

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

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarter Ended June 30, 2008
 TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File No. 0-16701

**UNIPROP MANUFACTURED HOUSING COMMUNITIES INCOME FUND II,
a Michigan Limited Partnership**

(Exact name of registrant as specified in its charter)

MICHIGAN
(State or other jurisdiction of
incorporation or organization)

38-2702802
(I.R.S. employer
identification number)

280 Daines Street, Birmingham, Michigan 48009
(Address of principal executive offices) (Zip Code)
(248) 645-9220

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(g) of the Act:
units of beneficial assignments of limited partnership interest

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

Yes No

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

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes No

UNIPROP MANUFACTURED HOUSING COMMUNITIES INCOME FUND II,
A MICHIGAN LIMITED PARTNERSHIP

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**UNIPROP MANUFACTURED HOUSING COMMUNITIES INCOME FUND II,
A MICHIGAN LIMITED PARTNERSHIP**

BALANCE SHEETS

| ASSETS | <u>June 30, 2008</u> (Unaudited) | <u>December 31, 2007</u> |
|-------------------------------------|---|---------------------------------|
| Properties: | | |
| Land | \$9,627,593 | \$9,627,593 |
| Buildings And Improvements | 44,526,713 | 44,496,155 |
| Furniture And Fixtures | <u>618,792</u> | <u>612,669</u> |
| | 54,773,098 | 54,736,417 |
| | | |
| Less Accumulated Depreciation | <u>(29,859,711)</u> | <u>(29,073,893)</u> |
| | 24,913,387 | 25,662,524 |
| | | |
| Cash And Cash Equivalents | 8,183,329 | 8,715,423 |
| Unamortized Finance Costs | 650,333 | 428,541 |
| Manufactured Homes and Improvements | 1,016,490 | 813,116 |
| Other Assets | <u>1,863,326</u> | <u>1,469,203</u> |
| | | |
| Total Assets | <u>\$36,626,865</u> | <u>\$37,088,807</u> |

| LIABILITIES & PARTNERS' EQUITY | <u>June 30, 2008</u> (Unaudited) | <u>December 31, 2007</u> |
|---|---|---------------------------------|
| Accounts Payable | \$178,515 | \$158,847 |
| Other Liabilities | 558,111 | 379,835 |
| Notes Payable | <u>25,381,616</u> | <u>25,687,191</u> |
| | | |
| Total Liabilities | 26,118,242 | 26,225,873 |
| | | |
| Partners' Equity: | | |
| General Partner | 420,963 | 419,221 |
| Unit Holders | <u>10,087,660</u> | <u>10,443,713</u> |
| | | |
| Total Partners' Equity | <u>10,508,623</u> | <u>10,862,934</u> |
| | | |
| Total Liabilities And Partners' Equity | <u>\$36,626,865</u> | <u>\$37,088,807</u> |

