

SUN COMMUNITIES INC  
 Form 424B7  
 June 22, 2015  
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### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered (1)	Amount to be Registered	Proposed Maximum Offering Price Per Unit (2)	Proposed Maximum Aggregate Offering Price (2)	Amount of Registration Fee (3)
Common Stock, \$0.01 par value per share (4)	25,664 shares	\$ 61.90	\$ 1,588,602	\$ 185
6.50% Series A-4 Cumulative Convertible Preferred Stock, \$0.01 par value per share	34,219 shares	\$ 27.51	\$ 941,365	\$ 109
Common Stock, \$0.01 par value per share underlying the 6.50% Series A-4 Cumulative Convertible Preferred Stock, \$0.01 par value per share	15,208 shares (5)			
<b>TOTAL:</b>			\$ 2,529,967	\$ 294

- (1) This prospectus supplement relates to the following securities to be offered for resale by the selling stockholder: (a) shares of common stock outstanding on the date of this prospectus supplement; (b) shares of 6.50% Series A-4 Cumulative Convertible Preferred Stock ( Series A-4 Preferred Shares ) outstanding on the date of this prospectus supplement; and (c) shares of common stock issuable upon conversion of Series A-4 Preferred Shares.
- (2) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(c) of the Securities Act of 1933, as amended, based on the average of the high and low prices reported for our common stock on the New York Stock Exchange on June 15, 2015. With respect to the Series A-4 Preferred Shares, represents such average value of the common stock underlying the Series A-4 Preferred Shares multiplied by the liquidation preference of such shares (\$25.00) divided by the initial conversion price of such shares (\$56.25).
- (3) The registration fee has been calculated and is being paid in accordance with Rules 457(r) and 456(b) under the Securities Act of 1933, as amended, or the Securities Act.
- (4) Includes rights to purchase our Junior Participating Preferred Stock. Because no separate consideration is paid for these rights, they are not considered in the calculation of the maximum aggregate offering price and the registration fee.
- (5) Represents the maximum number of shares of common stock that are issuable upon conversion of the Series A-4 Preferred Shares. Pursuant to Rule 457(i) under the Securities Act, there is no filing fee payable with respect to shares of common stock issuable upon conversion of the Series A-4 Preferred Shares because no additional consideration will be received in connection with the exercise of the conversion right.

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Filed Pursuant to Rule 424(b)(7)  
Registration No. 333-203502

PROSPECTUS SUPPLEMENT

(To Prospectus Dated April 17, 2015)

**40,872 Shares of Common Stock**

**and**

**34,219 Shares of 6.50% Series A-4 Cumulative Convertible Preferred Stock**

This prospectus relates to the offer and sale from time to time by the selling stockholder named herein of up to (i) 34,219 shares of our 6.50% Series A-4 Cumulative Convertible Preferred Stock, par value \$0.01 per share, or Series A-4 Preferred Shares, in connection with our acquisition of 58 manufactured home communities described in the accompanying prospectus, or the Acquisition, and (ii) 40,872 shares of our common stock, par value \$0.01 per share, consisting of (A) 25,664 shares currently outstanding and (B) up to 15,208 shares initially issuable upon conversion of the Series A-4 Preferred Shares.

We have registered the offering and resale of the Registered Shares to allow the selling stockholder to sell any or all of its Registered Shares using any of the methods described in Plan of Distribution beginning on page S-3 of this prospectus supplement. The registration of the Registered Shares does not necessarily mean that any of the Registered Shares will be sold by the selling stockholder under this prospectus supplement or otherwise.

We will not receive proceeds from the sale of the Registered Shares by the selling stockholder.

Distributions on the Series A-4 Preferred Shares are payable on a cumulative basis quarterly in arrears on or about the last day of March, June, September and December of each year. The distribution rate is 6.50% per annum of the \$25.00 liquidation preference, which is equivalent to \$1.625 per annum per Series A-4 Preferred Share.

The Series A-4 Preferred Shares rank, with respect to distribution rights and rights upon our voluntary or involuntary liquidation, dissolution or winding up, junior to the 3,400,000 shares outstanding of our 7.125% Series A Cumulative Redeemable Preferred Stock, liquidation preference \$25.00 per share, and senior to our common stock.

If a Fundamental Change (as defined in the accompanying prospectus) occurs, then at any time after November 26, 2019, we or the holders of the Series A-4 Preferred Shares may cause the Series A-4 Preferred Shares to be redeemed for cash at a redemption price equal to the sum of the greater of (i) the amount that the Series A-4 Preferred Shares would have received in the Fundamental Change if they had been converted into shares of our common stock or (y) \$25.00 per share, plus (ii) any accrued and unpaid distributions thereon to, but not including, the redemption date. If we or a holder exercise the redemption rights relating to the Series A-4 Preferred Shares, the holders of those Series A-4 Preferred Shares will not have the conversion right described in the accompanying prospectus. The Series A-4 Preferred Shares have no maturity date and will remain outstanding indefinitely unless redeemed or converted into shares of our common stock, \$0.01 par value per share.

Each holder of Series A-4 Preferred Shares will have the right (unless a notice of redemption has been delivered previously) to convert some or all of the Series A-4 Preferred Shares held by such holder into that number of shares of our common stock obtained by dividing \$25.00 by a conversion price equal to \$56.25, as the conversion price may be adjusted as described in the accompanying prospectus. If, at any time after November 26, 2019, the volume weighted average of the daily volume weighted average price of a share of our common stock on the New York Stock Exchange, or NYSE, equals or exceeds 115.5% of the then prevailing conversion price for at least 20 trading days in a period of 30 consecutive trading days, then we may convert each outstanding Series A-4 Preferred Share into that number of shares of common stock equal to the quotient obtained by dividing \$25.00 by the then prevailing conversion price.

Our common stock is listed on NYSE under the symbol SUI. On June 19, 2015, the last reported sale price of our common stock on NYSE was \$65.01.

**Investing in our common stock involves a high degree of risk. You should review carefully the risks and uncertainties described under the heading Risk Factors on page 9 of the accompanying prospectus, and the documents incorporated by reference therein.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

To assist us in complying with certain federal income tax requirements applicable to real estate investment trusts, our charter contains certain restrictions relating to the ownership and transfer of our stock, including an ownership limit of 9.8%, in number of shares or value, of the issued and outstanding shares of our capital stock. See Description of Series A-4 Preferred Shares Restrictions on Ownership and Transfer on page 29 of the accompanying prospectus and Certain Provisions of Maryland Law and Our Charter and Bylaws Restrictions on Ownership and Transfer of our Stock on page 36 of the accompanying prospectus.

The date of this prospectus is June 22, 2015.

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**RATIO OF EARNINGS TO COMBINED FIXED CHARGES  
AND PREFERRED STOCK DISTRIBUTIONS**

The following table sets forth our ratio of earnings to combined fixed charges and preferred stock distributions for the periods indicated. In certain of the periods presented, earnings were not sufficient to cover combined fixed charges and preferred stock dividends. The extent of the deficiency in each such period is shown below.

	<b>March 31, 2015</b>	<b>2014</b>	<b>Fiscal Year Ended December 31,</b>			
			<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
			(amounts in thousands)			
Ratio of earnings to combined fixed charges and preferred stock dividends	0.95:1	1.02:1	1.13:1	1.07:1	0.98:1	0.98:1
Deficiency of earnings available to cover fixed charges	\$ 1,711	\$	\$	\$	\$ 1,607	\$ 1,355

The ratios of earnings to combined fixed charges and preferred stock distributions were computed by dividing earnings by the aggregate of our fixed charges and preferred distributions. For this purpose, earnings consist of (i) pre-tax income from continuing operations before adjustment for noncontrolling interests, gain on dispositions and distributions from affiliates, plus (ii) fixed charges, less (iii) capitalized interest, less (iv) distributions to holders of shares of our 7.125% Series A Cumulative Redeemable preferred stock, 6.50% Series A-4 Cumulative Convertible preferred stock and preferred securities of the Operating Partnership. Fixed charges consist of (i) interest expense (including the amortization of deferred financing costs and premiums and discounts on indebtedness), (ii) capitalized interest, (iii) estimate of interest within rental expense, and (iv) distributions to holders of shares of our 7.125% Series A Cumulative Redeemable preferred stock, 6.50% Series A-4 Cumulative Convertible preferred stock and preferred securities of the Operating Partnership.

During the periods prior to November 14, 2012, we had no issued and outstanding preferred stock and paid no preferred stock distributions.

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The selling stockholder beneficially owns 28,772 shares of our common stock and 24,117 shares of our Series A-4 Preferred Shares that were registered for resale on April 17, 2015 under the accompanying prospectus. The following table includes an additional 40,872 shares of our common stock and 34,219 shares of our Series A-4 Preferred Shares that are being registered under this prospectus supplement. The following table contains information as to all of the shares of our common stock and shares of our Series A-4 Preferred Shares beneficially owned by the selling stockholder as of the date of this prospectus supplement. Because the selling stockholder may sell all, some or none of its shares, we cannot estimate the aggregate number of shares that the selling stockholder will offer pursuant to this prospectus supplement or that the selling stockholder will own upon completion of the offering to which this prospectus supplement relates. The selling stockholder named below and its respective pledgees, donees and other successors in interest may from time to time offer the shares of our common stock offered by this prospectus supplement:

Name of Selling Stockholder	Maximum Number of Shares					
	Beneficial Ownership Before Offering		of Securities Being Offered		Beneficial Ownership After Offering	
	Series A-4 Preferred Shares	Common Stock	Series A-4 Preferred Shares	Common Stock	Series A-4 Preferred Shares <sup>(1)(2)</sup>	Common Stock <sup>(1)</sup>
GCP Fund III Ancillary Holding, LLC <sup>(3)</sup>	58,336	69,644 <sup>(4)(5)</sup>	58,336	69,644 <sup>(4)(5)</sup>		

- (1) Assumes the sale of all Registered Shares offered pursuant to this prospectus supplement and the accompanying prospectus and no purchases of additional Series A-4 Preferred Shares, shares of common stock or any of our other securities.
- (2) Calculated based on Rule 13d-3 under the Exchange Act, based on 53,757,686 shares of common stock and 6,364,770 Series A-4 Preferred Shares outstanding as of June 19, 2015.
- (3) Amounts shown reflect the number of securities that are owned by GCP Fund III Ancillary Holding, LLC. The indirect managing member of the entity is Green Courte Partners, LLC, which is wholly owned by Randall K. Rowe. James R. Goldman is the Vice Chairman of Green Courte Partners, LLC. As a result, each of Mr. Rowe and Mr. Goldman may be deemed to beneficially own the securities owned by GCP Fund III Ancillary Holding, LLC. Each of Mr. Rowe and Mr. Goldman disclaims any beneficial ownership of such shares, except to the extent of his pecuniary interest therein. The extent of such pecuniary interest cannot be determined as of the date of this prospectus supplement. Each of Mr. Rowe and Mr. Goldman individually owns 2,200 shares of our common stock. The address for GCP Fund III Ancillary Holding, LLC is c/o Green Courte Partners, LLC, 840 South Waukegan Road, Suite 222, Lake Forest, Illinois 60045. Each of Mr. Rowe and Mr. Goldman has been appointed to serve on our board of directors until the next annual meeting of our shareholders or until his successor is duly elected and qualifies.
- (4) Includes (i) 43,717 shares of common stock outstanding as of the date of this prospectus supplement; and (ii) 25,927 shares of common stock that may be issued upon the conversion of Series A-4 Preferred Shares, based on the initial conversion price.
- (5) Each Series A-4 Preferred Share is initially convertible into approximately 0.4444 shares of common stock based on the initial conversion price. The number of shares of common stock into which each Series A-4 Preferred

Share is convertible is subject to adjustment under certain circumstances. Accordingly, the number of shares of common stock issuable upon conversion of the Series A-4 Preferred Shares beneficially owned and offered by the selling stockholder pursuant to this prospectus supplement may increase or decrease from that set forth in the table.

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**PLAN OF DISTRIBUTION**

The selling stockholder, which as used herein includes donees, pledgees, transferees or other successors-in-interest selling Registered Shares received after the date of this prospectus from the selling stockholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell, transfer or otherwise dispose of any or all of its Registered Shares on any stock exchange, market or trading facility on which the Registered Shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices.

The selling stockholder may use any one or more of the following methods when disposing of shares or interests therein:

ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;

block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;

purchases by a broker-dealer as principal and resale by the broker-dealer for its account;

an exchange distribution in accordance with the rules of the applicable exchange;

privately-negotiated transactions;

an underwritten offering;

short sales effected after the date of this prospectus;

through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;

agreements with broker-dealers to sell a specified number of such shares at a stipulated price per share;

a combination of any such methods of sale; and

any other method permitted by applicable law.

