

Uniprop Manufactured Housing Communities Income Fund II (a Michigan limited partnership)

Balance Sheets

Report of Independent Registered Public Accounting Firm

To the Partners
Uniprop Manufactured Housing
Communities Income Fund II
(a Michigan limited partnership)

We have audited the accompanying balance sheets of Uniprop Manufactured Housing Communities Income Fund II (a Michigan limited partnership), as of December 31, 2008 and 2007, and the related statements of income, partners' equity and cash flows for each of the three years in the period ended December 31, 2008. In connection with our audits of the financial statements, we have also audited the financial statement schedule listed under Item 15 of Form 10-K. These financial statements and schedule are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and schedule. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Uniprop Manufactured Housing Communities Income Fund II at December 31, 2008 and 2007 and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2008 in conformity with accounting principles generally accepted in the United States of America.

Also, in our opinion, the financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.



Troy, Michigan
March 27, 2009

December 31,

2008

2007

Assets

Property and Equipment

Buildings and improvements	\$ 41,241,255	\$ 41,055,929
Land	8,952,937	8,952,937
Furniture and equipment	560,906	535,620

	50,755,098	50,544,486
Less accumulated depreciation	28,197,016	26,751,801

Net Property and Equipment

22,558,082 23,792,685

Cash	7,469,961	8,715,423
Manufactured homes and improvements	787,563	699,540
Unamortized financing costs	679,922	428,541
Other assets	1,383,357	1,291,121
Asset of discontinued operations	-	2,161,497

\$ 32,878,885 \$ 37,088,807

Liabilities and Partners' Equity

Note payable	\$ 23,133,242	\$ 25,687,191
Accounts payable	91,120	142,026
Other liabilities	489,596	363,322
Liabilities of discontinued operations	-	33,334

Total Liabilities

23,713,958 26,225,873

Partners' Equity

Unit holders - 3,303,387 units issued and outstanding	8,746,499	10,443,713
General partner	418,428	419,221

Total Partners' Equity

9,164,927 10,862,934

\$ 32,878,885 \$ 37,088,807

See accompanying notes to financial statements.

Unipro Manufacturing Housing Communities Income Fund II (a Michigan limited partnership)

Statements of Income

<i>Year Ended December 31,</i>	2008	2007	2006
Revenue			
Rental	\$ 7,088,651	\$ 7,420,226	\$ 7,963,995
Home sale income	889,568	886,693	1,119,095
Other	789,298	959,097	841,942
	8,767,517	9,266,016	9,925,032
Operating Expenses			
Administrative	2,267,489	2,288,136	2,702,898
Property taxes	1,003,404	1,054,276	889,809
Utilities	612,573	613,041	633,835
Property operations	1,111,854	997,834	1,251,355
Depreciation	1,456,950	1,466,037	1,466,331
Interest	2,120,139	1,698,382	1,735,128
Home sale expense	1,099,491	1,020,577	1,209,151
	9,671,900	9,138,283	9,888,507
(Loss) Income from Continuing Operations	(904,383)	127,733	36,525
Discontinued Operations			
(Loss) income from discontinued operations	(55,620)	(82,070)	31,410
Net gain on sale of discontinued operations	880,656	5,738,731	-
Income from Discontinued Operations	825,036	5,656,661	31,410
Net (Loss) Income	\$ (79,347)	\$ 5,784,394	\$ 67,935
(Loss) Income Per Limited Partnership Unit - Continuing Operations	\$ (.27)	\$.04	\$.01
Income Per Limited Partnership Unit - Discontinued Operations	\$.25	\$ 1.71	\$.01
Total (Loss) Income Per Limited Partnership Unit	\$ (.02)	\$ 1.75	\$.02
Distributions Per Limited Partnership Unit	\$.49	\$ 1.22	\$.36
Weighted Average Number of Limited Partnership Units Outstanding	3,303,387	3,303,387	3,303,387
Net (Loss) Income Allocable to General Partner	\$ (793)	\$ 57,844	\$ 680
Distributions Allocable to General Partner	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

Unipro Manufacturing Housing Communities Income Fund II (a Michigan limited partnership)

