

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, 2009**  
 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**

<b>ASSETS</b>	<b><u>June 30,2009</u></b> <b>(Unaudited)</b>	<b><u>December 31, 2008</u></b>
Properties:		
Land	\$8,952,937	\$8,952,937
Buildings And Improvements	41,388,076	41,241,255
Furniture And Fixtures	<u>572,012</u>	<u>560,906</u>
	\$50,913,025	\$50,755,098
Less Accumulated Depreciation	<u>(28,925,113)</u>	<u>(28,197,016)</u>
	\$21,987,912	\$22,558,082
Cash And Cash Equivalents	7,095,478	7,469,961
Unamortized Finance Costs	666,046	679,922
Manufactured Homes and Improvements	514,050	787,563
Other Assets	<u>1,822,390</u>	<u>1,383,357</u>
Total Assets	<u>\$32,085,876</u>	<u>\$32,878,885</u>
<b>LIABILITIES &amp; PARTNERS' EQUITY</b>	<b><u>June 30,2009</u></b> <b>(Unaudited)</b>	<b><u>December 31, 2008</u></b>
Accounts Payable	\$113,409	\$91,120
Other Liabilities	674,880	489,596
Notes Payable	<u>22,945,117</u>	<u>23,133,242</u>
Total Liabilities	\$23,733,406	\$23,713,958
Partners' Equity:		
General Partner	415,589	418,428
Unit Holders	<u>7,936,881</u>	<u>8,746,499</u>
Total Partners' Equity	<u>\$8,352,470</u>	<u>\$9,164,927</u>
Total Liabilities And Partners' Equity	<u>\$32,085,876</u>	<u>\$32,878,885</u>

See Notes to Financial Statements

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

<b>STATEMENTS OF OPERATIONS (unaudited)</b>	<b>SIX MONTHS ENDED</b>		<b>THREE MONTHS ENDED</b>	
	<u>June 30, 2009</u>	<u>June 30, 2008</u>	<u>June 30, 2009</u>	<u>June 30, 2008</u>
Income:				
Rental Income	\$3,628,871	\$3,568,262	1,821,805	1,757,014
Home Sale Income	385,140	424,634	225,250	213,240
Other	<u>281,013</u>	<u>424,000</u>	<u>140,352</u>	<u>172,517</u>
Total Income	<u>\$4,295,024</u>	<u>\$4,416,896</u>	<u>2,187,407</u>	<u>2,142,771</u>
Operating Expenses:				
Administrative Expenses (Including \$192,793, \$201,775, \$96,779 and \$99,207, in Property Management Fees Paid to an Affiliate for the Six and Three Month Period Ended June 30, 2009 and 2008 Respectively)	1,199,756	1,103,295	549,163	497,632
Property Taxes	492,979	461,109	245,757	230,520
Utilities	311,894	301,709	143,694	145,738
Property Operations	551,551	334,841	166,361	181,924
Depreciation	728,097	722,753	358,537	358,830
Interest	776,546	833,972	387,492	416,458
Home Sale Expense	<u>518,116</u>	<u>477,777</u>	<u>374,336</u>	<u>213,720</u>
Total Operating Expenses	<u>\$4,578,939</u>	<u>\$4,235,456</u>	<u>\$2,225,340</u>	<u>\$2,044,822</u>
(Loss) Income from Continued Operations	<u>(\$283,915)</u>	<u>\$181,440</u>	<u>(\$37,933)</u>	<u>\$97,949</u>
(Loss) Income from Discontinued Operations	<u>\$0</u>	<u>(\$7,209)</u>	<u>\$0</u>	<u>(\$9,878)</u>
Net (Loss) Income	<u>(\$283,915)</u>	<u>\$174,231</u>	<u>(\$37,933)</u>	<u>\$88,071</u>
(Loss) Income Per Unit:				
Continued Operations	(0.09)	0.05	(0.02)	0.03
Discontinued Operations	0.00	0.00	0.00	0.00
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, 2009 and 2008.	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, 2008	\$418,428	\$8,746,499	\$9,164,927
Distributions		(528,542)	(528,542)
Net (Loss) Income	(2,839)	(281,076)	(\$283,915)
Balance as of June 30, 2009	<u>\$415,589</u>	<u>\$7,936,881</u>	<u>\$8,352,470</u>

