other liabilities	(1,133)	1,616	6,892
	-----	-----	-----
Net cash provided by operating activities	56,678	53,694	56,979
	-----	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in rental properties	(57,832)	(67,588)	(99,156)
Proceeds related to property dispositions	34,460	36,720	20,773
Investment in notes receivable, net	(46,577)	(52,218)	(32,523)
Investment in and advances to affiliate	675	2,854	514
Officer note	195	157	164
	-----	-----	-----
Net cash used in investing activities	(69,079)	(80,075)	(110,228)
	-----	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from issuance of common stock and operating partnership units, net	209	51,019	27,328
Borrowings (repayments) on line of credit, net	(35,000)	21,000	9,000
Proceeds from notes payable and other debt	100,000	--	65,000
Repayments on notes payable and other debt	(2,056)	(1,741)	(935)
Payments for deferred financing costs	(1,242)	(1,533)	(2,667)
Distributions	(42,374)	(40,622)	(37,087)
	-----	-----	-----
Net cash provided by financing activities	19,537	28,123	60,639
	-----	-----	-----
Net increase in cash and cash equivalents	7,136	1,742	7,390
Cash and cash equivalents, beginning of year	11,330	9,588	2,198
	-----	-----	-----
Cash and cash equivalents, end of year	\$ 18,466	\$ 11,330	\$ 9,588
	=====	=====	=====
SUPPLEMENTAL INFORMATION			
Cash paid for interest including capitalized amounts of \$3,148, \$2,230 and \$1,045 in 2000, 1999 and 1998, respectively	\$ 31,882	\$ 28,422	\$ 23,517
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
Property acquired through the exchange of similar property	--	7,700	--
Common stock issued as unearned compensation	--	720	5,631
Property acquired (sold) in satisfaction of note receivable	(8,614)	4,400	--
Issuance of partnership units for rental properties and other....	3,564	--	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, 2000, 1999 AND 1998

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 109 manufactured housing communities located in 15 states concentrated principally in the Midwest and Southeast comprising approximately 38,282 developed sites and approximately 2,392 sites suitable for development. In addition, the Company owns four undeveloped properties comprised of approximately 1,856 sites planned for future development.

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 including Sun Communities Operating Limited Partnership (the "Operating Partnership"). 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 86.7 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, 2000 and 1999 are 2 million Series A Perpetual Preferred OP Units ("Series A 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 \$2.43 and redeemable at par or convertible serially over a four year period beginning in January, 2003. The POP Units are convertible into 994,000 OP Units at prices up to \$36.00 per share. At prices above \$36.00 per share, the POP Units are convertible into OP Units based on a formula the numerator of which is \$36.00 plus 25 percent of stock price appreciation above \$36 per share. The denominator is the then stock price. The Company's stock price at December 31, 2000 was \$33.50.

In May 2000 and also included in minority interest, the Company issued 35,637 Series B Preferred OP Units ("Series B Units") at a \$100 mandatory redemption price with interest rates ranging from 7.0 percent to 9.0 percent and a maturity of May 1, 2006. The Company is subject to earlier redemption of 10,000 Series B Units upon the request of the holder on May 1, 2003 or a complete redemption of all Series B Units on May 1, 2004 or 2005.

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SUN COMMUNITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, CONTINUED
DECEMBER 31, 2000, 1999 AND 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

- 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. Recoverability of these assets is measured by a comparison of the carrying amount of such assets to the future undiscounted net cash flows expected to be generated by the assets. If such assets were deemed to be impaired as a result of this measurement, the impairment that would be recognized is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset as determined on a discounted net cash flow basis.

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 substantially complete.

- 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 AFFILIATE: Sun Home Services ("SHS") provides home sales and other services to current and prospective tenants. Through the Operating Partnership, 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 two officers of the Company and the estate of a former officer of the Company who collectively are entitled to receive 5 percent of the operating cash flow.
- 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 state 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. Fair values have been determined through information obtained from market sources and management estimates.
- H. RECLASSIFICATIONS: Certain 1999 and 1998 amounts have been reclassified to conform with the 2000 financial statement presentation. Such reclassifications have no effect on results of operations as originally presented.

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SUN COMMUNITIES, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, CONTINUED
 DECEMBER 31, 2000, 1999 AND 1998

2. RENTAL PROPERTY (AMOUNTS IN THOUSANDS):

	AT DECEMBER 31	
	2000	1999
	-----	-----
Land.....	\$ 76,120	\$ 76,069
Land improvements and buildings	739,858	720,662
Furniture, fixtures, and equipment	17,498	16,943
Land held for future development	12,042	17,046
Property under development	21,859	16,976
	-----	-----
	867,377	847,696
Less accumulated depreciation	(115,557)	(92,558)
	-----	-----
	\$ 751,820	\$ 755,138
	=====	=====

Land improvements and buildings consist primarily of infrastructure, roads, landscaping, clubhouses, maintenance buildings and amenities. Included in rental property at December 31, 2000 and 1999 are net carrying amounts related to capitalized leases of \$39.7 million and \$40.8 million, respectively.

During 2000, the Company acquired three manufactured housing communities comprising 659 developed sites for \$21.1 million. During 1999, the Company acquired eight communities comprising 1,485 developed sites and 370 sites suitable for development for \$32.0 million and three development communities comprising 1,538 sites, some of which were partially developed, for \$9.5 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. As of December 31, 2000, in conjunction with a 1993 acquisition, the Company is obligated to issue \$9.2 million of OP Units through 2009 based on the per share market value of the Company's stock on the issuance date. This obligation was accounted for as part of the purchase price of the original acquisition.