Statements of Partners' Equity Years Ended December 31, 2008, 2007 and 2006

	<i>General Partner</i>	<i>Unit Holders</i>	<i>Total</i>
Balance, January 1, 2006	\$ 360,697	\$ 9,869,259	\$ 10,229,956
Distributions to unit holders	-	(1,189,219)	(1,189,219)
Net income for the year	680	67,255	67,935
Balance, December 31, 2006	361,377	8,747,295	9,108,672
Distributions to unit holders	-	(4,030,132)	(4,030,132)
Net income for the year	57,844	5,726,550	5,784,394
Balance, December 31, 2007	419,221	10,443,713	10,862,934
Distributions to unit holders	-	(1,618,660)	(1,618,660)
Net loss for the year	(793)	(78,554)	(79,347)
Balance, December 31, 2008	\$ 418,428	\$ 8,746,499	\$ 9,164,927

See accompanying notes to financial statements.

**Unipro Manufacturing Housing
Communities Income Fund II
(a Michigan limited partnership)**

Statements of Cash Flows

<i>Year Ended December 31,</i>	2008	2007	2006
Cash Flows From Operating Activities			
Net (loss) income	\$ (79,347)	\$ 5,784,394	\$ 67,935
Adjustments to reconcile net (loss) income to net cash provided by operating activities			
Depreciation	1,516,524	1,592,619	1,907,000
Amortization and write off of deferred financing costs	442,417	20,916	20,916
Gain on sale of property	(880,656)	(5,738,731)	-
(Increase) decrease in manufactured homes and improvements	(76,350)	102,444	(23,211)
(Increase) decrease in other assets	(34,497)	266,398	135,387
(Decrease) increase in accounts payable	(67,727)	(142,559)	126,402
Increase (decrease) in other liabilities	109,761	(123,569)	(55,770)
Net Cash Provided By Operating Activities	930,125	1,761,912	2,178,659
Cash Flows From Investing Activities			
Purchase of property and equipment	(243,180)	(103,616)	(354,633)
Net proceeds from sale of property	2,934,000	11,323,487	-
Net Cash Provided By (Used In) Investing Activities	2,690,820	11,219,871	(354,633)
Cash Flows From Financing Activities			
Distributions to unit holders	(1,618,660)	(4,030,132)	(1,189,219)
Payment on prior mortgage	(25,687,191)	-	-
Proceeds from mortgage refinancing	23,225,000	-	-
Repayments of notes payable	(91,758)	(586,887)	(550,276)
Debt issuance costs	(693,798)	-	-
Net Cash Used In Financing Activities	(4,866,407)	(4,617,019)	(1,739,495)
Net (Decrease) Increase In Cash	(1,245,462)	8,364,764	84,531
Cash, at beginning of year	8,715,423	350,659	266,128
Cash, at end of year	\$ 7,469,961	\$ 8,715,423	\$ 350,659

See accompanying notes to financial statements.

Unipro Manufacturing Housing Communities Income Fund II (a Michigan limited partnership)

Notes to Financial Statements

1. Summary of Accounting Policies

Organization and Business

Unipro Manufacturing Housing Communities Income Fund II, a Michigan Limited Partnership (the "Partnership") acquired, maintains, operates and will ultimately dispose of income producing residential real properties consisting of seven, eight and nine at December 31, 2008, 2007, and 2006, respectively, manufactured housing communities (the "properties") located in Florida, Michigan, Nevada and Minnesota. The Partnership was organized and formed under the laws of the State of Michigan on November 7, 1986.

In accordance with its Prospectus dated December 1986, the Partnership sold 3,303,387 units of beneficial assignment of limited partnership interest ("Units") for \$66,068,000. The Partnership purchased nine properties for an aggregate purchase price of approximately \$58,000,000. Three of the properties costing approximately \$16,008,000 were previously owned by entities which were affiliates of the general partner. One property was sold in 2007 and one was sold in 2008 leaving a total of seven properties on December 31, 2008.