See Notes to Financial Statements

**UNIPROP MANUFACTURED HOUSING COMMUNITIES INCOME FUND II
A MICHIGAN LIMITED PARTNERSHIP**

| STATEMENTS OF OPERATIONS (unaudited) | SIX MONTHS ENDED | | THREE MONTHS ENDED | |
|--|----------------------|----------------------|----------------------|----------------------|
| | <u>June 30, 2008</u> | <u>June 30, 2007</u> | <u>June 30, 2008</u> | <u>June 30, 2007</u> |
| Income: | | | | |
| Rental Income | \$3,781,762 | \$4,038,780 | 1,860,994 | 2,008,341 |
| Home Sale Income | 424,634 | 536,766 | 213,240 | 351,120 |
| Other | <u>451,879</u> | <u>416,256</u> | <u>185,991</u> | <u>242,051</u> |
| Total Income | <u>\$4,658,275</u> | <u>\$4,991,802</u> | <u>2,260,225</u> | <u>2,601,512</u> |
| Operating Expenses: | | | | |
| Administrative Expenses (Including \$201,775, \$239,506, \$99,207 and \$115,349, in Property Management Fees Paid to an Affiliate for the Six and Three Month Period Ended June 30, 2008 and 2007 Respectively) | 1,196,706 | 1,340,853 | 544,954 | 779,949 |
| Property Taxes | 490,821 | 483,465 | 245,376 | 163,195 |
| Utilities | 335,194 | 333,111 | 165,259 | 159,553 |
| Property Operations | 363,755 | 512,732 | 194,502 | 231,781 |
| Depreciation | 785,819 | 800,332 | 391,885 | 399,260 |
| Interest | 833,972 | 848,507 | 416,458 | 426,107 |
| Home Sale Expense | <u>477,777</u> | <u>554,054</u> | <u>213,720</u> | <u>382,201</u> |
| Total Operating Expenses | <u>\$4,484,044</u> | <u>\$4,873,054</u> | <u>\$2,172,154</u> | <u>\$2,542,046</u> |
| Income from Continued Operations | <u>\$174,231</u> | <u>\$118,748</u> | <u>\$88,071</u> | <u>\$59,466</u> |
| Income from Discontinued Operations | <u>\$0</u> | <u>\$5,664,534</u> | <u>\$0</u> | <u>\$5,599,230</u> |
| Net Income | <u>\$174,231</u> | <u>\$5,783,282</u> | <u>\$88,071</u> | <u>\$5,658,696</u> |
| Income Per Unit: | | | | |
| Continued Operations | 0.05 | 0.04 | 0.03 | 0.02 |
| Discontinued Operations | 0.00 | 1.71 | 0.00 | 1.69 |
| Distribution Per Unit: | 0.16 | 0.16 | 0.08 | 0.08 |
| Weighted Average Number Of Units Of Beneficial Assignment Of Limited Partnership Interest Outstanding During The Six and Three Month Period Ended June 30, 2008 and 2007. | 3,303,387 | 3,303,387 | 3,303,387 | 3,303,387 |

STATEMENT OF PARTNERS' EQUITY (Unaudited)

| | <u>General Partner</u> | <u>Unit Holders</u> | <u>Total</u> |
|-----------------------------|------------------------|---------------------|---------------------|
| Balance, December 31, 2007 | \$419,221 | \$10,443,713 | \$10,862,934 |
| Distributions | | (528,542) | (528,542) |
| Net Income | 1,742 | 172,489 | \$174,231 |
| Balance as of June 30, 2008 | <u>\$420,963</u> | <u>\$10,087,660</u> | <u>\$10,508,623</u> |

See Notes to Financial Statements

**UNIPROP MANUFACTURED HOUSING COMMUNITIES INCOME FUND II,
A MICHIGAN LIMITED PARTNERSHIP**

STATEMENTS OF CASH FLOWS

(Unaudited)

| | THREE MONTHS ENDED | |
|---|----------------------------|----------------------------|
| | <u>June 30,2008</u> | <u>June 30,2007</u> |
| Cash Flows From Operating Activities: | | |
| Net Income | <u>\$174,231</u> | <u>\$5,783,282</u> |
| Adjustments To Reconcile Net Income To Net Cash Provided By Operating Activities: | | |
| Depreciation | 785,819 | 800,332 |
| Amortization | 10,458 | 10,458 |
| Gain on Sale of Property | 0 | (5,738,731) |
| (Increase) Decrease in Manufactured Homes and Home Improvements: | (203,374) | 156,025 |
| Increase In Other Assets | (394,123) | (43,321) |
| Increase (Decrease) In Accounts Payable | 19,668 | (72,551) |
| Increase In Other Liabilities | <u>178,276</u> | <u>83,541</u> |
| Total Adjustments | <u>396,724</u> | <u>(4,804,247)</u> |
| Net Cash Provided By Operating Activities | <u>570,955</u> | <u>979,035</u> |
| Cash Flows (Used In) Provided By Investing Activities: | | |
| Proceeds from Sale of Property | 0 | 11,323,487 |
| Capital Expenditures | <u>(36,682)</u> | <u>(70,281)</u> |
| Net Cash (Used In) Provided By Investing Activities | <u>(36,682)</u> | <u>11,253,206</u> |
| Cash Flows From Financing Activities: | | |
| Distributions To Partners | (528,542) | (528,542) |
| Payment On Mortgage | (305,575) | (291,022) |
| Deferred Financing Cost | <u>(232,250)</u> | <u>0</u> |
| Net Cash Used In Financing Activities | <u>(1,066,367)</u> | <u>(819,564)</u> |
| (Decrease) Increase In Cash and Equivalents | (532,094) | 11,412,677 |
| Cash and Equivalents, Beginning | <u>8,715,423</u> | <u>350,659</u> |
| Cash and Equivalents, Ending | <u>\$8,183,329</u> | <u>\$11,763,336</u> |