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

	AT DECEMBER 31	
	2000	1999
Mortgage notes receivable, primarily with minimum monthly interest payments at LIBOR based floating rates of approximately LIBOR + 3.0%, maturing at various dates from April 2001 through June 2012, collateralized by manufactured home communities.	\$ 60,491	\$ 23,277
Note receivable, subordinated, collateralized by all assets of the borrower, bears interest at LIBOR + 2.35% and payable on demand	40,794	35,849
Note receivable, subordinated, bears interest at 9.75% and matures September 2005.	4,000	4,000

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SUN COMMUNITIES, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, CONTINUED
 DECEMBER 31, 2000, 1999 AND 1998

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

	AT DECEMBER 31	
	2000	1999
Installment loans on manufactured homes with interest payable monthly at a weighted average interest rate and maturity of 11% and 22 years, respectively	32,426	18,635
Other receivables	23,583	14,452
	\$156,349	\$101,158
	=====	=====

At December 31, 2000, the maturities of mortgage notes receivables are approximately as follows: 2001 -- \$13.3 million; 2002 -- \$18.5 million; 2003 -- \$11.1 million; after 2005 -- \$17.6 million.

Officers' notes, presented as a reduction to stockholders' equity in the balance sheet, 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 \$0.9 million, \$0.8 million and \$0.9 million has been recognized in 2000, 1999 and 1998, respectively.

4. DEBT (AMOUNTS IN THOUSANDS):

	AT DECEMBER 31	
	2000	1999
Collateralized term loan, interest at 7.01%, due September 9, 2007.....	\$ 43,393	\$ 43,927
Senior notes, interest at 8.20%, due August 15, 2008	100,000	--
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 at 6.1%, \$9.4 million due in March 2001, balance due through December 2003	36,009	36,620
Mortgage notes, other	23,106	24,017
	-----	-----
	\$452,508	\$354,564
	=====	=====

The Company has a \$125 million unsecured line of credit at LIBOR plus 1.0% maturing in January 2003, of which \$113 million was available at December 31, 2000. The average interest rate of outstanding borrowings at December 31, 2000 was 7.06% following conversion to LIBOR in January 2001.

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SUN COMMUNITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2000, 1999 AND 1998

4. DEBT (CONTINUED) (AMOUNTS IN THOUSANDS):

The term loan is collateralized by seven communities comprising approximately 3,400 sites. The capitalized lease obligations and mortgage notes are collateralized by thirteen communities comprising approximately 3,200 sites. At the lease expiration date of the capitalized leases the

Company has the right and intends to purchase the properties for the amount of the then outstanding lease obligation. Annual payments under these capitalized lease obligations are \$2.1 million in 2001 and 2002 and \$0.8 million in 2003.

At December 31, 2000, the maturities of debt, excluding the line of credit, during the next five years are approximately as follows: 2001 - \$76.5 million; 2002 - \$17.4 million; 2003 - \$86.5 million; 2004 - \$11.9 million; and 2005 - \$1.3 million.

5. STOCK OPTIONS:

Data pertaining to stock option plans are as follows:

	2000	1999	1998
	-----	-----	-----
Options outstanding, January 1	1,121,000	1,055,600	965,900
Options granted	17,500	102,000	162,500
Option price	\$ 35.37	\$30.03-\$32.96	\$33.75-\$34.13
Options exercised	16,667	35,099	66,800
Option price	\$28.64-\$30.03	\$22.75-\$33.75	\$20.00-\$33.75
Options forfeited	12,583	1,501	6,000
Option price	\$30.03-\$33.75	\$33.75	\$33.75-\$34.91
Options outstanding, December 31 ..	1,109,250 (a)	1,121,000	1,055,600
Option price	\$20-\$35.39	\$20-\$35.39	\$20-\$35.39
Options exercisable, December 31 ..	827,329 (a)	709,811	601,410

(a) There are 273,400 options outstanding and exercisable which range from \$20.00 - \$27.99 with a weighted average life of 4.0 years related to the outstanding options. The weighted average exercise price for these outstanding and exercisable options is \$22.81. There are 835,850 and 553,933 options outstanding and exercisable, respectively, which range from \$28.00 - \$35.99 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 \$31.08 and \$30.29, respectively.

At December 31, 2000, 509,904 shares of common stock were available for the granting of options. Stock option plans originally provided for the grant of up to 2,120,000 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. 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:

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SUN COMMUNITIES, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 DECEMBER 31, 2000, 1999 AND 1998

5. STOCK OPTIONS (CONTINUED):

	2000 -----	1999 -----	1998 -----
Estimated fair value per share of options granted during year.....	\$ 2.43	\$ 2.43	\$ 2.43
Assumptions:			
Annualized dividend yield.....	7.1%	7.1%	7.0%
Common stock price volatility.....	15.3%	15.3%	15.9%
Risk-free rate of return.....	6.4%	6.4%	5.4%
Expected option term (in years).....	6	6	4

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 \$33.1 million, \$28.8 million and \$25.8 million and basic net income per share of \$1.91, \$1.68 and \$1.53 in 2000, 1999 and 1998, respectively.