The general partner is Genesis Associates Limited Partnership. Unipro Beneficial Corporation was the initial limited partner who assigned to those persons purchasing units a beneficial limited partnership interest when the minimum numbers of units were sold.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of (1) assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and (2) revenues and expenses during the reporting period. Actual results could differ from these estimates.

Fair Values of Financial Instruments

The carrying amounts of cash, accounts payable and notes payable approximate their fair values.

Unipro Manufacturing Housing Communities Income Fund II (a Michigan limited partnership)

Notes to Financial Statements

Property and Equipment

Property and equipment are stated at cost. Depreciation is provided using the straight-line method over a period of thirty years except for furniture and equipment which is depreciated over a period ranging from three to ten years.

Accumulated depreciation on continuing properties for tax purposes was \$28,197,000 and \$26,777,000 as of December 31, 2008 and 2007, respectively.

Long-lived assets such as property and equipment are evaluated for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable through the estimated undiscounted future cash flows from the use of these assets. When any such impairment exists, the related assets will be written down to fair value.

Manufactured Homes and Improvements

Manufactured homes and improvements are stated at the lower of cost or market and represent manufactured homes held for sale. No reserve was considered necessary as of December 31, 2008 and 2007.

Financing Costs

As a result of the refinance of the mortgage note payable during 2008, costs to obtain the financing (see Note 3) have been capitalized and are being amortized over the 25-year term of the related mortgage note payable. Previously deferred financing costs were written off.

Revenue Recognition

Rental income attributable to leases is recorded when due from the lessees. Revenue from the sale of manufactured homes is recognized upon transfer of title at the closing of the sale transaction.

Other Revenue

Other revenue consists of interest income, rental late fees, utility

charges and miscellaneous income. Income from utility charges is recognized based upon actual monthly usage.

Income Taxes

Federal income tax regulations provide that any taxes on income of a partnership are payable by the partners as individuals. Therefore, no provision for such taxes has been made at the partnership level.

Recent Accounting Pronouncements

In September 2006, the Financial Accounting Standards Board (“FASB”) issued Statement of Financial Accounting Standards (“SFAS”) No. 157, *Fair Value Measurements*, which defines fair value and establishes a framework for measuring fair value in accordance with 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 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.

Unipro Manufacturing Housing Communities Income Fund II (a Michigan limited partnership)

Notes to 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.

2. Other Assets

At December 31, 2008 and 2007, "Other Assets" included cash of approximately \$242,000 and \$237,000, respectively, in an escrow account for property taxes, insurance, and capital improvements, as required by the Partnership's note payable agreement. The cash is restricted from operating use.

At December 31, 2008 and 2007, "Other assets" also included cash of approximately \$80,000 and \$102,000, respectively, in a security deposit escrow account for the Partnership's Sunshine Village property, which is required by law in the state of Florida and is restricted from operating use. Also included are accounts receivable of \$912,000 and \$847,000, primarily relating to balances due on the home loan contracts and prepaid costs of \$95,000 and \$105,000, at December 31, 2008 and 2007, respectively.

3. Note Payable

In 1998, the Partnership entered into a \$30,000,000 note payable agreement. The note was payable in monthly installments of \$188,878, including interest at 6.37%, through March, 2009. The note was secured by mortgages on the Partnership's Ardmor Village,

Camelot Manor, Dutch Hills, El Adobe, Stonegate Manor, Sunshine Village and West Valley properties. The Partnership used the proceeds from the note to refinance the Partnership's outstanding indebtedness of \$30,045,000, which was incurred in a 1993 mortgage transaction.

During 2008, the Partnership refinanced the mortgage note payable and executed new notes payable to StanCorp Mortgage Investors, LLC in the aggregate amount of \$23,225,000 secured by the seven remaining 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 December 31, 2008, the balance on these notes was \$23,133,242. In connection with the new mortgage debt, the Partnership incurred \$693,798 in financing costs as a result of the refinancing which are being amortized over the life of the mortgage of 25 years. This included a 1% refinance fee of \$232,250 paid to Uniprop AM LLC, a related party. In addition, the Partnership recognized additional interest expense of \$418,083 related to the write off of previously unamortized financing costs.