See Notes to Financial Statements

UNIPROP MANUFACTURED HOUSING COMMUNITIES INCOME FUND II,
A MICHIGAN LIMITED PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

June 30, 2008 (Unaudited)

1. Basis of Presentation:

The accompanying unaudited 2008 financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The balance sheet at December 31, 2007 has been derived from the audited financial statements at that date. Operating results for the six months ended June 30, 2008 are not necessarily indicative of the results that may be expected for the year ending December 31, 2008, or for any other interim period. For further information, refer to the consolidated financial statements and footnotes thereto included in the Partnership's Form 10-K for the year ended December 31, 2007.

2. Recent Accounting Pronouncements:

In September 2006, the Financial Accounting Standards Board ("FASB") issued SFAS No. 157, *Fair Value Measurements*, which defines fair value and establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosure requirements about fair value measurements. In February 2008, the FASB issued Staff Position SFAS No. 157-2 ("FSP") which delays the effective date of SFAS No. 157 for one year for non financial assets and non financial liabilities, except items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The FSP defers the effective date of SFAS No. 157 to fiscal years beginning after November 15, 2008, and for interim periods within those fiscal years. The Partnership adopted SFAS No. 157 for financial assets and liabilities on January 1, 2008. It did not have any impact on its results of operations or financial position and did not result in any additional disclosures. The Partnership is in the process of evaluating the effect, if any, the adoption of FSP No. 157-2 will have on its financial statements.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*, which permits companies to make a one-time election to carry eligible types of financial assets and liabilities at fair value, even if measurement is not required by GAAP. The statement is effective for fiscal years beginning after November 15, 2007. The Partnership adopted SFAS No. 159 on January 1, 2008, resulting in no impact on its financial statements.

In March 2008, the FASB issued SFAS No. 161, *Disclosure about Derivative Instruments and Hedging Activities – An Amendment to FASB Statement No. 133*. SFAS No. 161 requires enhanced disclosures about an entity's derivative and hedging activities. SFAS No. 161 will be effective for financial statements issued for fiscal years beginning after November 15, 2008. The Partnership does not expect SFAS No. 161 will have a material impact on its financial statements.

In May 2008, the FASB issued SFAS No. 162, *The Hierarchy of Generally Accepted Accounting Principles*. SFAS No. 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles (the GAAP hierarchy). SFAS No. 162 will become effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AICPA Professional Standards AU Section 411, *The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles*. The adoption of SFAS No. 162 is not expected to have a material impact on the Partnership's financial statements.

3. Discontinued Operation:

As described in Form 8-K dated March 13, 2007, the Partnership had entered into a Contract for Sale and Purchase of Real and Personal Property with a private buyer for the Paradise Village Manufactured Housing Community located in Tampa, Florida. On May 17, 2007, the buyer closed on the purchase for a price of \$11,725,000 less closing costs for a net proceeds amount of \$11,323,000. The Partnership recognized a gain on sale of property totaling \$5,739,000 for the quarter ended June 30, 2007. The Partnership distributed approximately \$3 million from the sale with the balance of the proceeds being maintained in reserve until such time as the General Partner determines the optimal use of the funds. As a result of the sale, the Partnership has classified the Paradise Village community and associated financial results as "discontinued operations" in the accompanying financial statements for all historical periods.

The major classes of revenue and expenses of Discontinued operations for the six months ended June 30, 2007, were as follows:

(1) Total Revenue of \$6,555,848 consisting of Rent Revenue of \$394,974 and Other Revenue of \$6,160,874; and (2) Total Operating Expenses of \$891,315, consisting of Administrative Expenses of \$621,471, Property Tax Expenses of \$157,532, Utility Expenses of \$35,869, and Property Operation Expenses of \$76,443.