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, which were not given dividend accounting recognition due to the amount involved, may be generally redeemed by the Company at a price of \$0.01 per Right or \$0.2 million in total. The Rights expire on June 8, 2008.

In December 1999, and June 1998, the Company issued restricted stock awards of 24,750 at \$30.00 per share and 165,000 at \$34.12 per share, respectively, to officers and certain employees which are being amortized over their five to ten year vesting period. Compensation cost recognized in income for these stock awards was \$0.7 million, \$0.6 million and \$0.3 million in 2000, 1999 and 1998, respectively.

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 the loans mature in January 2004. No compensation expense was recognized in respect to the guarantees as the fair value thereof was not material nor have there been any defaults.

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SUN COMMUNITIES, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 DECEMBER 31, 2000, 1999 AND 1998

7. OTHER INCOME (AMOUNTS IN THOUSANDS):

The components of other income are as follows for the years ended December 31, 2000, 1999 and 1998:

	2000 -----	1999 -----	1998 -----
Interest income	\$ 9,385	\$ 6,345	\$ 3,125
Income from affiliate	607	1,726	2,147
Other income	4,113	1,459	712
	-----	-----	-----
	\$ 14,105	\$ 9,530	\$ 5,984
	=====	=====	=====

Other, net presented in the Consolidated Statements of Income primarily relates to net gains from property dispositions.

8. INCOME TAXES (AMOUNTS IN THOUSANDS):

The Company has elected to be taxed as a real estate investment trust ("REIT") as defined under Section 856(c) of the Internal Revenue Code of 1986, as amended. In order for the Company to qualify as a REIT, at least 95 percent of the Company's gross income in any year must be derived from qualifying sources.

As a REIT, the Company generally will not be subject to U.S. Federal income taxes at the corporate level if it distributes at least 95 percent of its REIT ordinary taxable income to its stockholders. REIT's are also subject to a number of other organizational and operational requirements. If the Company fails to qualify as a REIT in any taxable year, its taxable income will be subject to U.S. Federal income tax at regular corporate rates (including any applicable alternative minimum tax). Even if the Company qualifies as a REIT, it may be subject to certain state and local income taxes and to U.S. Federal income and excise taxes on its undistributed income.

Dividend payout on taxable income available to common stockholders:

	2000 -----	1999 -----	1998 -----
Taxable income available to common stockholders	\$ 14,683	\$ 14,681	\$ 14,087
Less tax gain on disposition of properties	(13)	(5,943)	(5,519)
	-----	-----	-----
Taxable operating income available to common stockholders	\$ 14,670	\$ 8,738	\$ 8,568
	=====	=====	=====

Total dividends paid to common stockholders	\$ 36,717	\$ 35,009	\$ 32,778
	=====	=====	=====

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SUN COMMUNITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2000, 1999 AND 1998

8. INCOME TAXES (CONTINUED) (AMOUNTS IN THOUSANDS):

For income tax purposes, distributions paid to common stockholders consist of ordinary income, capital gains, and return of capital. For the years ended December 31, 2000, 1999 and 1998, distributions paid per share were taxable as follows:

	2000		1999		1998	
	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE
Ordinary income	\$ 1.30	62.0%	\$ 1.29	64.0%	\$ 1.27	65.6%
Return of capital	.80	38.0	.39	19.4	.38	19.8
Capital gains	--	--	.28	13.6	.11	5.6
Unrecaptured SEC. 1250 gain	--	--	.06	3.0	.18	9.0
	\$ 2.10	100.0%	\$ 2.02	100.0%	\$ 1.94	100.0%

9. EARNINGS PER SHARE (AMOUNTS IN THOUSANDS):

	2000	1999	1998
Earnings used for basic and diluted earnings per share computation	\$ 33,294	\$ 29,089	\$ 26,096
Total shares used for basic earnings per share	17,304	17,191	16,856
Dilutive securities:			
Stock options and other	86	152	175
Total weighted average shares used for diluted earnings per share computation	17,390	17,343	17,031

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 2000, 1999 and 1998.

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SUN COMMUNITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2000, 1999 AND 1998

10. 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 -----
2000				
Total revenues.....	\$ 36,033	\$ 36,064	\$ 37,013	\$ 37,435
Operating income (a).....	\$ 24,823	\$ 25,380	\$ 25,549	\$ 26,073
Income before other, net and allocation to minority interests.....	\$ 10,430	\$ 10,396	\$ 10,200	\$ 10,477
Net income (b).....	\$ 7,357	\$ 7,305	\$ 11,117	\$ 7,515
Weighted average common shares outstanding.....	17,286	17,310	17,312	17,308
Earnings per common share-basic.....	\$ 0.43	\$ 0.42	\$ 0.64	\$ 0.4

	FIRST QUARTER MARCH 31 -----	SECOND QUARTER JUNE 30 -----	THIRD QUARTER SEPT. 30 -----	FOURTH QUARTER DEC. 31 -----
1999				
Total revenues.....	\$ 33,000	\$ 32,761	\$ 34,133	\$ 35,060
Operating income (a).....	\$ 22,425	\$ 22,517	\$ 23,157	\$ 24,347
Income before other, net and allocation to minority interests.....	\$ 8,938	\$ 8,727	\$ 8,727	\$ 10,214
Net income (b).....	\$ 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

- (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) Net income includes net gains on the disposition of properties of \$182 in the fourth quarter of 2000, \$4,619 in the third quarter of 2000 and \$829 in the fourth quarter of 1999.