Future maturities on the note payable for the next five years and thereafter are as follows: 2009 - \$382,568; 2010 - \$408,698; 2011 - \$436,612; 2012 - \$466,432; 2013 - \$498,289; and thereafter - \$20,940,643.

4. Other Liabilities

Other liabilities consisted of:

<i>December 31,</i>	2008	2007
Tenants' security deposits	\$ 263,655	\$ 248,923
Accrued interest	127,715	95,449
Other	98,226	18,950
Total	\$ 489,596	\$ 363,322

Uniprop Manufactured Housing Communities Income Fund II (a Michigan limited partnership)

Notes to Financial Statements

5. Related Party Transactions

Management Agreement

The Partnership has an agreement with an affiliate of the general partner to manage the properties owned by the Partnership. The management agreement is automatically renewable annually, but may be terminated by either party upon sixty days written notice. The property management fee is the lesser of 5% of annual gross receipts from the properties managed, or the amount which would be payable to an unaffiliated third party for comparable services.

Certain employees of affiliates of the General Partner were paid an aggregate of \$225,649 during 2008 to perform partnership management, and investor relation services for the Partnership. Uniprop Homes, Inc., a related entity, received commissions totaling \$46,445 in 2008 for certain services provided as a broker/dealer of manufactured homes for the properties. Uniprop Homes, Inc. represented the properties in the sale of new and pre-owned homes to property residents.

Fees and Expenses

During the years ended December 31, 2008, 2007 and 2006, the affiliate earned property management fees from continuing operations of \$380,000, \$401,000, and \$438,000, respectively, as permitted in the Agreement of Limited Partnership. These fees are included with "Administrative" expenses in the respective statements of income. The Partnership was owed \$9,100 and \$3,600 by the affiliate at December 31, 2008 and 2007, respectively, for previously overpaid fees..

Contingent Purchase Price

A general partner of Genesis Associates Limited Partnership has an interest in the sellers of two of the properties acquired by the Partnership and is entitled to share in a contingent purchase price that will not exceed \$2,054,000. Additional amounts to be paid, if any, will depend upon the results of the Partnership's operations and the amounts received upon the sale, financing or other disposition of the related properties, and are not determinable at this time. The Partnership does not anticipate any such amount will become payable during the next fiscal year.

**7. Reconciliation of
Financial Statement
Income and Taxable
Income**

	<i>Year Ended December 31,</i>	2008	2007	2006
(Loss) income per the financial statements	\$	(79,347)	\$ 5,784,394	\$ 67,935
(Loss) on disposal of assets		(206,918)	(352,482)	-
Adjustments to depreciation for difference in methods		8,751	9,499	130,626
Adjustments for prepaid rent, meals and entertainment		2,250	(5,651)	40
(Loss) Income Per the Partnership's Tax Return	\$	(275,265)	\$ 5,435,760	\$ 198,601

8. Partners' Capital

Subject to the orders of priority under certain specified conditions more fully described in the Agreement of Limited Partnership (the "Agreement") distributions of partnership funds and allocations of net income from operations are principally determined as follows:

Distributions

Distributable cash from operations in the Agreement (generally defined as net income plus depreciation and amortization) is to be distributed to unit holders until they have received a 10% cumulative preferred return. After the unit holders have received their 10% cumulative preferred return, all remaining cash from operations is distributed to the general partner in the form of an incentive management interest until the total amount received by the general partner is equal to 15% of the aggregate amount of cash distributed from operations in a given year. Amounts payable to but not paid to the general partner will be accumulated and paid from future capital transactions after the unit holders have first received their 10% preferred return and 125% of their capital contributions. Thereafter, 85% of distributable cash from operations is to be paid to the unit holders and 15% to the general partner.

Unipro Manufacturing Housing Communities Income Fund II (a Michigan limited partnership)

Notes to Financial Statements

Annual distributable cash from operations was less than the amount required for the annual 10% preferred return to the unit holders by approximately \$4,033,000 and \$1,622,000, and \$4,463,000 in 2008, 2007 and 2006, respectively. No distributions can be made to the general partner until the cumulative preferred return deficit of approximately \$45,948,000 as of December 31, 2008 has been distributed to the unit holders.