See Notes to Financial Statements

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

**STATEMENTS OF CASH FLOWS**

(Unaudited)

	<b>SIX MONTHS ENDED</b>	
	<b><u>June 30,2009</u></b>	<b><u>June 30,2008</u></b>
Cash Flows From Operating Activities:		
Net (Loss) Income	<u>(\$283,915)</u>	<u>\$174,231</u>
Adjustments To Reconcile Net (Loss) Income To Net Cash Provided By		
Operating Activities:		
Depreciation	728,097	785,819
Amortization	13,876	10,458
Decrease (Increase) in Manufactured Homes and Home Improvemer	273,513	(203,374)
Increase In Other Assets	(439,033)	(394,123)
Increase In Accounts Payable	22,289	19,668
Increase In Other Liabilities	<u>185,284</u>	<u>178,276</u>
Total Adjustments	<u>\$784,026</u>	<u>\$396,724</u>
Net Cash Provided By Operating Activities	<u>\$500,111</u>	<u>\$570,955</u>
Cash Flows Used In Investing Activities:		
Purchase of property and equipment	<u>(\$157,927)</u>	<u>(\$36,682)</u>
Cash Flows From Financing Activities:		
Distributions To Unit Holders	(528,542)	(528,542)
Payment On Mortgage	(188,125)	(305,575)
Deferred Financing Cost	<u>0</u>	<u>(232,250)</u>
Net Cash Used In Financing Activities	<u>(\$716,667)</u>	<u>(\$1,066,367)</u>
Decrease In Cash and Equivalents	(\$374,483)	(\$532,094)
Cash and Equivalents, Beginning	<u>7,469,961</u>	<u>8,715,423</u>
Cash and Equivalents, Ending	<u>\$7,095,478</u>	<u>\$8,183,329</u>

See Notes to Financial Statements

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

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2009 (Unaudited)

**1. Basis of Presentation:**

The accompanying unaudited 2009 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 notes 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, 2008 has been derived from the audited financial statements at that date. Operating results for the three and six months ended June 30, 2009 are not necessarily indicative of the results that may be expected for the year ending December 31, 2009, 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, 2008.

In accordance with Statement of Financial Accounting Standards ("SFAS") No. 165, *Subsequent Events*, we have evaluated subsequent events through the date of this filing. We do not believe there are any material subsequent events which would require further disclosure.

**2. Recent Accounting Pronouncements:**

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements". SFAS No. 157 provides enhanced guidance for using fair value to measure assets and liabilities. It does not require any new fair value measurements, but does require expanded disclosures to provide information about the extent to which fair value is used to measure assets and liabilities, the methods and assumptions used to measure fair value, and the effect of fair value measures on earnings. SFAS No. 157 is effective for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years, with early adoption encouraged. In February 2008, the FASB issued FASB Staff Position SFAS No. 157-2, "Effective Date of FASB Statement No. 157" ("FSP"). The FSP delayed, for one year, the effective date of SFAS No. 157 for all nonfinancial assets and liabilities, except those that are recognized or disclosed in the financial statements on at least an annual basis. As such, we partially adopted the provisions of SFAS No. 157 effective January 1, 2008. The partial adoption of this statement did not have a material impact on our financial statements. We adopted the deferred provisions of SFAS No. 157 effective January 1, 2009 and impacts the way in which we calculate fair value for assets and liabilities when conditions exist that require us to calculate the fair value of long-lived assets. The adoption of this pronouncement did not have a significant impact on our financial statements, except for the additional disclosures that are required.

FSP FAS 107-1 and APB 28-1, "Interim Disclosures about Fair Value of Financial Instruments," enhances consistency in financial reporting by increasing the frequency of fair value disclosures. This guidance is effective for interim and annual reporting periods ending after June 15, 2009. The adoption of this pronouncement did not have a significant impact on our financial statements.