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SUN COMMUNITIES, INC.
REAL ESTATE AND ACCUMULATED DEPRECIATION
DECEMBER 31, 2000
(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
Academy/ Westpointe	Canton, MI	-	\$ 1,485	\$ 14,336	-	-
Allendale	Allendale, MI	-	393	3,684	-	\$ 3,480
Alpine	Grand Rapids, MI	-	729	6,692	-	2,731
Apple Creek	Amelia, OH	(3)	543	5,480	-	(23)
Arbor Terrace	Bradenton, FL	-	481	4,410	-	232
Ariana Village	Lakeland, FL	-	240	2,195	-	434
Autumn Ridge	Ankeny, IO	-	890	8,054	-	696
Bedford Hills	Battle Creek, MI	(1)	1,265	11,562	-	281
Bell Crossing	Clarksville, TN	-	717	1,916	-	1,084
Bonita Lake	Bonita Springs, FL	-	285	2,641	-	102
Boulder Ridge	Pflugerville, TX	-	1,000	500	\$ 518	9,404
Branch Creek	Austin, TX	-	796	3,716	-	4,267
Brentwood	Kentwood, MI	-	385	3,592	-	165
Brookside Village	Goshen, IN	-	260	1,080	386	7,071
Byrne Hill Village	Toledo, OH	-	383	3,903	-	56
Byron Center	Byron Center, MI	-	257	2,402	(4)	131
Candlelight Village	Chicago Heights, IL	-	600	5,623	-	441
Candlewick Court	Owosso, MI	-	125	1,900	132	972
Carrington Pointe	Ft. Wayne, IN	-	1,076	3,632	-	3,117
Casa Del Valle	Alamo, TX	-	246	2,316	-	292

Catalina	Middletown, OH	-	653	5,858	-	671
Chain O'Lakes	Grand Island, FL	-	551	5,003	-	178
Chisholm Point	Pflugerville, TX	-	609	5,286	-	1,568
Clearwater Village	South Bend, IN	-	80	1,270	61	1,772
Cobus Green	Elkhart, IN	-	762	7,037	-	555
College Park Estates	Canton, MI	-	75	800	174	4,468
Continental Estates	Davison, MI	-	1,625	16,581	150	1,309
Continental North	Davison, MI	-	(6)	(6)	-	3,276
Country Acres	Cadillac, MI	-	380	3,495	-	174
Country Meadows	Flat Rock, MI	-	924	7,583	296	9,054

GROSS AMOUNT
CARRIED AT
DECEMBER 31, 2000

PROPERTY NAME	BUILDING AND FIXTURES		TOTAL	ACCUMULATED DEPRECIATION	DATE OF CONSTRUCTION (C) ACQUISITION (A)
	LAND				
Academy/ Westpointe	\$ 1,485	\$ 14,336	\$ 15,821	\$ 240	2000 (A)
Allendale	393	7,164	7,557	905	1996 (A)
Alpine	729	9,423	10,152	1,232	1996 (A)
Apple Creek	543	5,457	6,000	252	1999 (A)
Arbor Terrace	481	4,642	5,123	723	1996 (A)
Ariana Village	240	2,629	2,869	559	1994 (A)
Autumn Ridge	890	8,750	9,640	1,292	1996 (A)
Bedford Hills	1,265	11,843	13,108	1,816	1996 (A)
Bell Crossing	717	3,000	3,717	123	1999 (A)
Bonita Lake	285	2,743	3,028	424	1996 (A)
Boulder Ridge	1,518	9,904	11,422	802	1998 (C)
Branch Creek	796	7,983	8,779	1,116	1995 (A)
Brentwood	385	3,757	4,142	592	1996 (A)
Brookside Village	646	8,151	8,797	1,281	1985 (A)
Byrne Hill Village	383	3,959	4,342	211	1999 (A)
Byron Center	253	2,533	2,786	404	1996 (A)
Candlelight Village	600	6,064	6,664	932	1996 (A)
Candlewick Court	257	2,872	3,129	675	1985 (A)
Carrington Pointe	1,076	6,749	7,825	642	1997 (A)
Casa Del Valle	246	2,608	2,854	333	1997 (A)
Catalina	653	6,529	7,182	1,527	1993 (A)
Chain O'Lakes	551	5,181	5,732	867	1996 (A)
Chisholm Point	609	6,854	7,463	1,155	1995 (A)
Clearwater Village	141	3,042	3,183	577	1986 (A)
Cobus Green	762	7,592	8,354	1,787	1993 (A)
College Park Estates	249	5,268	5,517	1,128	1978 (A)
Continental Estates	1,775	17,890	19,665	2,780	1996 (A)
Continental North	-	3,276	3,276	107	1996 (A)
Country Acres	380	3,669	4,049	561	1996 (A)
Country Meadows	1,220	16,637	17,857	2,841	1994 (A)