4. Subsequent Event:

As described in Form 8-K dated July 28, 2008, the Partnership had entered into a Contract for Sale and Purchase of Real and Personal Property with a private buyer for the Country Roads Manufactured Housing Community located in Jacksonville, Florida, effective July 14, 2008. On August 7, 2008, the buyer closed on a purchase price of \$3,000,000, less closing costs and prorations of \$210,278 for a net proceeds amount of \$2,789,722. The Partnership estimates a gain on the sale of approximately \$ 1,730,595. Upon completion of the refinancing of the remaining properties during third quarter of 2008, a decision will be made as to the distribution of cash reserves from the sale.

ITEM 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Recent Accounting Pronouncements

In September 2006, the Financial Accounting Standards Board ("FASB") issued SFAS No. 157,

Fair Value Measurements, which defines fair value and establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosure requirements about fair value measurements. In February 2008, the FASB issued Staff Position SFAS No. 157-2 (“FSP”) which delays the effective date of SFAS No. 157 for one year for non financial assets and non financial liabilities, except items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The FSP defers the effective date of SFAS No. 157 to fiscal years beginning after November 15, 2008, and for interim periods within those fiscal years. The Partnership adopted SFAS No. 157 for financial assets and liabilities on January 1, 2008. It did not have any impact on its results of operations or financial position and did not result in any additional disclosures. The Partnership is in the process of evaluating the effect, if any, the adoption of FSP No. 157-2 will have on its financial statements.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*, which permits companies to make a one-time election to carry eligible types of financial assets and liabilities at fair value, even if measurement is not required by GAAP. The statement is effective for fiscal years beginning after November 15, 2007. The Partnership adopted SFAS No. 159 on January 1, 2008, resulting in no impact on its financial statements.

In March 2008, the FASB issued SFAS No. 161, *Disclosure about Derivative Instruments and Hedging Activities – An Amendment to FASB Statement No. 133*. SFAS No. 161 requires enhanced disclosures about an entity’s derivative and hedging activities. SFAS No. 161 will be effective for financial statements issued for fiscal years beginning after November 15, 2008. The Partnership does not expect SFAS No. 161 will have a material impact on its financial statements.

In May 2008, the FASB issued SFAS No. 162, *The Hierarchy of Generally Accepted Accounting Principles*. SFAS No. 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles (the GAAP hierarchy). SFAS No. 162 will become effective 60 days following the SEC’s approval of the Public Company Accounting Oversight Board amendments to AICPA Professional Standards AU Section 411, *The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles*. The adoption of SFAS No. 162 is not expected to have a material impact on the Partnership’s financial statements.

Capital Resources

The Partnership's capital resources consist primarily of its eight manufactured home communities. On August 20, 1998, the Partnership refinanced seven of its eight properties with GMAC Commercial Mortgage Corporation (the “Refinancing”).

As described in Form 8-K dated March 13, 2007, the Partnership had entered into a Contract for Sale and Purchase of Real and Personal Property with a private buyer for the Paradise Village Manufactured Housing Community located in Tampa, Florida. On May 17, 2007, the buyer closed on the purchase for a price of \$11,725,000 less closing costs for a net proceeds amount of \$11,323,000. The Partnership recognized a gain on sale of property totaling \$5,739,000 for the quarter ended June 30, 2007. The Partnership distributed approximately \$3 million from the sale with the balance of the proceeds being maintained in reserve until such time as the General Partner determines the optimal use of the funds. As a result of the sale, the Partnership has

classified the Paradise Village community and associated financial results as “discontinued operations” in the accompanying financial statements for all historical periods.

Liquidity

As a result of the Refinancing, seven of the Partnership’s eight properties are mortgaged. At the time of the Refinancing, the aggregate principal amount due under the seven mortgage notes was \$30,000,000 and the aggregate fair market value of the Partnership’s mortgaged properties was \$66,000,000. The Partnership expects to meet its short-term liquidity needs generally through its working capital provided by operating activities.