The selling stockholder may effect such transactions by selling its Registered Shares directly to purchasers, to or through broker-dealers, which may act as agents for the seller and buyer or principals, or to underwriters who acquire Registered Shares for their own account and resell them in one or more transactions. Such broker-dealers or underwriters may receive compensation in the form of discounts, concessions, or commissions from the selling stockholder and/or the purchasers of the Registered Shares for whom such broker-dealers may act as agents or to whom they sell as principal, or both (which compensation as to a particular broker-dealer might be in excess of customary commissions) and such discounts, concessions, or commissions may be allowed or re-allowed or paid to dealers. Any public offering price and any discounts or concessions allowed or paid to dealers may be changed at different times.

The selling stockholder may, from time to time, pledge or grant a security interest in some or all of the shares of common stock it owns and, if it defaults in the performance of its secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus supplement and the accompanying prospectus, or under an amendment to this prospectus supplement under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholder to include the pledgee, transferee or other successors in interest as selling stockholder under this prospectus supplement. The selling stockholder also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus supplement.

In connection with the sale of the Registered Shares, the selling stockholder may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the

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Registered Shares in the course of hedging the positions they assume. The selling stockholder may also sell Registered Shares short and deliver these securities to close out its short positions, or loan or pledge the Registered Shares to broker-dealers that in turn may sell these securities. The selling stockholder may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of Registered Shares offered by this prospectus supplement and the accompanying prospectus, which Registered Shares such broker-dealer or other financial institution may resell pursuant to this prospectus supplement and the accompanying prospectus (as supplemented or amended to reflect such transaction).

The aggregate proceeds to the selling stockholder from the sale of the Registered Shares it offers will be the purchase price of the Registered Shares less discounts or commissions, if any. The selling stockholder reserves the right to accept and, together with its agents from time to time, to reject, in whole or in part, any proposed purchase of Registered Shares to be made directly or through agents. We will not receive any of the proceeds from this offering.

The selling stockholder also may resell all or a portion of the Registered Shares in open market transactions in reliance upon Rule 144 under the Securities Act, provided that it meets the criteria and conforms to the requirements of that rule.

The selling stockholder and any underwriters, broker-dealers or agents that participate in the sale of the Registered Shares may be underwriters within the meaning of Section 2(11) of the Securities Act. Any discounts, commissions, concessions or profit they earn on any resale of the Registered Shares may be underwriting discounts and commissions under the Securities Act. A selling stockholder who is an underwriter within the meaning of Section 2(11) of the Securities Act will be subject to the prospectus delivery requirements of the Securities Act.

To the extent required, the Registered Shares to be sold, the name of the selling stockholder, the respective purchase prices and public offering prices, the names of any agents, dealer or underwriter, any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus supplement and the accompanying prospectus.

In order to comply with the securities laws of some states, if applicable, the Registered Shares may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the Registered Shares may not be sold unless it has been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

We have advised the selling stockholder that the anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholder and its affiliates. In addition, to the extent applicable we will make copies of this prospectus supplement and the accompanying prospectus (as it may be supplemented or amended from time to time) available to the selling stockholder for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholder may indemnify any broker-dealer that participates in transactions involving the sale of the Registered Shares against certain liabilities, including liabilities arising under the Securities Act.

We have agreed to indemnify the selling stockholder against liabilities, including liabilities under the Securities Act and state securities laws, relating to the registration of the shares offered by this prospectus supplement and the accompanying prospectus.

We have agreed with the selling stockholder to keep the registration statement of which this prospectus supplement constitutes a part effective until the earlier of (1) such time as all of the Registered Shares covered by this prospectus supplement have been disposed of pursuant to and in accordance with the registration statement or (2) the date on which all of the Registered Shares are eligible for resale without restriction under Rule 144 of the Securities Act.

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**LEGAL MATTERS**

Certain legal matters will be passed upon for us by Jaffe, Raitt, Heuer & Weiss, Professional Corporation, Southfield, Michigan. Arthur A. Weiss is a member of our board of directors and a shareholder of Jaffe, Raitt, Heuer & Weiss, Professional Corporation. Ober, Kaler, Grimes & Shriver, a Professional Corporation, Baltimore, Maryland, will issue an opinion to us regarding certain matters of Maryland law, including the validity of the shares of common stock and Series A-4 Preferred Shares offered by this prospectus. DLA Piper LLP (US) will act as counsel to the selling stockholders.

**EXPERTS**

The audited consolidated financial statements, schedule and management's assessment of the effectiveness of internal control over financial reporting of Sun Communities, Inc. incorporated by reference in this prospectus and elsewhere in the registration statement of which this prospectus is a part have been so incorporated by reference in reliance upon the reports of Grant Thornton LLP, independent registered public accountants, upon the authority of said firm as experts in accounting and auditing.

The combined statements of revenues and certain operating expenses of Green Courte Communities for the years ended December 31, 2014 and 2013, incorporated in this prospectus by reference from Sun Communities, Inc.'s Current Report on Form 8-K/A filed on April 17, 2015 has been audited by Deloitte & Touche LLP, independent auditors, as stated in their report incorporated herein by reference (which report expresses an unmodified opinion and includes an emphasis-of-matter paragraph referring to the purpose of the statements), and is incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

**WHERE YOU CAN FIND MORE INFORMATION**

We are subject to the informational requirements of the Exchange Act, and, in accordance therewith, we file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C., 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The address of that site is <http://www.sec.gov>. In addition, our common stock is listed on the NYSE and such reports, proxy statements and other information concerning us can be inspected at the offices of the NYSE, 20 Broad Street, New York, New York 10005. Additionally, we make these filings available, free of charge, through the Investors section of our website at [www.suncommunities.com](http://www.suncommunities.com) as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the SEC. The information on the website listed above, except as described in the section titled "Incorporation of Certain Documents by Reference" below, is not, and should not be, considered part of this prospectus and is not incorporated by reference into this document.

We have filed with the SEC a registration statement on Form S-3 under the Securities Act with respect to the securities offered in connection with this prospectus. This prospectus, which is part of the registration statement, does not contain all of the information set forth in the registration statement, certain parts of which are omitted in accordance with the rules and regulations of the SEC. For further information regarding us and the securities, please refer to the registration statement and the documents filed or incorporated by reference as exhibits to the registration statement. Statements contained in this prospectus as to the contents of any contract or other document are not necessarily complete and, in each instance, you should refer to the copy of such contract or document filed as an exhibit to or incorporated by reference in the registration statement. Each statement as to the contents of such contract

or document is qualified in all respects by such reference. You may obtain copies of the registration statement and its exhibits from the SEC as indicated above or from us.

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**INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE**

The SEC allows us to incorporate by reference the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we will make with the SEC prior to the termination of the offering under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (solely to the extent that such information set forth in any such document is filed with, as opposed to furnished to, the SEC under the Exchange Act):

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, filed with the SEC on March 2, 2015;

Our definitive proxy statement on Schedule 14A filed with the SEC on May 16, 2014;

Our Current Reports on Form 8-K and 8-K/A, as applicable, filed with the SEC on January 12, 2015, April 2, 2015, April 17, 2015, April 27, 2015, May 20, 2015, June 16, 2015 and June 17, 2015;

The description of our common stock contained in the Registration Statement on Form 8-A filed with the SEC November 23, 1993 (File No. 1-12616), including any amendment or report filed to update such description;

The description of our 7.125% Series A Cumulative Redeemable Preferred Stock contained in the Registration Statement on Form 8-A filed with the SEC on November 9, 2012 (File No. 001-12616), including any amendment or report filed to update such description;

The description of our 6.50% Series A-4 Cumulative Convertible Preferred Stock contained in the Registration Statement on Form 8-A filed with the SEC on January 7, 2015 (File No. 1-12616), including any amendment or report filed to update such description; and

The description of certain distribution rights associated with our common stock contained in the Registration Statement on Form 8-A filed with the SEC on June 3, 2008 (File No. 001-12616), including any amendment or report filed to update such description.

All documents subsequently filed by us with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the termination of this offering shall be deemed to be incorporated by reference into this prospectus and a part hereof from the date of filing of these documents, and will update, supplement and supersede the information in this prospectus. Notwithstanding the foregoing, information furnished under Items 2.02 and 7.01 of our Current Reports on Form 8-K, including the related exhibits, is not incorporated by reference in this prospectus. We will provide to each person, including any beneficial owner, to whom this prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in the prospectus but not

delivered with this prospectus. We will provide this information upon written or oral request at no cost to the requester. You may request a copy of any of this information by writing us at the following address: Sun Communities, Inc., 27777 Franklin Road, Suite 200, Southfield, Michigan, 48034, Attention: Investor Relations; or by calling our Investor Relations Department at telephone number (248) 208-2500.

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**PROSPECTUS**

**8,590,000 Shares of Common Stock**

**and**

**6,330,551 Shares of 6.50% Series A-4 Cumulative Convertible Preferred Stock**

This prospectus relates to the offer and sale from time to time by the selling stockholders named herein of up to (i) 6,330,551 shares of our 6.50% Series A-4 Cumulative Convertible Preferred Stock, par value \$0.01 per share, or Series A-4 Preferred Shares, in connection with our acquisition of 58 manufactured home communities described in this prospectus, or the Acquisition, and (ii) 8,590,000 shares of our common stock, par value \$0.01 per share, consisting of (A) 4,738,870 shares issued in the Acquisition, (B) up to 2,813,578 shares initially issuable upon conversion of the Series A-4 Preferred Shares issued in the Acquisition, (C) up to 501,130 shares initially issuable upon exchange of common OP Units issued by our operating partnership in the Acquisition, (D) up to 297,533 shares initially issuable upon exchange of Series A-4 Preferred Units issued by our operating partnership in the Acquisition, (E) 150,000 shares subscribed for and sold to one of the selling parties to the Acquisition, and (F) up to 88,889 shares initially issuable upon exchange of Series A-4 Preferred Units subscribed for and sold to one of the selling parties to the Acquisition. We refer to the shares of common stock and the Series A-4 Preferred Shares being offered for resale hereunder as the Registered Shares.

We have registered the offering and resale of the Registered Shares to allow the selling stockholders to sell any or all of their Registered Shares using any of the methods described in Plan of Distribution beginning on page 57 of this prospectus. The registration of the Registered Shares does not necessarily mean that any of the Registered Shares will be sold by the selling stockholders under this prospectus or otherwise.

We will not receive proceeds from the sale of the Registered Shares by the selling stockholders.

Distributions on the Series A-4 Preferred Shares are payable on a cumulative basis quarterly in arrears on or about the last day of March, June, September and December of each year. The distribution rate is 6.50% per annum of the \$25.00 liquidation preference, which is equivalent to \$1.625 per annum per Series A-4 Preferred Share.

The Series A-4 Preferred Shares rank, with respect to distribution rights and rights upon our voluntary or involuntary liquidation, dissolution or winding up, junior to the 3,400,000 shares outstanding of our 7.125% Series A Cumulative Redeemable Preferred Stock, liquidation preference \$25.00 per share, and senior to our common stock.

If a Fundamental Change (as defined in this prospectus) occurs, then at any time after November 26, 2019, we or the holders of the Series A-4 Preferred Shares may cause the Series A-4 Preferred Shares to be redeemed for cash at a redemption price equal to the sum of the greater of (i) the amount that the Series A-4 Preferred Shares would have received in the Fundamental Change if they had been converted into shares of our common stock or (y) \$25.00 per share, plus (ii) any accrued and unpaid distributions thereon to, but not including, the redemption date. If we or a

holder exercise the redemption rights relating to the Series A-4 Preferred Shares, the holders of those Series A-4 Preferred Shares will not have the conversion right described below. The Series A-4 Preferred Shares have no maturity date and will remain outstanding indefinitely unless redeemed or converted into shares of our common stock, \$0.01 par value per share.

Each holder of Series A-4 Preferred Shares will have the right (unless a notice of redemption has been delivered previously) to convert some or all of the Series A-4 Preferred Shares held by such holder into that number of shares of our common stock obtained by dividing \$25.00 by a conversion price equal to \$56.25, as the conversion price may be adjusted as described in this prospectus. If, at any time after November 26, 2019, the volume weighted average of the daily volume weighted average price of a share of our common stock on the New York Stock Exchange, or NYSE, equals or exceeds 115.5% of the then prevailing conversion price for at least 20 trading days in a period of 30 consecutive trading days, then we may convert each outstanding Series A-4 Preferred Share into that number of shares of common stock equal to the quotient obtained by dividing \$25.00 by the then prevailing conversion price.

Our common stock is listed on the NYSE, under the symbol SUI. The last reported sale price of our common stock on the NYSE on April 16, 2015 was \$63.54 per share. There is currently no public market for the Series A-4 Preferred Shares and as of the date of this prospectus the Series A-4 Preferred Shares are not listed on the NYSE or any other securities exchange or quotation system.