At December 31, 2008, the general partner's cumulative incentive management interest to be distributed was approximately \$11,932,000. The actual amount to be accumulated or paid in the future depends on the results of the Partnership's operations and is not currently determinable; however, no such distribution to the general partner is anticipated during fiscal year 2009.

Allocation of Net Income

Net income is principally allocated 99% to the unit holders and 1% to the general partner until the cumulative amount of net income allocated to the unit holders equals the aggregate cumulative amount of cash distributable to the unit holders. After sufficient net income has been allocated to the unit holders to equal the amount of cash distributable to them, all the net income is to be allocated to the general partner until it equals the amount of cash distributed to it.

9. Supplemental Cash Flow Information

Interest paid during 2008, 2007 and 2006 was approximately \$1,678,000, \$1,680,000, and \$1,716,000, respectively.

10. Discontinued Operations

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 years presented.

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 sale closed with a purchase 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 proceeds of the sale will be 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 years presented.

The major classes of assets and liabilities of the discontinued operations included in the accompanying 2007 balance sheet was as follows:

<i>December 31,</i>	2007
Property and equipment, net	\$ 1,869,838
Manufactured homes and improvements	113,576
Other assets	178,083
Total Assets of Discontinued Operations	\$ 2,161,497
Accounts payable	\$ 16,820
Other liabilities	16,514
Total Liabilities of Discontinued Operations	\$ 33,334

Below is a summary of the results of operations of the Country Roads and Paradise Village property through disposition date:

<i>Year Ended December 31,</i>	2008	2007	2006
Rental income	\$ 254,000	\$ 858,000	\$ 1,640,000
Home sale income	-	66,000	232,000
Other Income	47,000	487,000	190,000
Administrative expenses	(183,000)	(830,000)	(750,000)
Property tax expense	(32,000)	(229,000)	(215,000)
Utilities expense	(47,000)	(97,000)	(134,000)
Property operations	(35,000)	(144,000)	(261,000)
Depreciation expense	(60,000)	(127,000)	(441,000)
Home sale expense	-	(66,000)	(230,000)
(Loss) Income From Discontinued Operations	(56,000)	(82,000)	31,000

Gain on Sale of Discontinued Operations	881,000	5,739,000	-
Income From Discontinued Operations	\$ 825,000	\$ 5,657,000	\$ 31,000

11. Interim Results (Unaudited)

The following summary represents the unaudited results of operations of the Partnership, expressed in thousands except per unit amounts, for the periods from January 1, 2007 through December 31, 2008:

2008	<i>Three Months Ended</i>			
	<i>March 31,</i>	<i>June 30,</i>	<i>September 30,</i>	<i>December 31,</i>
Revenues From Continuing Operations	\$ 2,274	\$ 2,143	\$ 2,199	\$ 2,152
Income (Loss) from Continuing Operations	\$ 83	\$ 95	\$ (579)	\$ (503)
Income (Loss) from Discontinued Operations	3	(7)	821	8
Income (Loss) Per Limited Partnership Unit from Continuing Operations	\$.03	\$.03	\$ (.18)	\$ (.15)
Income Per Limited Partnership Unit from Discontinued Operations	-	-	.25	-

2007	<i>Three Months Ended</i>			
	<i>March 31,</i>	<i>June 30,</i>	<i>September 30,</i>	<i>December 31,</i>
Revenues From Continuing Operations	\$ 2,256	\$ 2,408	\$ 2,515	\$ 2,087
Income from Continuing Operations	\$ 51	\$ 67	\$ 8	\$ 1
Income (Loss) from Discontinued Operations	73	5,591	(19)	12
Income Per Limited Partnership Unit from Continuing Operations	\$.02	\$.02	\$ -	\$ -
Income Per Limited Partnership Unit from Discontinued Operations	.02	1.69	-	-

12. Contingencies

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.

