

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-K**

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2005

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 if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15 (d) of the Act. Yes [ ] No [X]

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

Yes [X] No [ ]

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

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act Large Accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X]

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

The estimated aggregate net asset value of the units as of March 1, 2006 held by non-affiliates, as estimated by the General Partner (based on a 2006 appraisal of Partnership properties), was \$54,655,646. As of March 1, 2006 the number of units of limited partnership interest of the registrants outstanding was 3,303,387.

**DOCUMENTS INCORPORATED BY REFERENCE**  
**NONE**  
**PART I-**

This Form 10-K contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are based on assumptions and expectations which may not be realized and are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events and actual results, financial and otherwise, may differ materially from the results discussed in the forward-looking statements. Risks and other factors that might cause such a difference include, but are not limited to, the effect of economic and market conditions; financing risks, such as the inability to obtain debt financing on favorable terms; the level and volatility of interest rates; and failure of the Partnership's properties to generate additional income to offset increases in operating expenses, as well as other risks listed herein under Item 1.

**ITEM 1.     BUSINESS**

**General Development of Business**

Unipro Manufacturing Housing Communities Income Fund II, a Michigan Limited Partnership (the "Partnership"), acquired, maintains, operates and ultimately will dispose of income producing residential real properties consisting of nine manufactured housing communities (the "Properties"). The Partnership was organized and formed under the laws of the State of Michigan on November 7, 1986. Its principal offices are located at 280 Daines Street, Birmingham, Michigan 48009 and its telephone number is (248) 645-9220.

The Partnership filed an S-11 Registration Statement in November 1986, which was declared effective by the Securities and Exchange Commission on December 23, 1986. The Partnership thereafter sold 3,303,387 units (the "Units") of beneficial assignment of limited partnership interest representing capital contributions by unit holders (the "Unit Holders") to the Partnership of \$20 per unit. The sale of all 3,303,387 Units was completed in December 1987, generating \$66,067,740 of contributed capital to the Partnership.

The Partnership acquired seven of the Properties in 1987 and acquired two additional Properties in 1988.

The Partnership operates the Properties as manufactured housing communities with the primary investment objectives of: (1) providing cash from operations to investors; (2) obtaining capital appreciation; and (3) preserving capital of the Partnership. There can be no assurance that such objectives can be achieved.

On August 20, 1998, the Partnership borrowed \$30,000,000 (the "Loan") from GMAC Commercial Mortgage Corporation. It secured the Loan by placing new mortgages on seven of its nine properties. The note is payable in monthly installments of \$188,878, including interest at 6.37% through March 2009. Thereafter, the monthly installment and interest rate will be adjusted based on the provisions of the Loan Agreement through the note maturity date of September 2028. The Partnership used the proceeds from the Loan to refinance the Partnership's outstanding indebtedness of \$30,045,000, which was incurred in a 1993 mortgage financing transaction.

### Financial Information About Industry Segment

The Partnership's business and only industry segment is the operation of its nine manufactured housing communities. Partnership operations commenced in April 1987 upon the acquisition of the first two Properties. For a description of the Partnership's revenues, operating profit and assets please refer to Items 6 and 8.

### Narrative Description of Business

#### General

The Sunshine Village, Ardmor Village and Camelot Manor Properties were selected from 25 manufactured housing communities then owned by affiliates of Genesis Associates Limited Partnership, the General Partner of the Partnership (the "General Partner"). The other six communities were purchased from unaffiliated third parties. The Partnership rents home sites in the Properties to owners of manufactured homes. It was intended that the Partnership would hold the Properties for extended periods of time, originally anticipated to be seven to ten years after their acquisition. The General Partner has the discretion to determine when a Property is to be sold; provided, however, that the determination of whether a particular Property should be disposed of will be made by the General Partner only after consultation with an independent consultant, Manufactured Housing Services Inc. (the "Consultant"). In making their decision, the General Partner and Consultant will consider relevant factors, including, current operating results of the particular Property and prevailing economic conditions, with a view to achieving maximum capital appreciation to the Partnership while considering relevant tax consequences and the Partnership's investment objectives.

#### Competition

The business of owning and operating residential manufactured housing communities is highly competitive, and the Partnership may be competing with a number of established companies having greater financial resources. Moreover, there has been a trend for manufactured housing community residents to purchase (where zoning permits)

their manufactured home sites on a collective basis. This trend may result in increased competition with the Partnership for residents. In addition, the General Partner, its affiliates or both, has and may in the future participate directly or through other partnerships or investment vehicles in the acquisition, ownership, development, operation and sale of projects which may be in direct competition with one or more of the Properties.

Each of the Properties competes with numerous similar facilities located in its geographic area. The Davie/Fort Lauderdale area contains approximately seven communities offering approximately 3,441 housing sites competing with Sunshine Village. Ardmore Village competes with approximately fourteen communities in the Lakeville, Minnesota area offering approximately 3,325 housing sites. Camelot Manor competes with approximately eleven communities in the Grand Rapids, Michigan area offering approximately 2,312 housing sites. In the Jacksonville, Florida area, Country Roads competes with approximately eleven communities offering approximately 4,039 housing sites. The Tampa, Florida area contains approximately seventeen communities offering approximately 4,680 housing sites competing with Paradise Village. Dutch Hills and Stonegate Manor compete with approximately 12 other communities in the Lansing, Michigan area offering approximately 3,878 housing sites. In the Las Vegas, Nevada area, West Valley competes with approximately 10 other communities offering approximately 2,428 housing sites and El Adobe competes with 18 other communities offering 5,862 home sites. The Properties also compete against other forms of housing, including apartment and condominium complexes, and site built homes.