**Investing in the Registered Shares involves risk. Before buying any Registered Shares you should carefully read the discussion of material risks of investing in the Registered Shares in Risk Factors beginning on page 9 of this prospectus and page 10 of our Annual Report on Form 10-K for the year ended December 31, 2014. The Series A-4 Preferred Shares have not been rated and are subject to the risks associated with non-rated securities.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

To assist us in complying with certain federal income tax requirements applicable to real estate investment trusts, our charter contains certain restrictions relating to the ownership and transfer of our stock, including an ownership limit of 9.8%, in number of shares or value, of the issued and outstanding shares of our capital stock. See Description of Series A-4 Preferred Shares Restrictions on Ownership and Transfer on page 29 of this prospectus and Certain Provisions of Maryland Law and Our Charter and Bylaws Restrictions on Ownership and Transfer of our Stock on page 36 of this prospectus.

The date of this prospectus is April 17, 2015.

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**ABOUT THIS PROSPECTUS**

This prospectus is part of an automatic shelf registration statement that we filed with the Securities and Exchange Commission, or the SEC, as a well-known seasoned issuer as defined in Rule 405 under the Securities Act of 1933, as amended, or the Securities Act, using a shelf registration process for the delayed offering and sale of securities pursuant to Rule 415 under the Securities Act. This prospectus describes the specific terms of this offering of our 6.50% Series A-4 Cumulative Convertible Preferred Stock, par value \$0.01 per share, or Series A-4 Preferred Shares, and shares of our common stock, par value \$0.01 per share. We refer to the shares of common stock and the Series A-4 Preferred Shares being offered for resale hereunder as the Registered Shares. Under this process, the selling stockholders from time to time may sell the Registered Shares in one or more offerings. This prospectus provides you with a general description of the securities the selling stockholders may offer.

This prospectus includes important information about us and our common and preferred stock, and other information of which you should be aware before investing in the Registered Shares, but it does not contain all of the information included in the registration statement. We have omitted parts of the registration statement in accordance with the rules and regulations of the SEC. For further information, we refer you to the registration statement on Form S-3 of which this prospectus is a part, including its exhibits. Statements contained in this prospectus about the provisions or contents of any agreement or other document are not necessarily complete. If the SEC's rules and regulations require that an agreement or document be filed as an exhibit to the registration statement, please see that agreement or document for a complete description of these matters.

You should read this prospectus and the additional information described under the headings **Where You Can Find More Information** and **Incorporation of Certain Documents by Reference** before you make a decision to invest in the Registered Shares. Information incorporated by reference after the date of this prospectus may add, update or change information contained in this prospectus. Any information in such subsequent filings that is inconsistent with this prospectus will supersede the information in this prospectus.

You should rely only on the information contained or incorporated by reference in this prospectus and any free writing prospectus prepared by or on behalf of us or the selling stockholders. We have not authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. No offer of these securities is being made under any circumstance or in any jurisdiction where the offer is not permitted or unlawful. You should assume that the information contained in this prospectus and any free writing prospectus prepared by or on behalf of us or the selling stockholders is accurate only as of their respective dates, and that any information in documents that are incorporated by reference is accurate only as of the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since those dates.

This prospectus and the information incorporated herein and therein by reference includes trademarks, service marks and trade names owned by us or other companies. All trademarks, service marks and trade names included or incorporated by reference into this prospectus are the property of their respective owners.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus to Sun, we, us, our or similar references mean Sun Communities, Inc., a Maryland corporation, and its direct and indirect subsidiaries, including Sun Communities Operating Limited Partnership, a Michigan limited partnership, or the Operating Partnership, and Sun Home Services, Inc., a Michigan corporation, or SHS.



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**Table of Contents****SUMMARY**

*This summary highlights certain information about us, the Registered Shares and information appearing elsewhere in this prospectus and in the documents we incorporate by reference. This summary is not intended to be a complete description of the matters covered in this prospectus and the documents incorporated by reference, and does not contain all of the information that you should consider before investing in our securities. When making an investment decision, to fully understand this offering and its consequences to you, you should read and consider this entire prospectus carefully, including the information referred to under the heading *Risk Factors* in this prospectus beginning on page 9 and in our Annual Report on Form 10-K for the year ended December 31, 2014 beginning on page 10, and the financial statements and other information incorporated by reference in this prospectus. You should also read and consider the information in the documents to which we have referred you in *Where You Can Find More Information* on page 60 of this prospectus.*

**Company Overview**

We are a self-administered and self-managed real estate investment trust, or REIT. We own, operate, and develop manufactured housing, or MH, and recreational vehicle, or RV, communities concentrated in the midwestern, southern and southeastern United States. We are a fully-integrated real estate company which, together with our affiliates and predecessors, has been in the business of acquiring, operating, developing and expanding MH and RV communities since 1975. As of March 31, 2015, we owned and operated a portfolio of 243 properties, which we refer to as Properties, located in 29 states, including 209 MH communities, 25 RV communities, and nine Properties containing both MH and RV sites. As of March 31, 2015, the Properties contained an aggregate of 89,320 developed sites comprised of 71,106 developed manufactured home sites, 9,409 annual RV sites (inclusive of both annual and seasonal usage rights), 8,805 transient RV sites, and approximately 7,200 additional manufactured home sites suitable for development. We lease individual parcels of land, or sites, with utility access for placement of manufactured homes and RVs to our customers. The Properties are designed to offer affordable housing to individuals and families, while also providing certain amenities.

We are engaged through SHS, a taxable REIT subsidiary, in the marketing, selling, and leasing of new and pre-owned homes to current and future residents in our communities. The operations of SHS support and enhance our occupancy levels, property performance and cash flows.

Structured as an umbrella partnership REIT, or UPREIT, the Operating Partnership is the entity through which we conduct substantially all of our operations, and which owns, either directly or indirectly through SHS and other subsidiaries, all of our assets. This UPREIT structure enables us to comply with certain complex requirements under the U.S. federal tax rules and regulations applicable to REITs, and to acquire MH communities in transactions that defer some or all of the sellers' tax consequences. We are the sole general partner of, and, as of March 31, 2015, held approximately 95.5% of the interests (not including preferred limited partnership interests) in, the Operating Partnership. The interests in the Operating Partnership held by the partners are referred to herein as OP Units.

We were incorporated in Maryland on July 23, 1993 and completed the initial public offering of our common stock on December 9, 1993. Our executive and principal property management office is located at 27777 Franklin Road, Suite 200, Southfield, Michigan 48034 and our telephone number is (248) 208-2500. We have regional property management offices located in Austin, Texas; San Antonio, Texas; Dayton, Ohio; Grand Rapids, Michigan; Elkhart, Indiana; Indianapolis, Indiana; Traverse City, Michigan; Charlotte, North Carolina; Denver, Colorado; Ft. Myers, Florida; and Orlando, Florida; and we employed an aggregate of 1,861 full and part time employees (including seasonal employees) as of March 31, 2015.

Our website address is [www.suncommunities.com](http://www.suncommunities.com), which contains information concerning us and our subsidiaries. Information included or referred to on, or otherwise accessible through, our website is not incorporated by reference or otherwise a part of this prospectus supplement.

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**Recent Developments**

Under an Omnibus Agreement dated July 30, 2014 with Green Courte Real Estate Partners, LLC, GCP REIT II, GCP REIT III, American Land Lease, Inc. and Asset Investors Operating Partnership, L.P., which we collectively refer to as the Green Courte Entities, we acquired 58 manufactured home communities, or the Projects, from the Green Courte Entities. The manufactured home communities included in the Acquisition comprise over 19,000 home sites in eleven states, including nearly 11,000 home sites located in Florida. In connection with these transactions, we also acquired the contractual right of one of the Green Courte Entities to acquire an additional manufactured home community pursuant to a binding purchase agreement. The Acquisition occurred in a series of closings between November 26, 2014 and January 6, 2015.

We acquired the Projects, as well as tangible personal property, intellectual property, new and used manufactured homes owned by certain Green Courte Entities or their affiliates, manufactured home loans made to residents of the Projects held by the Green Courte Entities or their affiliates (together with associated collateral and liens) and other related assets, for an aggregate purchase price of approximately \$1.33 billion, including the assumption of approximately \$553.9 million of debt. As consideration for the Acquisition, we (i) paid approximately \$340.2 million in cash, (ii) issued 4,738,870 shares of our common stock and 501,130 common OP Units in the Operating Partnership (at an issuance price of \$50.00 per share or unit, as applicable), and (iii) issued 6,330,551 Series A-4 Preferred Shares, and 669,449 Series A-4 Preferred Units in the Operating Partnership, (at an issuance price of \$25.00 per share or unit, as applicable) to the Green Courte Entities. The Series A-4 Preferred Units have economic and other rights and preferences substantially similar to those of the Series A-4 Preferred Shares.

In addition, in connection with the Acquisition, under a separate subscription agreement, on January 6, 2015, we issued and sold to Green Courte Real Estate Partners III, LLC, 150,000 shares of common stock, at a purchase price of \$50.00 per share and 200,000 Series A-4 Preferred Units, at a purchase price of \$25.00 per unit. We refer to this sale as the PIPE Transaction and the securities sold in the PIPE Transaction as the PIPE Securities.

In connection with the Acquisition, on January 6, 2015, Randall K. Rowe, Chairman and Founder, and James R. Goldman, Vice Chairman and Chief Investment Officer, of the Green Courte Entities were appointed to serve on our board of directors. Also on January 6, 2015, Ronald A. Klein was appointed to serve on our board of directors.

All securities issued in connection with the Acquisition and all PIPE Securities issued in connection with the PIPE Transaction (together with all shares of our common stock issuable upon the exchange or conversion of Series A-4 Preferred Shares, common OP Units or Series A-4 Preferred Units issued in connection with the Acquisition or the PIPE Transaction, as applicable) are subject to a six-month lock-up period from their date of issuance, commencing on the date of their respective issuances, except that the securities as to which Mr. Rowe or Mr. Goldman has a direct or indirect pecuniary interest are subject to a 12-month lock-up period from their date of issuance.



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**THE OFFERING**

The summary below describes the principal terms of this offering and is not intended to be complete. It does not contain all of the information that will be important to a purchaser of the Registered Shares. For a more complete description of the terms of the Series A-4 Preferred Shares, see [Description of the Series A-4 Preferred Shares](#) and [Certain Provisions of Maryland Law and Our Charter and Bylaws](#) in this prospectus. For a description of our common stock, see [Description of Common Stock](#) in this prospectus.

**Overview**

Securities offered	Registered Shares, consisting of: <ul style="list-style-type: none"><li>(i) 6,330,551 Series A-4 Preferred Shares issued in the Acquisition, and</li><li>(ii) 8,590,000 shares of common stock, consisting of<ul style="list-style-type: none"><li>4,738,870 shares issued in the Acquisition,</li><li>up to 2,813,578 shares initially issuable upon conversion of the Series A-4 Preferred Shares issued in the Acquisition,</li><li>up to 501,130 shares initially issuable upon exchange of common OP Units issued in the Acquisition,</li><li>up to 297,533 shares initially issuable upon exchange of Series A-4 Preferred Units issued in the Acquisition,</li><li>150,000 shares issued in the PIPE Transaction, and</li><li>up to 88,889 shares initially issuable upon exchange of Series A-4 Preferred Units issued in the PIPE Transaction.</li></ul></li></ul>
Use of Proceeds	We will not receive any of the proceeds from the sale of the Registered Shares being offered for resale by the selling stockholders.

Restrictions on ownership and transfer

Our charter contains restrictions on ownership and transfer of shares of our common stock and the Series A-4 Preferred Shares intended to assist us in maintaining our qualification as a REIT for U.S. federal income tax purposes. For example, without the approval of our board of directors, our charter restricts any person from owning, or being deemed to own by virtue of the attribution provisions of the Internal Revenue Code of 1986, as amended, or the Internal Revenue Code, more than 9.8%, in number of shares or value, of the issued and outstanding shares of our capital stock. In addition, the articles supplementary establishing the Series A-4 Preferred Shares provide that, notwithstanding any other provision of the Series A-4 Preferred Shares, no holder of shares of Series A-4 Preferred Shares will be entitled to convert such shares into shares of our common stock to the extent that receipt of such shares of common stock would cause the holder or any other person to exceed the ownership limitations contained in our charter. See [Description of the Series A-4 Preferred Shares](#), [Restrictions on Ownership and Transfer](#), [Description of Common Stock](#), [Restrictions on Ownership](#) and [Certain Provisions of Maryland Law and Our Charter and Bylaws](#), [Restrictions on Ownership and Transfer of our Stock](#) for more information about these restrictions.