Partnership liquidity is based, in part, upon its investment strategy. Upon acquisition, the Partnership anticipated owning the properties for seven to ten years. All of the properties have been owned by the Partnership for more than ten years. The General Partner may elect to have the Partnership own the properties for as long as, in the opinion of the General Partner, it is in the best interest of the Partnership to do so.

The General Partner has decided to distribute \$264,271, or \$.08 per unit, to the unit holders for the second quarter ended June 30, 2008. The General Partner will continue to monitor cash flow generated by the Partnership’s eight properties during the coming quarters. If cash flow generated is greater or lesser than the amount needed to maintain the current distribution level, the General Partner may elect to reduce or increase the level of future distributions paid to Unit Holders.

As of June 30, 2008, the Partnership’s cash balance amounted to \$8,183,329. The level of cash balance maintained is at the discretion of the General Partner.

Results of Operations

Overall, as illustrated in the following table, the Partnership's eight properties reported combined occupancy of 52% at the end of June 2008, versus 56% for June 2007. The average monthly homesite rent as of June 30, 2008 was approximately \$443, versus \$433 from June 2007 (average rent not a weighted average).

| | Total Capacity | Occupied Sites | Occupancy Rate | Average* Rent |
|--------------------------|---------------------------|---------------------------|---------------------------|--------------------------|
| Ardmor Village | 339 | 194 | 57% | \$466 |
| Camelot Manor | 335 | 126 | 38% | 394 |
| Country Roads | 312 | 122 | 39% | 300 |
| Dutch Hills | 278 | 138 | 50% | 395 |
| El Adobe | 367 | 214 | 58% | 483 |
| Stonegate Manor | 308 | 134 | 44% | 381 |
| Sunshine Village | 356 | 195 | 55% | 586 |
| West Valley | <u>421</u> | <u>325</u> | <u>77%</u> | <u>540</u> |
| Total on 6/30/08: | 2,716 | 1,448 | 52% | \$443 |
| Total on 6/30/07: | 2,716 | 1,556 | 56% | \$433 |

*Not a weighted average

| | Gross Revenue | | Net Operating Income and Net Income | | Gross Revenue | | Net Operating Income and Net Income | |
|-------------------------|--------------------|------------------|-------------------------------------|------------------|------------------|------------------|-------------------------------------|------------------|
| | 6/30/2008 | 6/30/2007 | 6/30/2008 | 6/30/2007 | 06/30/2008 | 06/30/2007 | 06/30/2008 | 06/30/2007 |
| | three months ended | | three months ended | | six months ended | | six months ended | |
| Ardmor | \$287,628 | \$384,002 | \$127,563 | \$133,025 | \$551,356 | \$692,069 | \$257,833 | \$274,053 |
| Camelot Manor | 185,237 | 191,430 | 62,949 | 51,847 | 393,673 | 376,573 | 108,503 | 102,027 |
| Country Roads | 117,454 | 193,689 | 23,340 | 26,123 | 241,379 | 327,708 | 56,021 | 65,657 |
| Dutch Hills | 171,376 | 184,723 | 83,705 | 69,749 | 387,225 | 367,877 | 134,366 | 145,884 |
| El Adobe | 328,458 | 310,257 | 168,489 | 152,892 | 636,632 | 623,051 | 340,876 | 313,522 |
| Stonegate | 163,417 | 221,551 | 64,444 | 35,550 | 406,686 | 394,592 | 203,649 | 94,714 |
| Sunshine | 321,380 | 431,559 | 136,641 | 227,946 | 667,972 | 895,830 | 315,640 | 492,280 |
| West Valley | <u>639,329</u> | <u>619,465</u> | <u>319,701</u> | <u>329,284</u> | <u>1,273,018</u> | <u>1,247,972</u> | <u>644,318</u> | <u>648,681</u> |
| | 2,214,279 | 2,536,676 | 986,832 | 1,026,416 | 4,557,941 | 4,925,672 | 2,061,206 | 2,136,818 |
| Partnership Management | 45,946 | 64,836 | (49,905) | (75,883) | 100,334 | 66,130 | (194,223) | (172,238) |
| Other Expense | ----- | ----- | (40,513) | (65,700) | ----- | ----- | (72,961) | (196,992) |
| Interest Expense | ----- | ----- | (416,458) | (426,107) | ----- | ----- | (833,972) | (848,507) |
| Depreciation | ----- | ----- | <u>(391,885)</u> | <u>(399,260)</u> | ----- | ----- | <u>(785,819)</u> | <u>(800,332)</u> |
| Continuing Operations | \$2,260,225 | \$2,601,512 | \$88,071 | \$59,466 | \$4,658,275 | \$4,991,802 | \$174,231 | \$118,748 |
| Discontinued Operations | ----- | <u>6,259,848</u> | ----- | <u>5,599,230</u> | ----- | <u>6,555,848</u> | ----- | <u>5,664,534</u> |
| Total | \$2,260,225 | \$8,861,360 | \$ 88,071 | \$5,658,696 | \$4,658,275 | \$11,547,650 | \$174,231 | \$5,783,282 |