FSP FAS 157-4, "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly," provides guidelines for making fair value measurements more consistent with the principles presented in FASB Statement No. 157, "Fair Value Measurements." This guidance is effective for interim and annual reporting periods ending after June 15, 2009. The adoption of this pronouncement did not have a significant impact on our 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 adoption of this pronouncement did not 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.

In May 2009, the FASB issued SFAS No. 165, *Subsequent Events*. SFAS 165 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. Although there is new terminology, the standard is based on the same principles as those that currently exist in the auditing standards. The standard also includes a required disclosure of the date through which the entity has evaluated subsequent events and whether the evaluation date is the date of issuance or the date the financial statements were available to be issued. The standard is effective for interim or annual periods ending after June 15, 2009. The Company has complied with the disclosure requirements.

In June 2009, the FASB issued SFAS No. 168, *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles – a replacement of FASB Statement No. 162*. The *FASB Accounting Standards Codification* (Codification) will become the source of authoritative U.S. generally accepted accounting principles (GAAP) recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. On the effective date of this Statement, the Codification will supersede all then-existing non-SEC accounting and reporting standards. All other non-grandfathered non-SEC accounting literature not included in the Codification will become non-authoritative. This Statement is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The Company will comply with the requirements of the Statement beginning in the third quarter of 2009.

### **3. Discontinued Operation:**

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. On August 7, 2008, the sale closed with a purchase price of \$3,000,000, less closing costs for proceeds in the amount of \$2,934,000. The Partnership recognized a gain on the sale of approximately \$ 881,000. The Partnership distributed approximately \$562,000 from the sale to its unit holders 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 Country Roads 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 period ending June 30, 2008, were as follows:

(1) Total Revenue of \$241,379 consisting of Rent Revenue of \$213,500 and Other Revenue of \$27,879; and (2) Total Operating Expenses of \$248,588, consisting of Administrative Expenses of \$93,411, Property Tax Expenses of \$29,712, Utility Expenses of \$33,485, Property Operation Expenses of \$28,914, and Depreciation Expense of \$63,066.

### **4. Mortgage Payable:**

On August 29, 2008, the Partnership refinanced its existing mortgage note payable and executed seven new mortgages payable in the amount of \$23,225,000 secured by the seven properties of the Partnership. To pay off the prior mortgage balance of \$25,277,523 and the costs of refinancing, the Partnership transferred \$2,735,555 from cash reserves. The mortgages are payable in monthly installments of interest and principal through September 2033. Interest on these notes is accrued at a fixed rate of 6.625% for five years, at which time, the rate will reset to the lender's then prevailing market rate. As of June 30, 2009 the balance on these notes was \$22,945,117.

The Partnership incurred \$693,798 in financing costs as a result of the refinancing which is being amortized over the life of the loan. This included a 1% fee payable to an affiliate of the General Partner.

Future maturities on the note payable for the next five years and thereafter are as follows: remainder of 2009 - \$194,443; 2010 - \$408,698; 2011 - \$436,612; 2012 - \$466,432; 2013 - \$498,289; and thereafter - \$20,940,643.

### **5. Fair Value Measurements:**

The Partnership does not have assets or liabilities which are measured at fair value on a recurring basis. Effective January 1, 2009, all other nonfinancial assets and liabilities measured at fair values in financial statements on a nonrecurring basis are subject to SFAS No. 157. Nonfinancial nonrecurring assets and liabilities included on our balance sheets include long lived assets that are measured at fair value to test for and measure an impairment change, when necessary. No such

nonfinancial assets or liabilities were subject to SFAS No. 157 for the quarter ended June 30, 2009.