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Risk factors	You should carefully read the information contained under the caption Risk Factors in this prospectus, our Annual Report on Form 10-K for the year ended December 31, 2014 and our other filings under the Securities Exchange Act of 1934, as amended, or the Exchange Act, that are incorporated by reference in this prospectus before deciding to invest in the Registered Shares.
Plan of Distribution	The Registered Shares may be sold by the selling stockholders pursuant to this prospectus in the manner described under Plan of Distribution.
Common Stock Trading and Symbol	Our common stock is listed on the NYSE, under the symbol SUI.
Tax Consequences	The U.S. federal income tax consequences of purchasing, owning and disposing of the Registered Shares are summarized in Material U.S. Federal Income Tax Considerations on page 37 of this prospectus.
<b>The Series A-4 Preferred Shares</b>	
Distributions	Holder s of the Series A-4 Preferred Shares are entitled to receive cumulative cash distributions on the Series A-4 Preferred Shares from the date of issuance at a rate of 6.50% per year of the \$25.00 liquidation preference per share (equivalent to \$1.625 per share per year). Upon the occurrence of a Fundamental Change (as defined under Description of the Series A-4 Preferred Shares Redemption below), from and after such Fundamental Change the distribution rate on the Series A-4 Preferred Shares will be increased to an annual rate equal to the greater of (i) 10.00%, and (ii) 8.00% above the then-published (in the Wall Street Journal) U.S. Treasury maturing on the date closest to the five year anniversary of the date the Fundamental Change occurs. Distributions on the Series A-4 Preferred Shares are payable quarterly in arrears on the last day of March, June, September and December of each year, or if not a business day, the next succeeding business day. See Description of the Series A-4 Preferred Shares Distributions.
No Maturity	The Series A-4 Preferred Shares have no maturity date. Accordingly, the Series A-4 Preferred Shares will remain outstanding indefinitely unless redeemed or converted into shares of our common stock.
Redemption	If a Fundamental Change (as defined in this prospectus) occurs, then at any time after November 26, 2019, we or the holders of the Series A-4 Preferred Shares may cause the Series A-4 Preferred Shares to be redeemed for cash at a redemption price equal to the sum of the greater

of (i) the amount that the Series A-4 Preferred Shares would have received in the Fundamental Change if they had been converted into shares of our common stock or (y) \$25.00 per share, plus (ii) any accrued and unpaid distributions thereon to, but not including, the redemption date. If we or a holder exercise the redemption rights relating to the Series A-4 Preferred Shares, the holders of those Series A-4 Preferred Shares will not have the conversion right described below. See Description of the Series A-4 Preferred Shares Redemption.

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Optional Conversion

Subject to certain limitations, upon written notice to us, each holder of shares of Series A-4 Preferred Shares at its option may convert any or all of the Series A-4 Preferred Shares held by such holder for that number of shares of our common stock equal to the quotient obtained by dividing \$25.00 by the then-applicable conversion price, or the Conversion Price. The initial Conversion Price is \$56.25, so initially each Series A-4 Preferred Share is convertible into approximately 0.4444 shares of common stock. The Conversion Price is subject to adjustment.

At our option, instead of issuing the shares of common stock to the converting holder of Series A-4 Preferred Shares as described above, we may make a cash payment to the converting holder with respect to each Series A-4 Preferred Share the holder desires to convert equal to the fair market value of one share of our common stock.

See Description of the Series A-4 Preferred Shares Conversion Rights Optional Conversion and Description of the Series A-4 Preferred Shares Conversion Rights Conversion Price Adjustments.

Mandatory Conversion

If, at any time after November 26, 2019, the volume weighted average of the daily volume weighted average price of a share of our common stock on the NYSE equals or exceeds 115.5% of the then prevailing Conversion Price for at least 20 trading days in a period of 30 consecutive trading days, then, within 10 days thereafter, upon written notice to the holders thereof, we may convert each outstanding Series A-4 Preferred Share into that number of shares of common stock equal to the quotient obtained by dividing \$25.00 by the Conversion Price. See Description of the Series A-4 Preferred Shares Conversion Rights Mandatory Conversion and Description of the Series A-4 Preferred Shares Conversion Rights Conversion Price Adjustments.

Liquidation Preference

Upon any voluntary or involuntary liquidation, dissolution or winding-up of our affairs, the record holders of the Series A-4 Preferred Shares will be entitled to be paid out of our assets legally available for distribution to our stockholders, after payment of or provision for our debts and other liabilities, a liquidation preference of \$25.00 per Series A-4 Preferred Share, plus an amount equal to any accrued and unpaid distributions (whether or not authorized or declared) to the date of payment to such holders, before any distribution or payment may be made to holders of shares of our common stock or any other class or series of shares ranking junior to the Series A-4 Preferred Shares as to liquidation rights, but after any distributions or payments are made to holders of our 7.125% Series A Cumulative Redeemable Preferred Stock, \$0.01 par value per share, or the 7.125% Series A Preferred Stock, and any other class or series of

stock we may authorize and designate in the future that rank senior to the Series A-4 Preferred Shares with respect to such liquidating distributions.

See Description of the Series A-4 Preferred Shares Liquidation Preference.

Ranking

The Series A-4 Preferred Shares rank, with respect to distribution rights and rights upon our voluntary or involuntary liquidation, dissolution or winding up:

junior to all of our existing and future debt obligations, including convertible or exchangeable debt securities;

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senior to shares of our common stock, to our Junior Participating Preferred Stock, \$0.01 par value per share, and to any other of our equity securities that by their terms rank junior to the Series A-4 Preferred Shares;

on a parity with any other class or series of shares of our preferred stock or other equity securities that we may later authorize or issue in the future and that by their terms are on a parity with the Series A-4 Preferred Shares (which we may only authorize with the affirmative vote of the holders of a majority of the Series A-4 Preferred Shares); and

junior to our 7.125% Series A Preferred Stock and any equity securities that we may later authorize and that by their terms rank senior to the Series A-4 Preferred Shares (which we may only authorize with the affirmative vote of the holders of a majority of the Series A-4 Preferred Shares).

See Description of the Series A-4 Preferred Shares Ranking.

Voting Rights

Holders of Series A-4 Preferred Shares generally have no voting rights.

However, if a Preferred Distribution Default (as defined in this prospectus) occurs, the holders of the Series A-4 Preferred Shares, voting together as a single class with the holders of any other class or series of our preferred stock which have similar voting rights and rank on parity with the Series A-4 Preferred Shares, will be entitled to vote for the election of two additional directors to serve on our board of directors until the Preferred Distribution Default is cured. The holders of the Series A-4 Preferred Shares and the holders of any other class or series of our preferred stock with applicable voting rights must vote for such persons as are selected by a plurality of the votes cast at a separate meeting of the holders of the Series A-4 Preferred Shares, any such other class or series of our preferred stock, the Series A-4 Preferred Units issued by the Operating Partnership and any other OP units issued by the Operating Partnership that are on a parity with the Series A-4 Preferred Units.

In addition, the affirmative vote of the holders of a majority of the Series A-4 Preferred Shares is required for us to: (a) amend, alter, supplement or repeal any of the provisions of our charter (including the articles supplementary establishing the Series A-4 Preferred Shares) in a manner

that adversely affects the powers, rights, privileges or preferences of the Series A-4 Preferred Shares or the holders of the Series A-4 Preferred Shares; or (b) authorize, create or issue any additional shares of capital stock, or reclassify any existing shares of capital stock into shares, ranking senior to or on parity with the Series A-4 Preferred Shares as to distributions and upon our voluntary or involuntary liquidation, dissolution or winding up, except that we may authorize, create and issue: (i) senior shares of capital stock in connection with a subsequent public offering of preferred stock by us, and (ii) any class or series of capital stock expressly designated to rank on parity with the Series A-4 Preferred Shares with respect to distributions and rights upon voluntary or involuntary liquidation, winding-up or dissolution of Sun, so long as at the time of the issuance the leverage ratio (as defined in our primary credit facility agreement from time to time) is less than 68.50% (or such other percentage as set forth in the credit



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facility agreement in which the leverage ratio is defined) and full cumulative distributions on the Series A-4 Preferred Shares for all past distribution periods ending on or prior to such date have been or contemporaneously are declared and paid in cash or declared and contemporaneously a sum sufficient to pay them in full in cash is set apart for payment.

See Description of the Series A-4 Preferred Shares Voting Rights.

Form

The Series A-4 Preferred Shares sold pursuant to this prospectus will be issued and maintained initially in book-entry form registered in the name of the holder thereof. As of the date of this prospectus, the Series A-4 Preferred Shares are not eligible for deposit with the Depository Trust Company, or DTC, and therefore may not be traded and serviced through DTC's electronic book-entry system.

Listing

As of the date of this prospectus, the Series A-4 Preferred Shares are not listed on the NYSE or any other securities exchange or quotation system.

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**RISK FACTORS**

*Investment in the Registered Shares pursuant to this prospectus involves risks. In addition to the information presented in this prospectus and the risk factors in our most recent Annual Report on Form 10-K and our other filings under the Exchange Act that are incorporated by reference in this prospectus, you should consider carefully the following risk factors before deciding to purchase the Registered Shares. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. If any of these risks actually occur, our business, financial condition and results of operations may suffer. In that event, the trading price of our common stock or the Series A-4 Preferred Shares could decline, and you may lose all or part of your investment in our common stock.*

**Risks Relating to our Common Stock and the Series A-4 Preferred Shares**

***Future sales and/or issuances of our common stock or preferred stock, Series A-4 Preferred Shares or other securities may cause the market price of our common stock or the Series A-4 Preferred Shares to decline.***

The sale and/or issuance of substantial amounts of our common stock or Series A-4 Preferred Shares whether directly by us or in the secondary market, the perception that such sales could occur or the availability of future issuances of shares of our common stock, preferred stock, OP Units or other securities convertible into or exchangeable or exercisable for our common stock or preferred stock, could materially and adversely affect the market price of our common stock or the Series A-4 Preferred Shares and our ability to raise capital through future offerings of equity or equity-related securities. In addition, we may issue capital stock that is senior to our common stock or the Series A-4 Preferred Shares in the future for a number of reasons, including to finance our operations and business strategy, to adjust our ratio of debt to equity or for other reasons.

***Our business operations may not generate the cash needed to make distributions on our capital stock or to service our indebtedness, and we may adjust our common stock distribution policy.***

Our ability to make distributions on our common stock and the Series A-4 Preferred Shares and payments on our indebtedness and to fund planned capital expenditures will depend on our ability to generate cash in the future. We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to make distributions on our common stock or Series A-4 Preferred Shares, to pay our indebtedness or to fund our other liquidity needs.

The decision to declare and pay distributions on shares of our common stock in the future, as well as the timing, amount and composition of any such future distributions, will be at the sole discretion of our board of directors in light of conditions then existing, including our earnings, financial condition, capital requirements, debt maturities, the availability of debt and equity capital, applicable REIT and legal restrictions and general overall economic conditions and other factors. Any change in our common stock distribution policy could have a material adverse effect on the market price of our common stock.

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***The market price of our common stock and the value of the Series A-4 Preferred Shares could be volatile and could decline, resulting in a substantial or complete loss on your investment.***

The stock markets, including the NYSE, on which we list our common stock, have experienced significant price and volume fluctuations. As a result, the market price of the common stock or the Series A-4 Preferred Shares could be similarly volatile, and investors in our common stock and the Series A-4 Preferred Shares may experience a decrease in the value of their shares, including decreases unrelated to our operating performance or prospects. The price of our common stock or Series A-4 Preferred Shares could be subject to wide fluctuations in response to a number of factors, including:

the trading price of our common stock, which may affect the value of the Series A-4 Preferred Shares;

issuances of other equity securities in the future, including series or classes of preferred stock;

our operating performance and the performance of other similar companies;

our ability to maintain compliance with covenants contained in our debt facilities;

actual or anticipated variations in our operating results, funds from operations, cash flows or liquidity;

changes in expectations of future financial performance or changes in our earnings estimates or those of analysts;

changes in our distribution policy;

the market for similar securities;

publication of research reports about us or the real estate industry generally;

increases in market interest rates that lead purchasers of our common stock to demand a higher dividend yield or that may negatively affect the market for the Series A-4 Preferred Shares;

changes in market valuations of similar companies;

adverse market reaction to the amount of our debt outstanding at any time, the amount of our debt maturing in the near- and medium-term and our ability to refinance our debt, or our plans to incur additional debt in the future;

additions or departures of key management personnel;

speculation in the press or investment community;

actions by institutional stockholders;

if, and to the extent the Series A-4 Preferred Shares are rated after the date of this prospectus, changes in the credit ratings;

equity issuances by us, or share resales by our stockholders, or the perception that such issuances or resales may occur;

the realization of any of the other risk factors included or incorporated by reference in this prospectus; and

general market, economic and political conditions.