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SUN COMMUNITIES, INC.
REAL ESTATE AND ACCUMULATED DEPRECIATION, CONTINUED
DECEMBER 31, 2000
(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
Countryside Village	Perry, MI	(1)	275	3,920	185	1,845
Creekwood Meadows	Burton, MI	-	808	2,043	404	6,053
Cutler Estates	Grand Rapids, MI	(1)	822	7,604	-	196
Deerfield Run	Anderson, MI	1,700	990	1,607	-	1,493
Desert View Village	West Wendover, NV	-	1,180	-	423	4,432
Eagle Crest	Firestone, CO	-	4,073	150	45	6,905
Edwardsville	Edwardsville, KS	(1)	425	8,805	541	2,158
Fisherman's Cove	Flint, MI	-	380	3,438	-	436
Forest Meadows	Philomath, OR	-	1,031	2,064	-	75
Four Seasons	Elkhart, IN	-	500	4,800	-	-
Goldcoaster	Homestead, FL	-	446	4,234	124	1,389
Golden Lakes	Plant City, FL	-	1,092	7,161	-	1,000
Grand	Grand Rapids, MI	-	374	3,587	-	49
Groves	Ft. Myers, FL	-	249	2,396	-	465
Hamlin	Webberville, MI	-	125	1,675	536	961
Holiday Village	Elkhart, IN	-	100	3,207	143	1,111
Holly Forest	Holly Hill, FL	-	920	8,376	-	220
Indian Creek	Ft. Myers Beach, FL	-	3,832	34,660	-	700
Island Lake	Merritt Island, FL	-	700	6,431	-	221
Kensington Meadows	Lansing, MI	-	250	2,699	-	3,416

Kenwood	La Feria, TX	-	145	1,857	-	(23)
King's Court	Traverse City, MI	-	1,473	13,782	-	1,173
King's Lake	Debarry, FL	-	280	2,542	-	1,899
King's Pointe	Winter Haven, FL	-	262	2,359	-	392
Lafayette Place	Warren, MI	-	669	5,979	-	592
Lake Juliana	Auburndale, FL	-	335	2,848	-	636
Lake San Marino	Naples, FL	-	650	5,760	-	314
Leesburg Landing	Leesburg, FL	-	50	429	921	416

PROPERTY NAME	GROSS AMOUNT CARRIED AT DECEMBER 31, 2000			ACCUMULATED DEPRECIATION	DATE OF CONSTRUCTION (C) ACQUISITION (A)
	LAND	BUILDING AND FIXTURES	TOTAL		
Countryside Village	460	5,765	6,225	1,233	1987 (A)
Creekwood Meadows	1,212	8,096	9,308	636	1997 (C)
Cutler Estates	822	7,800	8,622	1,205	1996 (A)
Deerfield Run	990	3,100	4,090	114	1999 (A)
Desert View Village	1,603	4,432	6,035	75	1998 (C)
Eagle Crest	4,118	7,055	11,173	-	1998 (C)
Edwardsville	966	10,963	11,929	2,449	1987 (A)
Fisherman's Cove	380	3,874	4,254	907	1993 (A)
Forest Meadows	1,031	2,139	3,170	98	1999 (A)
Four Seasons	500	4,800	5,380	81	2000 (A)
Goldcoaster	570	5,623	6,193	621	1997 (A)
Golden Lakes	1,092	8,161	9,253	1,898	1993 (A)
Grand	374	3,636	4,010	460	1996 (A)
Groves	249	2,861	3,110	387	1997 (A)
Hamlin	661	2,636	3,297	556	1984 (A)
Holiday Village	243	4,318	4,561	1,023	1986 (A)
Holly Forest	920	8,596	9,516	1,012	1997 (A)
Indian Creek	3,832	35,360	39,192	5,506	1996 (A)
Island Lake	700	6,652	7,352	1,237	1995 (A)
Kensington Meadows	250	6,115	6,365	835	1995 (A)
Kenwood	145	1,834	1,979	87	1999 (A)
King's Court	1,473	14,955	16,428	2,253	1996 (A)
King's Lake	280	4,441	4,721	791	1994 (A)
King's Pointe	262	2,751	3,013	592	1994 (A)
Lafayette Place	669	6,571	7,240	566	1998 (A)
Lake Juliana	335	3,484	3,819	737	1994 (A)
Lake San Marino	650	6,074	6,724	940	1996 (A)
Leesburg Landing	971	845	1,816	119	1996 (A)

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SUN COMMUNITIES, INC.
REAL ESTATE AND ACCUMULATED DEPRECIATION, CONTINUED
DECEMBER 31, 2000
(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
Liberty Farms	Valparaiso, IN	-	66	1,201	116	1,757
Lincoln Estates	Holland, MI	-	455	4,201	-	261
Maple Grove Estates	Dorr, MI	-	15	210	19	266
Maplewood	Lawrence, IN	-	280	2,122	-	678
Meadow Lake Estates	White Lake, MI	-	1,188	11,498	126	1,396
Meadowbrook Estates	Monroe, MI	-	431	3,320	379	5,644
Meadowbrook Village	Tampa, FL	-	519	4,728	-	256
Meadows	Nappanee, IN	-	300	2,300	(13)	2,193
Meadowstream Village	Sodus, MI	-	100	1,175	109	1,282
Oakwood Village	Miamisburg, OH	363	1,964	6,401	-	4,559
Orange Tree	Orange City, FL	-	283	2,530	15	651
Orchard Lake	Milford, OH	(3)	395	4,064	-	(37)
Paradise	Chicago Heights, IL	-	723	6,638	-	459
Parkwood	Grand Blanc, MI	-	477	4,279	-	553
Pecan Branch	Georgetown, TX	-	1,379	-	331	1,886
Pin Oak Parc	St. Louis, MO	-	1,038	3,250	467	4,392
Pine Hills	Middlebury, IN	-	72	544	58	1,593
Pine Ridge	Petersburg, VA	-	405	2,397	-	1,147
Presidential	Hudsonville, MI	-	680	6,314	-	1,059
Richmond	Richmond, MI	(2)	501	2,040	-	289
Royal Country	Miami, FL	(1)	2,290	20,758	-	557
Saddle Oak Club	Ocala, FL	-	730	6,743	-	523