Net Operating Income (“NOI”) is a non-GAAP financial measure equal to net income, the most comparable GAAP financial measure, plus depreciation, interest expense, partnership management expense, and other expenses. The Partnership believes that NOI is useful to investors and the Partnership’s management as an indication of the Partnership’s ability to service debt and pay cash distributions. NOI presented by the Partnership may not be comparable to NOI reported by other companies that define NOI differently, and should not be considered as an alternative to net income as an indication of performance or to cash flows as a measure of liquidity or ability to make distributions.

Comparison of Three Months Ended June 30, 2008 to Three Months Ended June 30, 2007

Gross revenues decreased \$341,287 to \$2,260,225 in 2008, as compared to \$2,601,512 in 2007. The decrease was the result of lower occupancy and home sales due to weak economic conditions. (See table on previous page.)

As described in the Statements of Operations, total operating expenses decreased \$369,893, to \$2,172,154 in 2008, as compared to \$2,542,047 in 2007. The decrease was primarily a result of reduced administrative expense, property operations expense and home sale expense offset by minimal increases in property tax and utilities expenses.

As a result of the aforementioned factors, Net Income from continued operations increased to \$88,071 for the second quarter of 2008 compared to \$59,465 for the second quarter of 2007.

Comparison of Six Months Ended June 30, 2008 to Six Months Ended June 30, 2007

Gross revenues decreased \$333,527 to \$4,658,275 in 2008, from \$4,991,802 in 2007. The decrease was mainly due to a decrease in rent revenue due to lower occupancy as a result of weak economic conditions. (See table on previous page.) This was offset by the receipt of insurance proceeds as a result of storm damage at the Stonegate Manor property.

As described in the Statements of Operations, total operating expenses decreased \$389,010, to \$4,484,044 in 2008, as compared to \$4,873,054 in 2007. The decrease was primarily a result of reduced administrative expense, property operations expense and home sale expense offset by minimal increases in property tax and utilities expenses.

As a result of the aforementioned factors, Net Income from continuing operations increased to \$174,231 for the second quarter of 2008 compared to \$118,748 for the first quarter of 2007.

ITEM 3.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Partnership is exposed to interest rate rise primarily through its borrowing activities. There is inherent roll over risk for borrowings as they mature and are renewed at current market rates. The extent of this risk is not quantifiable or predictable because of the variability of future interest rates and the Partnership's future financing requirements.

Note Payable: At June 30, 2008 the Partnership had a note payable outstanding in the amount of \$25,381,616. Interest on this note is at a fixed annual rate of 6.37% through March 2009. This note is currently in the process of being refinanced.

The Partnership does not enter into financial instruments transactions for trading or other speculative purposes or to manage its interest rate exposure.

ITEM 4.

CONTROLS AND PROCEDURES

As of the end of the period covered by this report, the Partnership carried out an evaluation, under the supervision and with the participation of the Principal Executive Officer and the Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15. Based upon, and as of the date of, this evaluation, the Principal Executive Officer and the Principal Financial Officer concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed in the quarterly report is recorded, processed, summarized and reported as and when required.