## ITEM 2.

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

#### Critical Accounting Policies

See Part II, Item 7 – Critical Accounting Policies, our consolidated financial statements and related notes in Part IV, Item 15 of our Annual Report on Form 10-K for the year ended December 31, 2008 filed with the SEC on March 30, 2009 for accounting policies and related estimates we believe are the most critical to understanding condensed consolidated financial statements, financial conditions and results of operations and which require complex management judgment and assumptions or involve uncertainties. There have been no material changes to the critical accounting policies and estimates previously disclosed in that report.

#### Recent Accounting Pronouncements

See Note 2 – Recent Accounting Pronouncements of this Report for recent accounting pronouncements that may have an impact on the Company's consolidated financial statements.

#### Liquidity and Capital Resources

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 Partnership's capital resources consist primarily of its seven manufactured home communities. On August 29, 2008, the Partnership refinanced these properties with Stancorp Mortgage Investors, LLC (the "Refinancing") in the amount of \$23,225,000 secured by the seven properties of the Partnership. To pay off the prior mortgage balance of \$25,277,523 and the costs of refinancing, the Partnership transferred \$2,735,555 from cash reserves. The mortgages are payable in monthly installments of interest and principal through September 2033. Interest on these notes are accrued at a fixed rate of 6.625% for five years, at which time, the rate will reset to the lenders then prevailing market rate. As of June 30, 2009 the balance on these notes was \$22,945,117. The Partnership incurred \$693,798 in financing costs as a result of the refinancing which is being amortized over the life of the loan. This included a 1% fee payable to an affiliate of the General Partner.

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. On August 7, 2008, the buyer closed on a purchase price of \$3,000,000, less closing costs for proceeds in the amount of \$2,934,000. The Partnership recognized a gain on the sale of approximately \$ 881,000. As a result of the sale, the Partnership has classified the Country Roads community and associated financial results as "discontinued operations" in the accompanying financial statements for all historical periods.

As a result of the Refinancing, all of the Partnership's seven properties are mortgaged. At the time of the Refinancing, the aggregate principal amount due under the seven mortgage notes was \$23,225,000 and the aggregate fair market value of the Partnership's mortgaged properties was \$73,550,000. The Partnership expects to meet its short-term liquidity needs generally through its working capital provided by operating activities.

The General Partner has decided to distribute \$264,271, or \$.08 per unit, to the unit holders for the second quarter ended June 30, 2009. The General Partner will continue to monitor cash flow generated by the Partnership's seven 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, 2009, the Partnership's cash balance amounted to \$7,095,478. 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 seven properties reported combined occupancy of 53% at the end of June 2009 versus 54% at the end of June 2008. The average monthly homesite rent as of June 30, 2009 was approximately \$473, versus \$463 from June 2008 (average rent not a weighted average).

	<b>Total Capacity</b>	<b>Occupied Sites</b>	<b>Occupancy Rate</b>	<b>Average* Rent</b>
Ardmor Village	339	181	53%	\$480
Camelot Manor	335	125	37%	403
Dutch Hills	278	129	46%	404
El Adobe	367	201	55%	498
Stonegate Manor	308	125	41%	390
Sunshine Village	356	232	65%	586
West Valley	<u>421</u>	<u>325</u>	<u>77%</u>	<u>552</u>
<b>Total on 6/30/09:</b>	<b>2,404</b>	<b>1,318</b>	<b>53%</b>	<b>\$473</b>
<b>Total on 6/30/08:</b>	<b>2,404</b>	<b>1,326</b>	<b>54%</b>	<b>\$463</b>