Scio Farms	Ann Arbor, MI	-	2,300	22,659	-	3,345
Sherman Oaks	Jackson, MI	(1)	200	2,400	240	3,333
Siesta Bay	Ft. Myers Beach, FL	-	2,051	18,549	-	456
Silver Star	Orlando, FL	-	1,067	9,685	-	250
Snow to Sun	Weslaco, TX	95	190	2,143	15	706
Southfork	Belton, MO	-	1,000	9,011	-	968
St. Clair Place	St. Clair, MI	(2)	501	2,029	-	307

GROSS AMOUNT
CARRIED AT
DECEMBER 31, 2000

PROPERTY NAME	LAND	BUILDING AND FIXTURES	TOTAL	ACCUMULATED DEPRECIATION	DATE OF CONSTRUCTION (C) ACQUISITION (A)
Liberty Farms	182	2,958	3,140	662	1985 (A)
Lincoln Estates	455	4,462	4,917	685	1996 (A)
Maple Grove Estates	34	476	510	109	1979 (A)
Maplewood	280	2,800	3,080	644	1989 (A)
Meadow Lake Estates	1,314	12,894	14,208	2,912	1994 (A)
Meadowbrook Estates	810	8,964	9,774	2,089	1986 (A)
Meadowbrook Village	519	4,984	5,503	1,163	1994 (A)
Meadows	287	4,493	4,780	958	1987 (A)
Meadowstream Village	209	2,457	2,666	566	1984 (A)
Oakwood Village	1,964	10,960	12,924	744	1998 (A)
Orange Tree	298	3,181	3,479	632	1994 (A)
Orchard Lake	395	4,027	4,422	211	1999 (A)
Paradise	723	7,097	7,820	1,070	1996 (A)
Parkwood	477	4,832	5,309	1,118	1993 (A)
Pecan Branch	1,710	1,886	3,596	-	1999 (C)
Pin Oak Parc	1,505	7,642	9,147	1,077	1994 (A)
Pine Hills	130	2,137	2,267	474	1980 (A)
Pine Ridge	405	3,544	3,949	795	1986 (A)
Residential	680	7,373	8,053	1,104	1996 (A)
Richmond	501	2,329	2,830	207	1998 (A)
Royal Country	2,290	21,315	23,605	5,030	1994 (A)
Saddle Oak Club	730	7,266	7,996	1,500	1995 (A)
Scio Farms	2,300	26,004	28,304	4,587	1995 (A)
Sherman Oaks	440	5,733	6,173	1,317	1986 (A)
Siesta Bay	2,051	19,005	21,056	2,948	1996 (A)
Silver Star	1,067	9,935	11,002	1,534	1996 (A)
Snow to Sun	205	2,849	3,054	331	1997 (A)
Southfork	1,000	9,979	10,979	839	1997 (A)
St. Clair Place	501	2,336	2,837	245	1998 (A)

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SUN COMMUNITIES, INC.
REAL ESTATE AND ACCUMULATED DEPRECIATION, CONTINUED
DECEMBER 31, 2000
(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
Stonebridge	Richfield Twp., MI	1,119	2,044	-	180	597
Sun Villa	Reno, NV	6,839	2,385	11,773	-	473
Sunset Ridge	Portland, MI	-	2,044	-	-	2,983
Timber Ridge	Ft. Collins, CO	-	990	9,231	-	611
Timberbrook	Bristol, IN	(1)	490	3,400	101	4,840
Timberline Estates	Grand Rapids, MI	-	536	4,867	-	492
Town and Country	Traverse City, MI	-	406	3,736	-	201
Valley Brook	Indianapolis, IN	-	150	3,500	1,277	8,562
Village Trails	Howard City, MI	426	988	1,472	-	593
Water Oak Country Club Est.	Lady Lake, FL	-	2,503	17,478	-	2,781
Westbrook	Toledo, OH	(2)	1,110	10,462	-	16
West Glen Village	Indianapolis, IN	-	1,100	10,028	-	669
White Lake	White Lake, MI	-	673	6,179	-	2,373
White Oak	Mt. Morris, MI	-	782	7,245	112	3,057
Willowbrook	Toledo, OH	(2)	781	7,054	-	331
Windham Hills	Jackson, MI	-	2,673	2,364	-	4,515
Woodhaven Place	Wood Haven, MI	(2)	501	4,541	-	677
Woodlake Estates	Yoder, IN	-	632	3,674	-	1,834
Woodland Park Estates	Eugene, OR	7,784	1,593	14,398	-	246
Woods Edge	West Lafayette, IN	-	100	2,600	3	6,730
Woodside Terrace	Holland, OH	(2)	1,064	9,625	-	1,193
Worthington Arms	Delaware, OH	-	376	2,624	-	1,057

Corporate Headquarters	Farmington Hills, MI	-	-	-	-	4,513
			<u>\$ 85,772</u>	<u>\$ 586,480</u>	<u>\$ 8,570</u>	<u>\$ 186,555</u>