There was no change in the Partnership's internal controls over financial reporting that occurred during the most recent completed quarter that has materially affected, or is reasonably likely to materially affect, the Partnership's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

On January 17, 2008, a Housing Discrimination Complaint was filed with the U. S. Department of Housing and Urban Development (“HUD”). This is specifically in relation to West Valley located in Las Vegas, NV. After an investigation of the complaint, the Partnership has since received notification from HUD stating that based on the evidence obtained during the investigation, no reasonable cause exists to believe that any discriminatory housing practice has occurred. As a result, the complaint has been dismissed.

ITEM 1A. RISK FACTORS

FACTORS THAT MAY AFFECT FUTURE OPERATING RESULTS

The following risks and uncertainties could cause our business, financial condition or results of operations to be materially adversely affected. In that case, we might not be able to pay distributions on our Units, the net asset values of the Units could decline, and a Unit holder might lose all or a portion of its investment.

1. **Real Estate Investments.** The Partnership’s investments are subject to the same risks generally incident to the ownership of real estate including: the uncertainty of cash flow to meet fixed or variable obligations, adverse changes in economic conditions, changes in the investment climate for real estate, adverse changes in local market conditions, changes in interest rates and the availability of mortgage funds or chattel financing, changes in real estate tax rates, governmental rules and regulations, acts of God and the inability to attract or retain residential tenants.

Residential real estate, including manufactured housing communities, is subject to adverse housing pattern changes and uses, vandalism, rent controls, rising operating costs and adverse changes in local market conditions such as a decrease in demand for residential housing due to a decrease in employment. State governments also often regulate the relationship between manufactured housing community owners and residents.

The manufactured housing industry is now in the seventh consecutive year of declining unit sales due, in part, to lack of financing for the purchase of manufactured homes intended to be sited in land-lease communities.

2. **Real Estate Appraisals.** The Partnership appraises its properties annually. Should the Partnership actually sell a property, the net cash proceeds from the sale may or may not correspond to the appraised value. In the event the appraised value exceeds the actual value, the Partnership’s ability to meet its obligations would be adversely affected.
3. **The General Partner and its Affiliates have Conflicts of Interest.** Although the General Partner has a fiduciary duty to manage the Partnership in a manner beneficial to the Unit holders, the directors and officers of the General Partner have a fiduciary duty to manage

the General Partner in a manner beneficial to its owners. Furthermore, certain directors and officers of the General Partner are directors or officers of affiliates of the General Partner. Conflicts of interest may arise between the General Partner and its affiliates and the Unit holders. As a result of these conflicts, the General Partner may favor its own interests and the interests of its affiliates over the interests of the Unit holders.

4. **Reliance on General Partner's Direction and Management of the Properties.** The success of the Partnership will, to a large extent, depend on the quality of the management of the Properties by the General Partner and affiliates of the General Partner and their collective judgment with respect to the operation, financing and disposition of the Properties. To the extent that the General Partner and its affiliates are unable to hire and retain quality management talent, the Partnership's financial results and operations may be adversely affected.
5. **Federal Income Tax Risks.** Federal income tax considerations will affect materially the economic consequences of an investment in the Properties. The tax consequences of the Partnership's activities are complex and subject to many uncertainties. Changes in the federal income tax laws or regulations may adversely affect the Partnership's financial results and its ability to make distributions to the Unit holders. Additionally, the tax benefits enjoyed by the Unit holders may be reduced or eliminated.
6. **Limited Liquidity of the Units.** The transfer of Units is subject to certain limitations. The public market for such Units is limited. Unit Holders may not be able to liquidate their investment promptly or at favorable prices, if at all.
7. **Competition.** The business of owning and operating residential manufactured housing communities is highly competitive. The Partnership competes with a number of established communities having greater financial resources. Moreover, there has been a trend for manufactured housing community residents to purchase home sites either collectively or individually. Finally, the popularity and affordability of site built homes has also increased in recent years while the availability of chattel financing has decreased. These trends have resulted in increased competition for tenants to occupy the Partnership properties.
8. **Management and Control of Partnership Affairs.** The General Partner is vested with full authority as to the general management and supervision of the business affairs of the Partnership. The Unit Holders do not have the right to participate in the management of the Partnership or its operations. However, the vote of Unit Holders holding more than 50% of the outstanding interests is required to: (a) amend the Partnership Agreement; (b) approve or disprove the sale in one, or a series of, transactions of all or substantially all of the assets of the Partnership; (c) dissolve the Partnership; (d) remove the General Partner; or (e) approve certain actions by the General Partner that the Consultant recommends against.
9. **Uninsured Losses.** The Partnership carries comprehensive insurance, including liability, fire and extended coverage, and rent loss insurance which is customarily obtained for real estate projects. There are certain types of losses, however, that may be uninsurable or not economically insurable such as certain damage caused by a hurricane. If such losses were to be incurred, the financial position and operations of the Partnership as well as the Partnership's ability to make distributions would be adversely affected.