Many of the factors listed above are beyond our control. Those factors may cause the market price of our common stock or the Series A-4 Preferred Shares to decline significantly, regardless of our financial condition, results of operations and prospects. It is impossible to provide any assurance that the market price of our common stock or the Series A-4 Preferred Shares will not fall in the future, and it may be difficult for holders to resell shares of our common stock or the Series A-4 Preferred Shares at prices they find attractive, or at all. In the past, securities class action litigation has often been instituted against companies following periods of volatility in their stock price. This type of litigation could result in substantial costs and divert our management's attention and resources.

***The redemption and conversion features of the Series A-4 Preferred Shares may make it more difficult for a party to take over Sun or discourage a party from taking over Sun.***

If a Fundamental Change (which includes certain change of control transactions) occurs, then at any time after November 26, 2019, each holder of Series A-4 Preferred Shares may require us to redeem such holder's Series A-4 Preferred Shares for cash. See Description of the Series A-4 Preferred Shares Redemption. Holders of Series A-4 Preferred Shares also have the right to convert

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those shares to shares of common stock. See Description of the Series A-4 Preferred Shares Conversion Rights. These features may have the effect of inhibiting a third party from making an acquisition proposal for Sun or of delaying, deferring or preventing a change of control of Sun under circumstances that otherwise could provide the holders of our common stock and Series A-4 Preferred Shares with the opportunity to realize a premium over the then-current market price or that stockholders may otherwise believe is in their best interests.

***Conversion of Series A-4 Preferred Shares will dilute the ownership interest of existing common stockholders.***

The conversion of some or all of the Series A-4 Preferred Shares will dilute the ownership interests of existing common stockholders. Any sales in the public market of shares of our common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock.

***Our ability to pay distributions is limited by the requirements of Maryland law.***

Our ability to pay distributions on shares of our common stock and the Series A-4 Preferred Shares is limited by the laws of Maryland. Under Maryland law, a Maryland corporation generally may not make a distribution if, after giving effect to the distribution, the corporation would not be able to pay its debts as they become due in the usual course of business, or the corporation's total assets would be less than the sum of its total liabilities plus, unless the corporation's charter provides otherwise, the amount that would be needed, if the corporation were dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of stockholders whose preferential rights are superior to those receiving the distribution, provided, however, that a Maryland corporation may make a distribution from: (i) its net earnings for the fiscal year in which the distribution is made; (ii) its net earnings for the preceding fiscal year; or (iii) the sum of its net earnings for its preceding eight fiscal quarters even if, after such distribution, the corporation's total assets would be less than its total liabilities. Accordingly, we generally may not make a distribution on shares of our common stock or the Series A-4 Preferred Shares if, after giving effect to the distribution, we would not be able to pay our debts as they become due in the usual course of business or, unless paid from one of the permitted sources of net earnings as described above, our total assets would be less than the sum of our total liabilities plus, unless the terms of such class or series of stock provide otherwise, the amount that would be needed to satisfy the preferential rights upon dissolution of the holders of shares of any class or series of stock then outstanding, if any, with preferential rights upon dissolution senior to those of the common stock or the Series A-4 Preferred Shares.

***We may not be able to pay distributions upon events of default under our financing documents.***

Some of our financing documents contain restrictions on distributions upon the occurrence of events of default thereunder. If such an event of default occurs, such as our failure to pay principal at maturity or interest when due for a specified period of time, we would be prohibited from making payments on our shares of capital stock, including our common stock and the Series A-4 Preferred Shares.

***Certain provisions of Maryland law could inhibit changes in control, which may discourage third parties from conducting a tender offer or seeking other change of control transactions that could involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interest.***

Certain provisions of the Maryland General Corporation Law, or MGCL, may have the effect of inhibiting a third party from making a proposal to acquire us or of impeding a change of control under circumstances that otherwise could provide the holders of shares of our capital stock with the opportunity to realize a premium over the then-prevailing market price of such shares, including:

business combination provisions that, subject to limitations, prohibit certain business combinations between us and an interested stockholder (defined generally as any person who beneficially owns 10% or more of the voting power of our shares or an affiliate thereof or an affiliate or associate of ours who was the beneficial owner, directly or indirectly, of 10% or more of the voting power of our then outstanding voting stock at any time within the two-year period immediately prior to the date in question) for five years after the most recent date on which the stockholder becomes an interested stockholder, and thereafter impose fair price and/or supermajority and stockholder voting requirements on these combinations; and

control share provisions that provide that control shares of our company (defined as shares that, when aggregated with other shares controlled by the stockholder, entitle the stockholder to exercise one of three increasing ranges of voting power in electing directors) acquired in a control share acquisition (defined as the direct or indirect acquisition of ownership or control of issued and outstanding control shares ) have no voting rights except to the extent approved by our stockholders by the affirmative vote of at least two-thirds of all the votes entitled to be cast on the matter, excluding all interested shares.

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The provisions of the MGCL relating to business combinations do not apply, however, to business combinations that are approved or exempted by our board of directors prior to the time that the interested stockholder becomes an interested stockholder. As permitted by the statute, our board of directors has by resolution exempted Milton M. Shiffman, Robert B. Bayer, and Gary A. Shiffman, their affiliates and all persons acting in concert or as a group with the foregoing, from the business combination provisions of the MGCL and, consequently, the five-year prohibition and the supermajority vote requirements will not apply to business combinations between us and these persons. As a result, these persons may be able to enter into business combinations with us that may not be in the best interests of our stockholders without compliance by our company with the supermajority vote requirements and the other provisions of the statute.

Also, pursuant to a provision in our bylaws, we have exempted any acquisition of our stock from the control share provisions of the MGCL. However, our board of directors may by amendment to our bylaws opt in to the control share provisions of the MGCL at any time in the future.

Additionally, Subtitle 8 of Title 3 of the MGCL permits our board of directors, without stockholder approval and regardless of what is currently provided in our charter or bylaws, to elect to be subject to certain provisions relating to corporate governance that may have the effect of delaying, deferring or preventing a transaction or a change of control of our company that might involve a premium to the market price of our common stock or otherwise be in our stockholders' best interests. These provisions include a classified board; two-thirds vote to remove a director; that the number of directors may only be fixed by the board of directors; that vacancies on the board as a result of an increase in the size of the board or due to death, resignation or removal can only be filled by the board, and the director appointed to fill the vacancy serves for the remainder of the full term of the class of director in which the vacancy occurred; and a majority requirement for the calling by stockholders of special meetings. Other than a classified board, the filling of vacancies as a result of the removal of a director and a majority requirement for the calling by stockholders of special meetings, we are already subject to these provisions, either by provisions of our charter and bylaws unrelated to Subtitle 8 or by reason of an election to be subject to certain provisions of Subtitle 8. In the future, our board of directors may elect, without stockholder approval, to make us subject to the provisions of Subtitle 8 to which we are not currently subject.

**Risks Relating to the Series A-4 Preferred Shares**

***The Series A-4 Preferred Shares are not listed on a securities exchange, are not DTC-eligible and an active trading market for the Series A-4 Preferred Shares may not develop, which may negatively impact their market value and your ability to transfer or sell your shares. In addition, the Series A-4 Preferred Shares have no stated maturity date.***

The Series A-4 Preferred Shares are a new issue of securities for which there is currently no public market. Because the Series A-4 Preferred Shares do not have a stated maturity date, investors seeking liquidity will be limited to selling their Series A-4 Preferred Shares in the secondary market. As of the date of this prospectus, the Series A-4 Preferred Shares are not listed on the NYSE or any other securities exchange or quotation system and are not eligible for deposit with DTC, and therefore may not be traded and serviced through DTC's electronic book-entry system. The lack of DTC-eligibility limits the availability to trade the Series A-4 Preferred Shares through brokers. There can be no assurance that the Series A-4 Preferred Shares will be listed on the NYSE or any other securities exchange or quotation system or that they will become DTC-eligible. There can be no assurance that any brokers or dealers will make a market in the Series A-4 Preferred Shares. Brokers or dealers that do make a market may cease their market making activities at any time. Moreover, even if you are able to sell your Series A-4 Preferred Shares, we cannot assure you as to the price at which any sales will be made. Future trading prices of the Series A-4 Preferred Shares will depend on many factors, including, among other things, prevailing interest rates, our operating results, the price

of our common stock, and the market for similar securities. Historically, the market for preferred securities has been subject to disruptions that have caused volatility in prices. It is possible that the market for the Series A-4 Preferred Shares will be subject to disruptions which may have a negative effect on the holders of the Series A-4 Preferred Shares, regardless of our prospects or financial performance.

***The Series A-4 Preferred Shares have not been rated.***

We have not sought to obtain a rating for the Series A-4 Preferred Shares. No assurance can be given, however, that one or more rating agencies might not independently determine to issue such a rating or that such a rating, if issued, would not adversely affect the market price of the Series A-4 Preferred Shares. In addition, we may elect in the future to obtain a rating of the Series A-4 Preferred Shares, which could adversely affect the market price of the Series A-4 Preferred Shares. Ratings only reflect the views of the rating agency or agencies issuing the ratings and such ratings could be revised downward, placed on a watch list or withdrawn entirely at the discretion of the issuing rating agency if in its judgment circumstances so warrant. Any such downward revision, placing on a watch list or withdrawal of a rating could have an adverse effect on the market price of the Series A-4 Preferred Shares.



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***The Series A-4 Preferred Shares are subordinate to our 7.125% Series A Preferred Stock and our existing and future debt, and your interests could be diluted by the issuance of additional preferred stock and by other transactions.***

The payment of amounts due on the Series A-4 Preferred Shares is subordinated to shares of our 7.125% Series A Preferred Stock and all of our existing and future debt, including our senior secured revolving credit facility, our collateralized term loans and our mortgage notes, and will be structurally subordinated to the obligations of our subsidiaries. Our future debt may also include restrictions on our ability to pay distributions to preferred stockholders. Subject to the affirmative vote or consent of the holders a majority of the outstanding Series A-4 Preferred Shares, we may also issue additional preferred stock in the future which is on a parity with or senior to the Series A-4 Preferred Shares with respect to the payment of distributions and the distribution of assets upon liquidation, dissolution or winding up. The issuance of such additional preferred stock on parity with or senior to the Series A-4 Preferred Shares would dilute the interests of the holders of the Series A-4 Preferred Shares, and any issuance of preferred stock senior to the Series A-4 Preferred Shares or of additional indebtedness could affect our ability to pay distributions on, or redeem or pay the liquidation preference on, the Series A-4 Preferred Shares. Any of these factors may affect the trading price for the Series A-4 Preferred Shares. See [Description of the Series A-4 Preferred Shares Ranking](#), [Description of the Series A-4 Preferred Shares Distributions](#) and [Description of the Series A-4 Preferred Shares Liquidation Preference](#).

***As a holder of Series A-4 Preferred Shares, you will have extremely limited voting rights.***

Your voting rights as a holder of Series A-4 Preferred Shares will be limited. Our common stock is the only class of our securities that carries full voting rights.

If a Preferred Distribution Default occurs, holders of Series A-4 Preferred Shares will be entitled to elect, voting together with any then outstanding preferred stock on a parity with the Series A-4 Preferred Shares upon which like voting rights have been conferred and are exercisable, two additional directors to serve on our board of directors until the Preferred Distribution Default is cured. The holders of the Series A-4 Preferred Shares and the holders of any other class or series of our preferred stock with applicable voting rights must vote for such persons as are selected by a plurality of the votes cast at a separate meeting of the holders of the Series A-4 Preferred Shares, any such other class or series of our preferred stock, the Series A-4 Preferred Units issued by the Operating Partnership and any other OP units issued by the Operating Partnership that are on a parity with the Series A-4 Preferred Units. In addition, the affirmative vote of the holders of a majority of the Series A-4 Preferred Shares is required for us to: (a) amend, alter, supplement or repeal any of the provisions of our charter (including the articles supplementary establishing the Series A-4 Preferred Shares) in a manner that adversely affects the powers, rights, privileges or preferences of the Series A-4 Preferred Shares or the holders of the Series A-4 Preferred Shares; or (b) subject to certain exceptions, authorize, create or issue any additional shares of capital stock, or reclassify any existing shares of capital stock into shares, ranking senior to or on parity with the Series A-4 Preferred Shares as to distributions and rights upon our voluntary or involuntary liquidation, dissolution or winding up.

Holders of other shares of preferred stock and OP units that have a right to vote to select or elect directors upon a Preferred Distribution Default may have interests and incentives different than those of holders of Series A-4 Preferred Shares. There can be no assurances that the holders of such securities will always act in a manner desired by you or other holders of Series A-4 Preferred Shares. Other than the limited circumstances described in this prospectus, holders of Series A-4 Preferred Shares will not have any voting rights. See [Description of the Series A-4 Preferred Shares Voting Rights](#).