**\*Not a weighted average**

	Gross Revenue		Net Operating Income and Net (Loss) Income		Gross Revenue		Net Operating Income and Net (Loss) Income	
	6/30/2009	6/30/2008	6/30/2009	6/30/2008	06/30/2009	06/30/2008	06/30/2009	06/30/2008
	three months ended		three months ended		six months ended		six months ended	
Ardmor	\$268,987	\$287,628	\$103,974	\$127,563	\$530,233	\$551,356	\$227,476	\$257,833
Camelot Manor	153,124	185,237	46,405	62,949	339,032	393,673	85,171	108,503
Dutch Hills	170,791	171,376	67,961	83,705	337,406	387,225	140,695	134,366
El Adobe	330,722	328,458	155,436	168,489	643,714	636,632	320,618	340,876
Stonegate	180,493	163,417	52,022	64,444	338,490	406,686	104,915	203,649
Sunshine	411,097	321,380	172,607	136,641	806,847	667,972	342,517	315,640
West Valley	<u>668,061</u>	<u>639,329</u>	<u>255,689</u>	<u>319,701</u>	<u>1,281,509</u>	<u>1,273,018</u>	<u>621,591</u>	<u>644,318</u>
	2,183,275	2,096,825	854,094	963,492	4,277,231	4,316,562	1,842,983	2,005,185
Partnership Management	4,132	45,946	(110,955)	(49,905)	17,793	100,334	(317,916)	(194,223)
Other Expense	-----	-----	(35,043)	(40,350)	-----	-----	(304,339)	(72,797)
Interest Expense	-----	-----	(387,492)	(416,458)	-----	-----	(776,546)	(833,972)
Depreciation	-----	-----	<u>(358,537)</u>	<u>(358,830)</u>	-----	-----	<u>(728,097)</u>	<u>(722,753)</u>
Continuing Operations	\$2,187,407	\$2,142,771	(\$37,933)	\$97,949	\$4,295,024	\$4,416,896	(\$283,915)	\$181,440
Discontinued Operations	-----	<u>117,454</u>	-----	<u>(9,878)</u>	-----	<u>241,379</u>	-----	<u>(7,209)</u>
	\$2,187,407	\$2,260,225	(\$37,933)	\$88,071	\$4,295,024	\$4,658,275	(\$283,915)	\$174,231

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, 2009 to Three Month Ended June 30, 2008

Gross revenues from continuing operations increased \$44,636 to \$2,187,407 in 2009, from \$2,142,771 in 2008. This was mainly due to increased occupancy at the Sunshine Village property, in Davie Florida, as a result of the relocation of residents from a neighboring, closed manufactured home community.

As described in the Statements of Operations, total operating expenses increased \$180,518, to \$2,225,340 in 2009, as compared to \$2,044,822 in 2008. This was mainly a result of increased administrative and home sale expenditures.

As a result of the aforementioned factors, the Partnership experienced a Net Loss from continuing operations of \$37,933 for the second quarter of 2009 compared to Net Income of \$97,949 for the second quarter of 2008.

### **Comparison of Six Months Ended June 30, 2009 to Six Months Ended June 30, 2008**

Gross revenues from continuing operations decreased \$121,872 to \$4,295,024 in 2009, from \$4,416,896 in 2008. The decrease was mainly due to a decrease in other income and home sale income as a result of weak economic conditions. Other income in 2008 included insurance proceeds resulting from storm damage at the Stonegate Manor property in Lansing, Michigan.

As described in the Statements of Operations, total operating expenses from continuing operations increased \$343,483, to \$4,578,939 in 2009, as compared to \$4,235,456 in 2008. The increase was primarily a result of increased property operations expenditures relating to the relocation of residents from a neighboring, closed manufactured home community into the Sunshine Village property in Davie, Florida.

As a result of the aforementioned factors, the Partnership experienced a Net Loss from continuing operations of \$283,915 in 2009 as compared to Net Income of \$181,440 in 2008.

### **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, 2009 the Partnership had notes payable outstanding in the amount of \$22,945,117. Interest on these notes is at a fixed annual rate of 6.625% through September 2013, at which time, the rate will reset to the lender's then prevailing market rate.

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**

None.

### **ITEM 1A. RISK FACTORS**

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2008, which could materially affect our business, financial condition or future results. The risks described in our Annual Report on Form 10-K are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may adversely affect our business, financial condition and/or operating results.

### **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 7, 2009

Exhibit 31.1

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 7, 2009

Signature: /s/ Paul M. Zlotoff

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

## Exhibit 31.2

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 7, 2009

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, 2009 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 GP Genesis Corp.

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

August 7, 2009