Uniprop Manufactured Housing Communities Income Fund II (a Michigan limited partnership)

Schedule III - Real Estate and Accumulated Depreciation December 31, 2008

<i>Column A</i>	<i>Column B</i>	<i>Column C</i>		<i>Column D</i>		<i>Column E</i>			<i>Column F</i>	<i>Column G</i>	<i>Column H</i>
<i>Description</i>	<i>Encumbrance</i>	<i>Initial Cost</i>		<i>Costs Capitalized Subsequent to Acquisition</i>		<i>Gross Amount at Which Carried at Close of Period</i>			<i>Accumulated Depreciation</i>	<i>Date Acquired</i>	<i>Life on Which Depreciation in Latest Income Statement is Computed</i>
		<i>Land</i>	<i>Buildings and Improvements</i>	<i>Land</i>	<i>Buildings and Improvements</i>	<i>Land</i>	<i>Buildings and Improvements</i>	<i>Total</i>			
Ardmor Village (Lakeville, MN)	\$ 3,037,950	\$ 1,063,253	\$ 4,253,011	\$ 4,120	\$ 1,238,944	\$ 1,067,373	\$ 5,491,955	\$ 6,559,328	\$ 3,683,616	1987	30 years
Sunshine Village (Davie, FL)	4,183,407	1,215,862	4,875,878	-	464,907	1,215,862	5,340,785	6,556,647	3,698,339	1987	30 years
Camelot Manor (Grand Rapids, MI)	1,045,852	918,949	3,681,051	-	1,159,974	918,949	4,841,025	5,759,974	3,184,946	1987	30 years
Dutch Hills (Haslett, MI)	1,419,369	839,693	3,358,771	41,526	867,820	881,219	4,226,591	5,107,810	2,789,141	1987	30 years
Stonegate Manor (Lansing, MI)	1,095,653	930,307	3,721,229	40,552	979,214	970,859	4,700,443	5,671,302	3,035,438	1987	30 years
El Adobe (Las Vegas, NV)	3,884,592	1,480,000	5,920,000	39,964	472,058	1,519,964	6,392,058	7,912,022	4,423,676	1988	30 years
West Valley (Las Vegas NV)	8,466,419	2,289,700	9,158,800	89,010	1,089,598	2,378,711	10,248,398	12,627,109	6,894,446	1988	30 years
	\$ 23,133,242	\$ 8,737,764	\$ 34,968,740	\$ 215,172	\$ 6,272,515	\$ 8,952,937	\$ 41,241,255	\$ 50,194,192	\$ 27,709,602		

Unipro Manufacturing Housing Communities Income Fund II (a Michigan limited partnership)

**Notes to Schedule III
December 31, 2008**

1. Reconciliation of Land

The following table reconciles the land from January 1, 2006 to December 31, 2008:

	2008	2007	2006
Balance, at January 1	\$ 9,627,592	\$ 11,666,645	\$ 11,666,645
Cost of land sold	(674,655)	(2,039,053)	-
Balance, at December 31	\$ 8,952,937	\$ 9,627,592	\$ 11,666,645

2. Reconciliation of Buildings and Improvements

The following table reconciles the buildings and improvements from January 1, 2006 to December 31, 2008:

	2008	2007	2006
Balance, at January 1	\$ 44,496,155	\$ 52,851,390	\$ 52,591,224
Additions to buildings and improvements	218,220	180,884	260,166
Cost of assets sold	(3,473,120)	(8,536,119)	-
Balance, at December 31	\$ 41,241,255	\$ 44,496,155	\$ 52,851,390

3. Reconciliation of Accumulated Depreciation

The following table reconciles the accumulated depreciation from January 1, 2006 to December 31, 2008:

	2008	2007	2006
Balance, at January 1	\$ 28,529,251	\$ 32,358,688	\$ 30,496,006
Current year depreciation expense	1,444,517	1,562,637	1,862,682
Accumulated depreciation on assets sold	(2,264,166)	(5,392,074)	-
Balance, at December 31	\$ 27,709,602	\$ 28,529,251	\$ 32,358,688

4. Tax Basis of Buildings and Improvements

The aggregate cost of buildings and improvements for federal income tax purposes is equal to the cost basis used for financial statement purposes.