***If a Fundamental Change occurs, we will be able to redeem the Series A-4 Preferred Shares at our option at any time after November 26, 2019.***

The Series A-4 Preferred Shares have no maturity date. If a Fundamental Change occurs, then at any time after November 26, 2019, we or the holders of the Series A-4 Preferred Shares may cause the Series A-4 Preferred Shares to be redeemed, as described under Description of the Series A-4 Preferred Shares Redemption. We do not need your consent in order to redeem the Series A-4 Preferred Shares as described above. If we redeem your Series A-4 Preferred Shares, you may not be able to invest the proceeds in an investment with a comparable return.

***We may not have the ability to raise the funds necessary to redeem for cash Series A-4 Preferred Shares and we cannot redeem the Series A-4 Preferred Shares if we have not paid all of distributions on the 7.125% Series A Preferred Stock.***

If a Fundamental Change occurs, then at any time after November 26, 2019, we or the holders of the Series A-4 Preferred Shares may cause the Series A-4 Preferred Shares to be redeemed, as described under Description of the Series A-4 Preferred Shares Redemption. We cannot assure you that we will have sufficient financial resources, or will be able to arrange financing, to pay the redemption price in cash with respect to any Series A-4 Preferred Shares you wish to redeem. In addition, our then existing indebtedness could contain restrictions which would not allow us to redeem your Series A-4 Preferred Shares. Also, we may not redeem Series A-4 Preferred Shares unless full cumulative distributions on the 7.125% Series A Preferred Stock for all past distribution periods and the then current distribution period have been or contemporaneously are declared and paid in cash or declared and contemporaneously a sum sufficient to pay them in full in cash is set apart for payment.

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***Holders of Series A-4 Preferred Shares will have no rights as holders of shares of our common stock until they acquire shares of our common stock.***

Until a holder acquires shares of our common stock upon the conversion of Series A-4 Preferred Shares, it will have no rights with respect to shares of our common stock, including voting rights applicable to our common stock, rights to respond to tender offers and rights to receive any dividends or other distributions on shares of our common stock. Upon the conversion of their Series A-4 Preferred Shares, holders thereof will be entitled to exercise the rights of a holder of shares of our common stock only as to matters for which the record date occurs on or after the conversion date.

***We may make cash payments instead of issuing shares of common stock if holders of the Series A-4 Preferred Shares exercise their conversion rights.***

Subject to certain limitations, upon written notice to us, each holder of shares of Series A-4 Preferred Shares at its option may convert any or all of the Series A-4 Preferred Shares held by such holder shares of our common stock. At our option, instead of issuing the shares of common stock to the converting holder of Series A-4 Preferred Shares, we may make a cash payment to the converting holder with respect to each Series A-4 Preferred Share the holder desires to convert equal to the fair market value of one share of our common stock. We do not need your consent in order exercise this right and if we exercise this right, you may not be able to invest the proceeds in an investment with a comparable return. See Description of the Series A-4 Preferred Shares Conversion Rights Optional Conversion.

***Our charter, which includes the articles supplementary establishing the Series A-4 Preferred Shares, contains restrictions upon ownership and transfer of our stock, which may impair the ability of holders to convert Series A-4 Preferred Shares into shares of our common stock.***

Our charter, which includes the articles supplementary establishing the Series A-4 Preferred Shares, subject to certain exceptions, contains provisions providing that no holder may own more than 9.8%, in number of shares or value, of shares of our outstanding common stock and preferred stock. You should consider these ownership limitations prior to your purchase of Series A-4 Preferred Shares. In addition, the articles supplementary provide that, notwithstanding any other provision of the Series A-4 Preferred Shares, no holder of shares of Series A-4 Preferred Shares will be entitled to convert such shares into our common stock to the extent that receipt of our common stock would cause the holder to exceed the ownership limitations contained in our charter, which may limit your ability to convert the Series A-4 Preferred Shares into our common stock. The restrictions could also reduce the possibility that a third party will attempt to acquire control of us, which could adversely affect the market price of the Series A-4 Preferred Shares. See Description of the Series A-4 Preferred Shares Restrictions on Ownership and Transfer and Certain Provisions of Maryland Law and Our Charter and Bylaws Restrictions on Ownership and Transfer of our Stock for more information about these restrictions.

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**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus and the documents incorporated by reference herein contain various forward-looking statements within the meaning of the Securities Act of 1933, as amended, or the Securities Act, and the Exchange Act, and we intend that such forward-looking statements will be subject to the safe harbors created thereby. For this purpose, any statements contained in this prospectus and the documents incorporated by reference herein that relate to expectations, beliefs, projections, future plans and strategies, trends or prospective events or developments and similar expressions concerning matters that are not historical facts are deemed to be forward-looking statements. Words such as forecasts, intends, intend, intended, goal, estimate, estimates, expects, expect, expected, project, projected, predicts, potential, seeks, anticipates, anticipated, should, could, may, will, designed to, foresee, believes, scheduled, guidance and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. These forward-looking statements reflect our current views with respect to future events and financial performance, but involve known and unknown risks and uncertainties, both general and specific to the matters discussed in this prospectus and the documents incorporated by reference herein. These risks and uncertainties may cause our actual results to be materially different from any future results expressed or implied by such forward-looking statements. In addition to the risks described under Risk Factors above and in our Annual Report on Form 10-K for the year ended December 31, 2014, such risks and uncertainties include:

changes in general economic conditions, the real estate industry and the markets in which we operate;

difficulties in our ability to evaluate, finance, complete and integrate acquisitions (including the Acquisition), developments and expansions successfully;

our liquidity and refinancing demands;

our ability to obtain or refinance maturing debt;

our ability to maintain compliance with covenants contained in our debt facilities;

availability of capital;

our ability to maintain rental rates and occupancy levels;

our failure to maintain effective internal control over financial reporting and disclosure controls and procedures;

increases in interest rates and operating costs, including insurance premiums and real property taxes;

risks related to natural disasters;

general volatility of the capital markets and the market price of shares of our capital stock;

our failure to maintain our status as a REIT;

changes in real estate and zoning laws and regulations;

legislative or regulatory changes, including changes to laws governing the taxation of REITs;

litigation, judgments or settlements;

competitive market forces; and

the ability of manufactured home buyers to obtain financing and the level of repossessions by manufactured home lenders.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statement was made. We undertake no obligation to publicly update or revise any forward-looking statements included or incorporated by reference into this prospectus and the documents incorporated by reference herein, whether as a result of new information, future events, changes in our expectations or otherwise, except as required by law.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. All written and oral forward-looking statements attributable to us or persons acting on our behalf are qualified in their entirety by these cautionary statements.

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**RATIO OF EARNINGS TO COMBINED FIXED CHARGES  
AND PREFERRED STOCK DISTRIBUTIONS**

The following table sets forth our ratio of earnings to combined fixed charges and preferred stock distributions for the periods indicated. In certain of the periods presented, earnings were not sufficient to cover combined fixed charges and preferred stock distributions. The extent of the deficiency in each such period is shown below.

	<b>Fiscal Year ended December 31,</b>				
	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Ratio of earnings to combined fixed charges and preferred stock distributions	1.02:1	1.13:1	1.07:1	0.98:1	0.98:1
Deficiency of earnings available to cover fixed charges	\$	\$	\$	\$ 1,607	\$ 1,355

The ratios of earnings to combined fixed charges and preferred stock distributions were computed by dividing earnings by the aggregate of our fixed charges and preferred distributions. For this purpose, earnings consist of (i) pre-tax income from continuing operations before adjustment for noncontrolling interests, gain on dispositions and distributions from affiliates, plus (ii) fixed charges, less (iii) capitalized interest, less (iv) distributions to holders of shares of our 7.125% Series A Cumulative Redeemable Preferred Stock, 6.50% Series A-4 Cumulative Convertible Preferred Stock and preferred securities of the Operating Partnership. Fixed charges consist of (i) interest expense (including the amortization of deferred financing costs and premiums and discounts on indebtedness), (ii) capitalized interest, (iii) estimate of interest within rental expense, and (iv) distributions to holders of shares of our 7.125% Series A Cumulative Redeemable Preferred Stock, 6.50% Series A-4 Cumulative Convertible Preferred Stock and preferred securities of the Operating Partnership.

During the periods prior to November 14, 2012, we had no issued and outstanding preferred stock and paid no preferred stock distributions.

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**USE OF PROCEEDS**

We will not receive any of the proceeds from the sale of the Registered Shares being offered for resale by the selling stockholders under this prospectus.

**DESCRIPTION OF COMMON STOCK**

We have the authority to issue 100,000,000 shares of capital stock, of which 90,000,000 shares are common stock, par value \$0.01 per share. As of March 31, 2015, we had 53,498,307 shares of common stock issued and outstanding.

The following description sets forth certain general terms and provisions of our common stock. The statements below describing the common stock are in all respects subject to and qualified in their entirety by reference to the applicable provisions of our charter and bylaws.

**General**

Subject to the preferential rights of any other class or series of stock, holders of our common stock will be entitled to receive distributions when, as and if declared by our board of directors, out of funds legally available therefor. Payment and declaration of distributions on the common stock and purchases of shares thereof by us will be subject to certain restrictions if we fail to pay distributions on the preferred stock. Upon any liquidation, dissolution or winding up of Sun, holders of common stock will be entitled to share equally and ratably in any assets available for distribution to them, after payment or provision for payment of the debts and other liabilities of Sun and the preferential amounts owing with respect to any outstanding preferred stock or senior debt securities.

The common stock will possess ordinary voting rights for the election of directors and in respect of other corporate matters, each share entitling the holder thereof to one vote. Holders of common stock will not have cumulative voting rights in the election of directors. Upon receipt by us of lawful payment therefor, the common stock will, when issued, be fully paid and nonassessable, and will not be subject to redemption except (as described in our charter) as necessary to preserve our status as a REIT. A stockholder of Sun has no preemptive rights to subscribe for additional shares of common stock or other securities of Sun except as may be granted by the board of directors.

Under Maryland law, a Maryland corporation generally cannot dissolve, amend its charter, merge, sell all or substantially all of its assets, engage in a share exchange or consolidation unless advised by the board of directors and approved by the affirmative vote of stockholders holding at least two-thirds of the votes entitled to be cast on the matter unless a lesser percentage, but not less than a majority of all the votes entitled to be cast on the matter, is set forth in the corporation's charter. Our charter does not provide for a lesser percentage in such situations.

**Restrictions on Ownership**

For us to qualify as a REIT under the Internal Revenue Code of 1986, as amended, or the Code, our common stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months (other than the first year) or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of the issued and outstanding shares of capital stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities such as qualified private pension plans) during the last half of a taxable year (other than the first year) or during a proportionate part of a shorter taxable year.

Because the board of directors believes it is essential for us to continue to qualify as a REIT, our charter, subject to certain exceptions, contains a provision, which we refer to as the Ownership Limit, providing that no holder may own,

or be deemed to own by virtue of the attribution provisions of the Code, more than 9.8% in number of shares or value, of our outstanding common stock and preferred stock. The board of directors may exempt a



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person from the Ownership Limit if evidence satisfactory to the board of directors and our tax counsel is presented that the proposed transfer of stock to the intended transferee will not then or in the future jeopardize our status as a REIT. As a condition of such exemption, the intended transferee must give written notice to us of the proposed transfer and must furnish such opinions of counsel, affidavits, undertakings, agreements, and information as may be required by the board of directors no later than the fifteenth day prior to any transfer which, if consummated, would result in the intended transferee owning shares in excess of the Ownership Limit. The foregoing restrictions on transferability and ownership will not apply if the board of directors determines that it is no longer in the best interests of Sun to attempt to qualify or to continue to qualify as a REIT. Any transfer of shares of common stock that would: (i) create a direct or indirect ownership of shares of stock in excess of the Ownership Limit; (ii) result in the shares of stock being owned by fewer than 100 persons; or (iii) result in Sun being closely held within the meaning of Section 856(h) of the Code, shall be null and void, and the intended transferee will acquire no rights to the shares.

Our charter excludes Milton M. Shiffman, Gary A. Shiffman and Robert B. Bayer; trustees, personal representatives and agents to the extent acting for them or their respective estates; or certain of their respective relatives from the Ownership Limit. These persons may acquire additional shares of stock through the redemption of OP Units, through our equity incentive plans, from other stockholders or otherwise, but in no event will they be entitled to acquire additional shares such that the five largest beneficial owners of our stock hold more than 50% of the total outstanding stock.