GROSS AMOUNT
CARRIED AT
DECEMBER 31, 2000

PROPERTY NAME	LAND	BUILDING AND FIXTURES	TOTAL	ACCUMULATED DEPRECIATION	DATE OF CONSTRUCTION (C) ACQUISITION (A)
Stonebridge	2,224	597	2,821	-	1998 (C)
Sun Villa	2,385	12,246	14,631	1,016	1998 (A)
Sunset Ridge	2,044	2,983	5,027	-	1998 (C)
Timber Ridge	990	9,842	10,832	1,502	1996 (A)
Timberbrook	591	8,240	8,831	1,742	1987 (A)
Timberline Estates	536	5,359	5,895	1,159	1994 (A)
Town and Country	406	3,937	4,343	612	1996 (A)
Valley Brook	1,427	12,062	13,489	2,452	1989 (A)
Village Trails	988	2,065	3,053	154	1998 (A)
Water Oak Country Club Est.	2,503	20,259	22,762	4,614	1993 (A)
Westbrook	1,110	10,478	11,588	540	1999 (A)
West Glen Village	1,100	10,697	11,797	2,297	1994 (A)
White Lake	673	8,552	9,225	911	1997 (A)
White Oak	894	10,302	11,196	1,049	1997 (A)
Willowbrook	781	7,385	8,166	623	1997 (A)
Windham Hills	2,673	6,879	9,552	459	1998 (A)
Woodhaven Place	501	5,218	5,719	450	1998 (A)
Woodlake Estates	632	5,508	6,140	375	1998 (A)
Woodland Park Estates	1,593	14,644	16,237	1,239	1998 (A)
Woods Edge	103	9,330	9,433	1,261	1985 (A)
Woodside Terrace	1,064	10,818	11,882	1,236	1997 (A)
Worthington Arms	376	3,681	4,057	852	1990 (A)
Corporate Headquarters	-	4,513	4,513	1,161	Various
	<u>\$ 94,342 (4)</u>	<u>\$ 773,035 (5)</u>	<u>\$ 867,377</u>	<u>\$ 115,557</u>	

- (1) These communities collateralize \$43.4 million of secured debt.
- (2) These communities are financed by \$36 million of collateralized lease obligations.
- (3) These communities collateralize \$4.8 million of secured debt.
- (4) Includes \$6.2 million of land in property under development in Footnote 2 "Rental Property" to the Company's Consolidated Financial Statements included elsewhere herein.
- (5) Includes \$15.7 million of property under development in Footnote 2 "Rental Property" to the Company's Consolidated Financial Statements included elsewhere herein.
- (6) The initial cost for this property was included in the initial cost reported for Continental Estates.

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SUN COMMUNITIES, INC.
REAL ESTATE AND ACCUMULATED DEPRECIATION, CONTINUED
DECEMBER 31, 2000
(AMOUNTS IN THOUSANDS)

SCHEDULE III

The change in investment in real estate for the years ended December 31, 2000, 1999 and 1998 is as follows:

	2000	1999	1998
Balance, beginning of year	\$ 847,696	\$ 803,152	\$ 684,821
Community and land acquisitions, including immediate improvements	24,339	41,083	102,248

Community expansion and development	30,795	42,480	26,874
Improvements, other	4,595	7,022	6,193
Dispositions and other	(40,048)	(46,041)	(16,984)
	-----	-----	-----
Balance, end of year	\$ 867,377	\$ 847,696	\$ 803,152
	=====	=====	=====

The change in accumulated depreciation for the years ended December 31, 2000, 1999 and 1998 is as follows:

	2000	1999	1998
	-----	-----	-----
Balance, beginning of year	\$ 92,558	\$ 70,940	\$ 50,084
Depreciation for the period	26,170	25,112	22,765
Dispositions and other	(3,171)	(3,494)	(1,909)
	-----	-----	-----
Balance, end of year	\$ 115,557	\$ 92,558	\$ 70,940
	=====	=====	=====

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EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----	METHOD OF FILING -----
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 -----	METHOD OF FILING -----
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)

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EXHIBIT NUMBER -----	DESCRIPTION -----	METHOD OF FILING -----
10.28	Sun Communities, Inc. 1998 Stock Purchase Plan#	(11)
10.29	Employment Agreement between Sun Home Services, Inc. and Brian Fannon#	(11)
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)
10.35	Subordinated Loan Agreement dated September 30, 1997 between Bingham Financial Services Corporation ("Bingham") and the Company (assigned to Sun Communities Operating Limited Partnership (the "Operating Partnership") as of December 31, 1997)	(14)
10.36	Term Promissory Note dated September 30, 1997 executed by Bingham in favor of the Company (assigned to the Operating Partnership as of December 31, 1997)	(14)
10.37	Loan Agreement dated March 1, 1998 between Bingham and the Operating Partnership	(15)
10.38	Demand Promissory Note dated March 1, 1998 executed by Bingham in favor of the Operating Partnership	(15)
10.39	Loan Agreement dated March 30, 1999 between Bingham and the Operating Partnership	(16)
10.40	Demand Promissory Note dated March 30, 1999 executed by Bingham in favor of the Operating Partnership	(16)
10.41	First Amendment dated June 11, 1999 to Subordinated Loan Agreement dated September 30, 1997 between Bingham and the Operating Partnership	(16)
10.42	First Amendment dated June 11, 1999 to Loan Agreement dated March 1, 1998 between Bingham and the Operating Partnership	(16)
10.43	Amended Demand Promissory Note dated June 11, 1999 executed by Bingham in favor of the Operating Partnership	(16)
10.44	Security Agreement dated December 13, 1999 between the Operating Partnership and Bingham	(17)
10.45	Second Amendment to Loan Agreement dated December 13, 1999 between Bingham and the Operating Partnership	(18)