10. **Environmental Matters.** Because the Partnership deals with real estate, it is subject to various federal, state and local environmental laws, rules and regulations. Changes in such laws, rules and regulations may cause the Partnership to incur increased costs of compliance which may have a material adverse effect on the operations of the Partnership and its ability to make distributions to Unit holders.
11. **No Guarantee of Distributions.** The General Partner may withhold cash for extended periods of time if such cash is necessary to build cash reserves or for the conduct of the Partnership's business. A Unit holder will be required to pay federal income taxes, and, in some cases, state and local income taxes on the Unit holder's share of the Partnership's taxable income, whether or not cash distributions are made by the Partnership. A Unit holder may not receive cash distributions from the Partnership equal to the holder's share of taxable income or even equal to the tax liability that results from the Unit holder's share of the Partnership's taxable income.
12. **The Partnership May Not be Able to Generate Sufficient Working Capital to Fund its Operations.** There can be no assurance that the Partnership will generate sufficient working capital from operations to operate the business or to fund distributions. Further, there can be no assurance that the Partnership will be able to borrow additional funds on terms favorable to the Partnership, if at all, to meet unanticipated working capital needs or to make distributions to the Unit holders.

ITEM 6.

EXHIBITS

- Exhibit 31.1** Principal Executive Officer Certification pursuant to Rule 13a-14(a)/15d-14(a) of The Securities and Exchange Act of 1934, as amended
- Exhibit 31.2** Principal Financial Officer Certification pursuant to Rule 13a-14(a)/15d-14(a) of The Securities and Exchange Act of 1934, as amended
- Exhibit 32.1** Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes –Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Uniprop Manufactured Housing Communities
Income Fund II, a Michigan Limited Partnership

BY: Genesis Associates Limited Partnership,
General Partner

BY: Uniprop, Inc.,
its Managing General Partner

By: /s/ Paul M. Zlotoff
Paul M. Zlotoff, President

By: /s/ Joel Schwartz
Joel Schwartz, Principal Financial Officer

Dated: August 13, 2008

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Paul M Zlotoff, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Uniprop Manufactured Housing Income Fund II;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 13, 2008

Signature: /s/ Paul M. Zlotoff

Paul M. Zlotoff, Principal Executive Officer
President & Director of Uniprop, Inc.

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Joel Schwartz, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Uniprop Manufactured Housing Income Fund II;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this I report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 13, 2008

Signature: /s/ Joel Schwartz

Joel Schwartz, Principal Financial Officer
Chief Financial Officer of Uniprop Inc.

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Uniprop Manufactured Housing Communities Income Fund II (the "Company") on Form 10-Q for the period ending June 30, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I Paul M Zlotoff, Principal Executive Officer of the Company, Joel Schwartz, Principal Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Act of 1934; and
2. The information contained in the Report fairly presents, in all material respect, the financial condition and results of operations of the Company.

/s/ Paul M Zlotoff
Principal Executive Officer,
General Partner to Genesis Associates Limited Partnership
President & Director of Uniprop Inc.

/s/ Joel Schwartz
Principal Financial Officer of Uniprop, Inc.

August 13, 2008