Shares of stock purported to be transferred in excess of the Ownership Limit that are not otherwise permitted as provided above will constitute Excess Shares, which will be transferred by operation of law to Sun as trustee for the exclusive benefit of the person or persons to whom the Excess Shares are ultimately transferred, until such time as the intended transferee retransfers the Excess Shares. Subject to the Ownership Limit, the Excess Shares may be retransferred by the intended transferee to any person who may hold such Excess Shares at a price not to exceed the price paid by the intended transferee (or the market price of the common stock as of the date of purported transfer, if the intended transferee received the shares of stock as a gift or otherwise did not give value for the shares of stock), at which point the Excess Shares will automatically be exchanged for the stock to which the Excess Shares are attributable. In addition, such Excess Shares held in trust are subject to purchase by Sun. The purchase price of any Excess Shares shall be equal to the lesser of the price paid for the shares of stock by the intended transferee and the fair market value of such shares of stock reflected in the closing sales price for the shares of stock, if then traded on the NYSE, or the last reported sales price for the shares of stock on any exchange or quotation system over which our common stock may be traded, or, if such quotation is not available, the fair market value as determined by the board of directors in good faith, on the last trading day immediately preceding the day on which notice of such proposed purchase is sent by Sun. From and after the intended transfer to the intended transferee of the Excess Shares, the intended transferee shall cease to be entitled to distributions, voting rights, and other benefits with respect to such shares of the stock except the right to payment of the purchase price for the shares of stock or the transfer of shares as provided above. Any dividend or distribution paid to a proposed transferee on Excess Shares prior to our discovery that such shares of stock have been transferred in violation of the provisions of our charter shall be repaid to us upon demand. If the foregoing transfer restrictions are determined to be void or invalid by virtue of any legal decision, statute, rule, or regulation, then the intended transferee of any Excess Shares may be deemed, at Sun's option, to have acted as an agent on behalf of Sun in acquiring such Excess Shares and to hold such Excess Shares on behalf of Sun.

All certificates representing shares of stock will bear a legend referring to the restrictions described above.

All persons who own, directly or by virtue of the attribution provisions of the Code, more than 5% in number of shares or value, of our outstanding common stock and preferred stock must give a written notice to us containing the information specified in our charter by January 31 of each year. In addition, each stockholder shall upon demand be required to disclose to us in writing such information with respect to the direct, indirect and constructive ownership of

shares of common stock as the board of directors deems necessary to comply with the provisions of the Code applicable to a REIT, to comply with the requirements of any taxing authority or governmental agency or to determine any such compliance.

These ownership limitations could have the effect of discouraging a takeover or other transaction in which holders of some, or a majority of, shares of common stock might receive a premium for their shares over the then prevailing market price or which such holders might believe to be otherwise in their best interest.

The registrar and transfer agent for the common stock is Computershare Trust Company, N.A.

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**DESCRIPTION OF THE SERIES A-4 PREFERRED SHARES**

The following description sets forth certain general terms and provisions of the Series A-4 Preferred Shares. The statements below describing of the Series A-4 Preferred Shares are in all respects subject to and qualified in their entirety by reference to the applicable provisions of our charter and bylaws.

**General**

Under our charter, we are authorized to issue up to 90,000,000 shares of common stock and up to 10,000,000 shares of preferred stock. We have designated 3,450,000 shares of our preferred stock as 7.125% Series A Preferred Stock. As of March 31, 2015, a total of 6,330,551 Series A-4 Preferred Shares and 3,400,000 shares of 7.125% Series A Preferred Stock were issued and outstanding and no other shares of preferred stock were issued and outstanding.

We are authorized to issue preferred stock in one or more series, with such designations, preferences, conversion and other rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption, in each case as permitted by Maryland law and determined by our board of directors.

We have adopted articles supplementary establishing the Series A-4 Preferred Shares. You may obtain a complete copy of the articles supplementary describing the Series A-4 Preferred Shares by contacting us. The articles supplementary initially authorize 6,330,551 Series A-4 Preferred Shares. Our board of directors may authorize additional Series A-4 Preferred Shares from time to time.

The transfer agent, registrar and distribution disbursing agent for the Series A-4 Preferred Shares is Computershare Trust Company, N.A. The Series A-4 Preferred Shares are subject to the transfer restrictions described below in Restrictions on Ownership and Transfer and in Certain Provisions of Maryland Law and Our Charter and Bylaws Restrictions on Ownership and Transfer of our Stock .

**Maturity**

The Series A-4 Preferred Shares have no stated maturity and are not subject to any sinking fund or mandatory redemption requirements.

**Ranking**

The Series A-4 Preferred Shares rank, with respect to distribution rights and rights upon our voluntary or involuntary liquidation, dissolution or winding up:

junior to all of our existing and future debt obligations, including convertible or exchangeable debt securities;

senior to shares of our common stock, to our Junior Participating Preferred Stock, \$0.01 par value per share, or the Junior Participating Preferred Stock, and to any other of our equity securities that by their terms rank junior to the Series A-4 Preferred Shares;

on a parity with any other class or series of shares of our preferred stock or other equity securities that we may later authorize or issue in the future and that by their terms are on a parity with the Series A-4 Preferred Shares (which we may only authorize with the affirmative vote of the holders of a majority of the Series A-4 Preferred Shares); and

junior to the 7.125% Series A Preferred Stock and any equity securities that we may later authorize and that by their terms rank senior to the Series A-4 Preferred Shares (which we may only authorize with the affirmative vote of the holders of a majority of the Series A-4 Preferred Shares).

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**Table of Contents****Distributions**

Subject to the preferential rights of the holders of the 7.125% Series A Preferred Stock and any senior securities we may authorize and designate in the future, we will distribute to the record holders of our Series A-4 Preferred Shares cumulative preferential cash distributions of \$1.625 per share each year, which is equivalent to 6.50% of the \$25.00 liquidation preference per year per Series A-4 Preferred Share. Notwithstanding the foregoing, upon the occurrence of a Fundamental Change (as defined under Redemption below), from and after such Fundamental Change the distribution rate on the Series A-4 Preferred Shares will be increased to an annual rate equal to the greater of (i) 10.00%, and (ii) 8.00% above the then-published (in the Wall Street Journal) U.S. Treasury maturing on the date closest to the five year anniversary of the date the Fundamental Change occurs. The adjusted distribution rate will be determined initially as of the date of the Fundamental Change and then adjusted on each anniversary of the Fundamental Change. Distributions will be distributed when, as and if declared by our board of directors and will be payable out of funds legally available for such payments.

Distributions on the Series A-4 Preferred Shares are cumulative from and including the date of original issue by us and are payable quarterly in arrears on the last day of March, June, September and December of each year or, if any such day is not a business day, then on the next succeeding business day. The term business day means each day, other than a Saturday, Sunday or legal holiday under Michigan or federal law. The distributions payable on any distribution payment date will include distributions accrued from and including the immediately preceding distribution payment date (or, with respect to the first distribution payment date, the original date of issuance) to but not including such distribution payment date. The amount of distribution payable on each distribution payment date will be computed by dividing the annual distribution amount by four. Distributions will be payable to holders of record as they appear in our stock records at the close of business on the applicable record date, or on such other date designated by our board of directors that is not more than 30 nor less than 10 days prior to the due date for the distribution payment.

We will not declare or pay distributions on the Series A-4 Preferred Shares, or pay or set apart for payment distributions on the Series A-4 Preferred Shares, at any time if the terms and provisions of any agreement to which we are a party, including any agreement relating to our indebtedness, prohibits, directly or indirectly, the authorization, payment or setting apart for payment or provides that the authorization, payment or setting apart for payment would constitute a breach of the agreement or a default under the agreement, or if the declaration, payment or setting apart for payment is restricted or prohibited by law. These restrictions may include indirect covenants which require us to maintain specified levels of net worth or assets. We do not believe that these restrictions currently have any adverse impact on our ability to pay distributions on the Series A-4 Preferred Shares.

Notwithstanding the foregoing, distributions on the Series A-4 Preferred Shares are cumulative and accrue whether or not we have earnings, whether or not there are funds legally available for the payment of those distributions, and whether or not those distributions are declared or authorized. Accrued but unpaid distributions on the Series A-4 Preferred Shares accumulate as of the due date on which each such distribution payment first becomes payable.

Unless full cumulative distributions on the Series A-4 Preferred Shares for all past distribution periods have been or contemporaneously are declared and paid in cash or declared and contemporaneously a sum sufficient to pay them in full in cash is set apart for payment, we will not authorize, declare, pay, set apart for payment or otherwise make any distributions on (other than a distribution paid in common stock or in any other class of shares ranking junior to the Series A-4 Preferred Shares as to distributions and upon our voluntary or involuntary liquidation, dissolution or winding up, or options, warrants or rights to subscribe for or purchase our common stock or such junior shares), or redeem, purchase or otherwise acquire for any consideration (or pay or make available any monies for a sinking fund for the redemption of any such shares) any shares of common stock or any other series of preferred stock ranking

junior to or on parity with the Series A-4 Preferred Shares as to distributions and upon our voluntary or involuntary liquidation, dissolution or winding up; provided that this restriction will not limit distributions on or our acquisition of any such shares of common stock or shares of junior stock (1) by conversion into or exchange for any such shares of common stock or shares of junior stock, (2) by redemption, purchase or other acquisition of shares of our common stock or shares of junior stock made for purposes of an incentive, benefit or share purchase plan of Sun, its subsidiaries, the Operating Partnership or any of its subsidiaries, (3) redemptions, repurchases or other acquisitions for the purpose of preserving our status as a REIT for federal income tax purposes, or (4) distributions required in order for us to maintain our status as a REIT for federal income tax purposes.

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When we do not pay distributions in full in cash (or we do not set apart a sum sufficient to pay them in full) upon the Series A-4 Preferred Shares and any other series of preferred stock ranking on a parity as to distributions with the Series A-4 Preferred Shares, we will declare any distributions upon the Series A-4 Preferred Shares and any other series of preferred stock ranking on a parity as to distributions with the Series A-4 Preferred Shares proportionately so that the distributions declared and paid or set apart for payment per share of Series A-4 Preferred Shares and those other series of preferred stock will in all cases bear to each other the same ratio that accumulated, accrued and unpaid distributions per share on the Series A-4 Preferred Shares and those other series of preferred stock (which will not include any accumulation in respect of unpaid distributions on such other series of preferred stock for prior distribution periods if those other series of preferred stock do not have cumulative distributions) bear to each other. No interest, or sum of money in lieu of interest, will be payable in respect of any distribution payment or payments on the Series A-4 Preferred Shares which may be in arrears.

Record holders of our Series A-4 Preferred Shares are not entitled to any distribution, whether payable in cash, securities or other property, in excess of full cumulative distributions on the Series A-4 Preferred Shares as provided above, except as described under Liquidation Preference and Redemption below. Any distribution payment made on the Series A-4 Preferred Shares will first be credited against the earliest accrued but unpaid distributions due with respect to those shares.

If, for any taxable year, we elect to designate any portion of the distributions, within the meaning of the Internal Revenue Code, paid or made available for the year to holders of all classes of our capital stock as capital gain dividends, as defined in Section 857 of the Internal Revenue Code, then the portion of the distributions designated as capital gain dividends that will be allocable to the record holders of our Series A-4 Preferred Shares will be the portion of the distributions designated as capital gain dividends multiplied by a fraction, the numerator of which will be the total distributions paid or made available to such record holders of our Series A-4 Preferred Shares for the year and the denominator of which will be the total distributions paid or made available for the year to holders of all classes of our capital stock.

**Liquidation Preference**

Upon any voluntary or involuntary liquidation, dissolution or winding-up of our affairs, the record holders of the Series A-4 Preferred Shares will be entitled to be paid out of our assets legally available for distribution to our stockholders, after payment of or provision for our debts and other liabilities, a liquidation preference of \$25.00 per Series A-4 Preferred Share, plus an amount equal to any accrued and unpaid distributions (whether or not authorized or declared) to the date of payment to such holders. This amount will be paid after any distributions or payments are made to holders of our 7.125% Series A Preferred Stock and any other class or series of stock we may authorize and designate in the future that rank senior to the Series A-4 Preferred Shares with respect to such liquidating distributions and before any distribution or payment may be made to holders of shares of our common stock or any other class or series of shares ranking junior to the Series A-4 Preferred Shares as to liquidation rights. If, upon our voluntary or involuntary liquidation, dissolution or winding up, our available assets are insufficient to pay the amount of the liquidation distributions on all outstanding Series A-4 Preferred Shares and the corresponding amounts payable on all other classes or series of shares ranking on a parity with the Series A-4 Preferred Shares as to liquidation rights, then the record holders of the Series A-4 Preferred Shares and all other classes or series of shares of that kind will share proportionately in any such distribution of assets in proportion to the full liquidating distributions to which they would otherwise be respectively entitled.

The record holders of our Series A-4 Preferred Shares are entitled to written notice of any liquidation. After payment of the full amount of the liquidating distributions to which they are entitled, such record holders will have no other right or claim to any of our remaining assets. Our consolidation or merger with or into any other corporation or other

entity, the consolidation or merger of any other corporation or other entity with or into us, a statutory share exchange by us, or the voluntary sale, lease, exchange, transfer or conveyance of all or substantially all of our property or assets will not be deemed to constitute our liquidation, dissolution or winding-up. In determining whether a distribution (other than upon voluntary or involuntary liquidation), by dividend, redemption or other acquisition of shares or otherwise, is permitted under Maryland law, amounts that would be needed, if we were to be dissolved at the time of distribution, to satisfy the preferential rights upon dissolution of holders of our Series A-4 Preferred Shares will not be added to our total liabilities.