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EXHIBIT NUMBER -----	DESCRIPTION -----	METHOD OF FILING -----
10.46	Second Amended Demand Promissory Note dated December 13, 1999 executed by Bingham in favor of the Operating Partnership	(17)
10.47	Membership Pledge Agreement dated December 13, 1999 between Bingham and the Operating Partnership	(18)
10.48	Amended and Restated Security Agreement dated December 13, 1999 between Bingham and the Operating Partnership	(18)
10.49	Stock Pledge Agreement dated December 13, 1999 between Bingham and the Operating Partnership	(18)
10.50	Supplemental Agreement Regarding Assignment of Notes, Loan Agreements and Security Agreements as Collateral Security dated December 13, 1999 between Bingham and the Operating Partnership	(18)
10.51	Supplemental Agreement Regarding Assignment of Note, Loan Agreement and Security Agreement as Collateral Security dated December 13, 1999 between Bingham and the Operating Partnership	(19)
10.52	Supplemental Agreement Regarding Assignment of Note and Security Agreement as Collateral Security dated March 16, 2000 between Bingham and the Operating Partnership	(18)
10.53	Stock Pledge Agreement dated October 20, 2000 between Bingham and the Operating Partnership	(18)
10.54	Amendment to Amended and Restated Security Agreement dated October 20, 2000 between Bingham and the Operating Partnership	(18)
10.55	Supplemental Agreement Regarding Assignment of Notes, Loan Agreements and Security Agreements as collateral security dated December 13, 1999 between Bingham and the Operating Partnership	(19)
12.1	Computation of Ratio of Earnings to Fixed Charges and Ratio Earnings to Combined Fixed Charges and Preferred Dividends	(20)
21	List of Subsidiaries of Sun Communities, Inc.	(20)

-
- (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.
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- (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.
 - (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) Incorporated by reference to Bingham Financial Services Corporation's Registration Statement on Form S-1, No. 333-34453.
 - (15) Incorporated by reference to Bingham Financial Services Corporation's Annual Report on Form 10-K for the year ended September 30, 1998, No. 0-23381.
 - (16) Incorporated by reference to Bingham Financial Services Corporation's Annual Report on Form 10-K for the year ended September 30, 1999, No. 0-23381.
 - (17) Incorporated by reference to Bingham Financial Services Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000, No. 0-23381.
 - (18) Incorporated by reference to Sun Communities, Inc.'s Registration Statement on Form S-3, Amendment No. 1, No. 333-54718.
 - (19) Incorporated by reference to Sun Communities Operating Limited Partnership's Annual Report on Form 10-K for the year ended December 31, 2000, No. 333-2522-01.
 - (20) 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 DISTRIBUTIONS

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 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				
	2000	1999	1998	1997	1996
	(unaudited, in thousands)				
Earnings:					
Net income (before minority interest)	\$46,304	\$37,435	\$32,054	\$27,927	\$ 21,953
(1) Add fixed charges other than capitalized interest	29,651	27,289	23,987	14,423	11,277
	-----	-----	-----	-----	-----
	\$75,955	\$64,724	\$56,041	\$42,350	\$33,230
	=====	=====	=====	=====	=====
Fixed Charges:					
Interest expense	\$29,651	\$27,289	\$23,987	\$14,423	\$11,277
Preferred OP Unit distribution	7,826	3,663	2,505	2,505	1,670
Capitalized interest	3,148	2,230	1,045	756	380
	-----	-----	-----	-----	-----
Total fixed charges	\$40,625	\$33,182	\$27,537	\$17,684	\$13,327
	=====	=====	=====	=====	=====
Ratio of earnings to fixed charges	1.87	1.95	2.03	2.39	2.49
	=====	=====	=====	=====	=====

(1) Before Extraordinary Item in 1996

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
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

SUN COMMUNITIES, INC.
EXHIBIT 21 -- LIST OF SUBSIDIARIES, CONTINUED

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
Highland West Development, LLC, a New Mexico limited liability company
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 Finance, 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 Mezzanine Lender, LLC, a Michigan limited liability company
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 Texas Mezzanine Lender 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/Forest Holdings LLC, a Michigan limited liability company

Sun GP L.L.C., a Michigan limited liability company
Sun Home Services, Inc., a Michigan corporation
Sun Water Oak Golf, Inc., a Michigan corporation
Sun/York L.L.C., a Michigan limited liability company
White Oak Estates, L.L.C., a Michigan limited liability company
White Oak Estates Holding, L.L.C., a Michigan limited liability company

EXHIBIT 23

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. 333-54718, File No. 333-86237, File No. 333-64271, File No. 333-36451, File No. 333-14595, File No. 333-45273, File No. 333-72461, File No. 333-30462 and File No. 333-1822) and on Form S-8 (File No. 333-11923 and File No. 333-82479) of our report dated February 12, 2001 relating to the consolidated financial statements and financial statement schedule of Sun Communities, Inc. in this Annual Report on Form 10-K.

PRICEWATERHOUSECOOPERS LLP
Detroit, Michigan
March 27, 2001