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**Redemption**

If a Fundamental Change (as defined below) occurs, then at any time after November 26, 2019:

we may, from time to time at our option, redeem all or any part of the outstanding Series A-4 Preferred Shares for a redemption price, or the Redemption Price, payable in cash, equal to the sum of (A) the greater of (x) the amount that such Series A-4 Preferred Shares would have received in the Fundamental Change if they had been converted into shares of our common stock immediately prior to such Fundamental Change or (y) \$25.00 per share, plus (B) any accrued and unpaid distributions on the redeemed Series A-4 Preferred Shares to, but not including, the redemption date, without interest; and

each holder of Series A-4 Preferred Shares will have the right to cause the Company to redeem such holder's Series A-4 Preferred Shares for the Redemption Price.

For these purposes, a Fundamental Change means that either of the following events shall have occurred and are continuing:

our common stock ceases to be listed on the NYSE, the NYSE MKT or NASDAQ, or listed or quoted on an exchange or quotation system that is a successor to the NYSE, the NYSE MKT or NASDAQ; or

(x) the acquisition by any person or group within the meaning of Section 13(d)(3) of the Exchange Act, of beneficial ownership, directly or indirectly, through a purchase, merger or other acquisition transaction or series of purchases, mergers or other acquisition transactions of shares of our common stock entitling that person or group to exercise more than 50% of the total voting power of all shares of our common stock entitled to vote generally in the election of our directors (except that such person or group shall be deemed to have beneficial ownership of all securities that such person or group has the right to acquire, whether such right is currently exercisable or is exercisable only upon the passage of time or occurrence of a subsequent condition); and (y) following the closing of any transaction referred to in clause (x) above, neither we nor the acquiring or surviving entity has a class of common securities (or American Depositary Receipts representing such securities) listed on the NYSE, the NYSE MKT or NASDAQ, or listed or quoted on an exchange or quotation system that is a successor to the NYSE, the NYSE MKT or NASDAQ.

We are required to deliver to all holders of Series A-4 Preferred Shares: (i) notice of the anticipated effective date of a Fundamental Change by the later of (A) 20 business days in before the anticipated effective date and (B) the date of first public disclosure by us of the Fundamental Change, which notice shall include a reasonable summary of the terms of such Fundamental Change and the resulting distribution rate and conversion price applicable to the Series A-4 Preferred Shares; (ii) notice of the occurrence of the Fundamental Change within 15 days after the occurrence of the Fundamental Change; and (iii) notice of the distribution rate applicable to the Series A-4 Preferred Shares within 15 days after each anniversary of such Fundamental Change.

To exercise redemption rights, we or a holder of Series A-4 Preferred Shares must provide written notice of the redemption. The notice must specify:

the redemption date, which may not be less than 10 business days, nor more than 60 business days, after the date of the notice;

the number of Series A-4 Preferred Shares to be redeemed;

the Redemption Price; and

that distributions on the Series A-4 Preferred Shares to be redeemed will cease to accumulate immediately prior to such redemption date.

A failure to give notice of redemption or any defect in the notice or in its mailing will not affect the validity of the redemption of any Series A-4 Preferred Shares except as to the holder to whom notice was defective or not given.

Once we or a holder of Series A-4 Preferred Shares send a notice of redemption, the holders of the Series A-4 Preferred Shares to which the notice of redemption relates will cease to have the right to convert those Series A-4 Preferred Shares into shares of common stock as described below under Conversion Rights.

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On or after the redemption date, upon the holder's surrender of the certificates, if any, representing the Series A-4 Preferred Shares being redeemed, we will pay the Redemption Price for the redeemed Series A-4 Preferred Shares (including all accrued and unpaid distributions to but excluding the redemption date) to the holder of the Series A-4 Preferred Shares and each surrendered Series A-4 Preferred Share certificate, if any, will be canceled, and a new certificate will be issued for any shares represented by certificated Series A-4 Preferred Shares that are not being redeemed.

From and after the redemption date (unless we default in payment of the Redemption Price), all distributions on the Series A-4 Preferred Shares designated for redemption in the redemption notice will cease to accrue, those Series A-4 Preferred Shares will no longer be deemed outstanding and all rights of the holders of those Series A-4 Preferred Shares will terminate, except the right to receive the Redemption Price. At our election, prior to a redemption date and upon notice to the holders of the applicable Series A-4 Preferred Shares, we may irrevocably deposit the Redemption Price for Series A-4 Preferred Shares to be redeemed in trust for the holders with a bank or trust company. Any monies so deposited which remain unclaimed at the end of two years after the redemption date shall be returned by such bank or trust company to the Company.

If we redeem fewer than all of the outstanding Series A-4 Preferred Shares, the notice mailed to each holder will also specify the number of Series A-4 Preferred Shares held by such holder to be redeemed. In this case, we will determine the number of Series A-4 Preferred Shares to be redeemed on a pro rata basis, by lot or by any other equitable method we may choose, and to the extent that any of the Series A-4 Preferred Shares to be redeemed are certificated, new certificates will be issued evidencing the unredeemed shares.

Notwithstanding anything else to the contrary in the articles supplementary establishing the Series A-4 Preferred Shares, we will not be required to provide notice of redemption in the manner described above to a holder of Series A-4 Preferred Shares in the event such holder's Series A-4 Preferred Shares are redeemed in accordance with the terms of our charter in order to preserve our status as a REIT for U.S. federal income tax purposes.

Except as otherwise provided herein, the redemption provisions of the Series A-4 Preferred Shares do not in any way limit our right or ability to purchase, from time to time either at a public or a private sale, Series A-4 Preferred Shares at such price or prices as we may determine, subject to the provisions of applicable law.

In addition, we will comply with any applicable requirements of the NYSE or any other securities exchange on which the Series A-4 Preferred Shares may be listed at the time of any redemption.

Any Series A-4 Preferred Shares that we redeem or otherwise reacquire will be retired and will be restored to the status of authorized and unissued preferred stock without designation as to class or Series A-4nd may be reissued as shares of any class or series of preferred stock.

In order to ensure that we remain qualified as a REIT for federal income tax purposes, the Series A-4 Preferred Shares are subject to provisions of our charter, under which Series A-4 Preferred Shares owned by a stockholder in excess of the ownership limit, as defined in this prospectus, will be designated automatically as Excess Shares and transferred as described in Certain Provisions of Maryland Law and Our Charter and Bylaws Restrictions on Ownership and Transfer of our Stock below and Description of Common Stock Restrictions on Ownership above. Accordingly, without limiting the redemption rights described above, we may purchase the Excess Shares after any such transfer in accordance with the terms of our charter.

## **Conversion Rights**

Except as provided below, the Series A-4 Preferred Shares are not convertible into or exchangeable for any of our other securities or our property.

***Optional Conversion***

Subject to the limitations below, upon written notice to us, each holder of shares of Series A-4 Preferred Shares at its option may convert any or all of the Series A-4 Preferred Shares held by such holder for that number of shares of our common stock equal to the quotient obtained by dividing \$25.00 by the then-applicable conversion price, or the Conversion Price. The initial Conversion Price is \$56.25, so initially each Series A-4 Preferred Share is convertible into approximately 0.4444 shares of common stock. The Conversion Price is subject to adjustment as described below under Conversion Price Adjustments. We will not convert less than 1,000 Series A-4 Preferred Shares into shares of common stock on any conversion date. A holder of Series A-4 Preferred Shares may not exercise its conversion right if the conversion would cause us to no longer qualify as a REIT or could violate applicable securities laws.

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At our option, instead of issuing the shares of common stock to the converting holder of Series A-4 Preferred Shares as described above, we may make a cash payment to the converting holder with respect to each Series A-4 Preferred Share the holder desires to convert equal to the fair market value of one share of our common stock, or the Common Stock Fair Market Value. In that case, the holder will only have the right to such payment and shall cease to have any further rights as a stockholder. The Common Stock Fair Market Value will be the average of the closing prices (or if our common stock is then traded on an over-the-counter exchange, the average of the reported bid and ask prices) of our common stock for the 10 consecutive trading days preceding the conversion date. If our common stock is not publicly-traded, its fair market value will be determined jointly by us and the converting stockholders.

Holders of Series A-4 Preferred Shares may withdraw any conversion notice (in whole or in part) by a written notice of withdrawal delivered to us prior to the conversion date specified in the conversion notice.

### ***Mandatory Conversion***

If, at any time after November 26, 2019, the volume weighted average of the daily volume weighted average price of a share of our common stock on the NYSE equals or exceeds 115.5% of the then prevailing Conversion Price for at least 20 trading days in a period of 30 consecutive trading days, then, within 10 days thereafter, upon written notice to the holders thereof, we may convert each outstanding Series A-4 Preferred Share into that number of shares of common stock equal to the quotient obtained by dividing \$25.00 by the Conversion Price.

### ***Terms Applicable to Optional and Mandatory Conversions***

On the distribution payment date next following the conversion date of any Series A-4 Preferred Shares, we will pay the holders of those Series A-4 Preferred Shares a distribution in an amount equal to (i) a prorated portion of the accrued distributions on the Series A-4 Preferred Shares based on the number of days elapsed from the prior distribution payment date through, but not including, the conversion date, less (ii) the amount of the distribution or dividend, if any, paid on the shares of common stock into which the Series A-4 Preferred Shares were converted for the quarterly period in which the conversion date occurred.

We will at all times reserve and keep available out of the authorized and unissued shares of our common stock, solely for issuance upon the conversion of the Series A-4 Preferred Shares, that number of shares of our common stock as from time to time are issuable upon the conversion of all the Series A-4 Preferred Shares then outstanding.

We will not issue fractional shares of common stock upon the conversion of the Series A-4 Preferred Shares. Instead, we will pay the cash value (computed to the nearest cent) of such fractional shares, based on the fair market value of our common stock.

### ***Conversion Price Adjustments***

#### ***Stock Dividends and Similar Transactions***

If we:

pay a dividend or make a distribution on our common stock payable in shares of common stock,

subdivide the outstanding shares of our common stock into a greater number of shares,

combine the outstanding shares of our common stock into a smaller number of shares, or

issue any shares of capital stock by reclassification of outstanding shares of our common stock (including a reclassification pursuant to a merger or consolidation in which we are the continuing entity and in which the shares of our common stock outstanding immediately prior to the merger or consolidation are not exchanged for cash, or securities or other property of another entity),

then, the Conversion Price in effect at the opening of business on the day following the date fixed for the determination of stockholders entitled to receive such dividend or distribution or at the opening of business on the day following the day on which such subdivision, combination or reclassification becomes effective, as the case may be, will be adjusted so that the holder of any Series A-4 Preferred Shares thereafter surrendered for conversion will be entitled to receive the number of shares of common stock that it would have owned or have been entitled to receive after the happening of any of the events described above if such Series A-4 Preferred Shares had been exchanged or converted immediately prior to the record date in the case of a dividend or distribution or the effective date in the case of a subdivision, combination or reclassification. Subject to limited exceptions, an adjustment of the type described in this paragraph will become effective immediately after the opening of business on the day next following the record date in the case of a dividend or distribution and will become effective immediately after the opening of business on the day next following the effective date in the case of a subdivision, combination or reclassification.

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*Issuance of Options and Similar Transactions*

If we issue rights, options or warrants to all holders of shares of our common stock entitling them (for a period expiring within 45 days after the record date described below) to subscribe for or purchase shares of our common stock at a price per share less than the Common Stock Fair Market Value on the record date for the determination of stockholders entitled to receive such rights, options or warrants, then the Conversion Price in effect at the opening of business on the day next following such record date shall be adjusted to equal the price determined by multiplying:

(A) the Conversion Price in effect immediately prior to the opening of business on the day following the date fixed for such determination by

(B) a fraction,

the numerator of which will be the sum of (X) the number of shares of our common stock outstanding on the close of business on the date fixed for such determination and (Y) the number of shares of common stock that could be purchased at such Common Stock Fair Market Value from the aggregate proceeds to us from the exercise of such rights, options or warrants for shares of our common stock, and

the denominator of which will be the sum of (XX) the number of shares of our common stock outstanding on the close of business on the date fixed for such determination and (YY) the number of additional shares of our common stock offered for subscription or purchase pursuant to such rights, options or warrants.

Subject to limited exceptions, an adjustment of the type described in this paragraph will become effective immediately after the opening of business on the day next following such record date. In determining whether any rights, options or warrants entitle the holders of shares of our common stock to subscribe for or purchase shares of common stock at less than such Common Stock Fair Market Value, there shall be taken into account any consideration we receive upon issuance and upon exercise of such rights, options or warrants, the value of such consideration, if other than cash, to be determined in good faith by our board of direc