### Governmental Regulations

The Properties owned by the Partnership are subject to certain state regulations regarding the conduct of the Partnership operations. For example, the State of Florida regulates agreements and relationships between the Partnership and the residents of Sunshine Village, Country Roads and Paradise Village. Under Florida law, the Partnership is required to deliver to new residents of those Properties a prospectus describing the property and all tenant rights, Property rules and regulations, and changes to Property rules and regulations. Florida law also requires minimum lease terms, requires notice of rent increases, grants to tenant associations certain rights to purchase the community if being sold by the owner and regulates other aspects of the management of such properties. The Partnership is required to give 90 days notice to the residents of Florida Properties of any rate increase, reduction in services or utilities, or change in rules and regulations. If a majority of the residents object to such changes as unreasonable, the matter must be submitted to the Florida Department of Professional Business Regulations for mediation prior to any legal adjudication of the matter. In addition, if the Partnership seeks to sell Florida Properties to the general public, it must notify any homeowners' association for the residents, and the association shall have the right to purchase the Property on the price, terms and conditions being offered to the public within 45 days of notification by the owner.

If the Partnership receives an unsolicited bona fide offer to purchase the Property, it must notify any such homeowners' association that it has received an offer, state to the homeowners' association the price, terms and conditions upon which the Partnership would sell the Property, and consider (without obligation) accepting an offer from the homeowners' association. The Partnership has, to the best of its knowledge, complied in

all material respects with all requirements of the States of Florida, Michigan, Minnesota and Nevada, where its operations are conducted.

### Employees

The Partnership employs three part-time employees to perform Partnership management and investor relations' services. The Partnership retains an affiliate, Uniprop AM, LLC, as the property manager for each of its Properties. Uniprop AM, LLC is paid a fee equal to the lesser of 5% of the annual gross receipts from each of the Properties or the amount which would be payable to unaffiliated third parties for comparable services. Uniprop AM, LLC retains local managers on behalf of the Partnership at each of the Properties. Salaries and fringe benefits of such local managers are paid by the Partnership and are not included in any property management fee payable to Uniprop AM, LLC. The yearly salaries and expenses for local managers range from \$15,000 to \$42,000. Community Managers are utilized by the Partnership to provide on-site maintenance and administrative services. Uniprop AM, LLC as property manager, has overall management authority for each property.

## **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.

2. **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.

3. **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.
4. **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.
5. **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.
6. **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.
7. **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.

8. **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.
9. **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.
10. **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.
11. **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 1B. UNRESOLVED STAFF COMMENTS**

None.

**ITEM 2. PROPERTIES**

The Partnership purchased all nine manufactured housing communities for cash. As a result of the Loan, seven of the nine Properties are now encumbered with mortgages.

Each of the Properties is a modern manufactured housing community containing lighted and paved streets, side-by-side off-street parking and complete underground utility systems. The Properties consist of only the underlying real estate and improvements, not the actual homes themselves. Each of the Properties has a community center, which includes offices, meeting rooms and game rooms. Each of the Properties, except Stonegate Manor, has a swimming pool. Several of the Properties also have laundry

rooms, playground areas, garage and maintenance areas and recreational vehicle or boat storage areas.

The table below contains certain information concerning the Partnership's nine properties.

<b><u>Property Name and Location</u></b>	<b><u>Year Constructed</u></b>	<b><u>Acreage</u></b>	<b><u>Number of Sites</u></b>
Ardmor Village Cedar Avenue S. Lakeville, MN	1974	74	339
Camelot Manor Camelot Blvd. S.W. Grand Rapids, MI	1973	57	335
Country Roads Townsend Road Jacksonville, FL	1967	37	311
Dutch Hills Upton Road E. Lansing, MI	1975	42.8	278
El Adobe N. Lamb Blvd. Las Vegas, NV	1975	36	367
Paradise Village Paradise Drive Tampa, FL	1971	91	614
Stonegate Manor Eaton Rapids Drive Lansing, MI	1968	43.6	308
Sunshine Village Southwest 5th St. Davie, FL	1972	45	356
West Valley W. Tropicana Ave Las Vegas, NV	1972	53	421

### **ITEM 3. LEGAL PROCEEDINGS**

In the opinion of the Partnership and its legal counsel, there are no material legal proceedings pending except such ordinary routine matters as are incident to the kind of business conducted by the Partnership. To the knowledge of the Partnership and its counsel, no legal proceedings have been instituted or are being contemplated by any governmental authority against the Partnership.

**ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

The voting privileges of the Unit Holders are restricted to certain matters of fundamental significance to the Partnership. The Unit Holders must approve certain major decisions of the General Partner if the General Partner proposes to act without the approval of the Consultant. The Unit Holders also have a right to vote on the removal and replacement of the General Partner, dissolution of the Partnership, material amendments to the Partnership Agreement and the sale or other disposition of all or substantially all of the Partnership's assets, except in the ordinary course of the Partnership's disposing of the Properties. Such matters must be approved by Unit Holders holding in the aggregate more than 50% of the then outstanding interests. No matters were submitted to the Unit Holders for a vote during 2005.

**PART II**

**ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED SECURITY HOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

There is no established public trading market for the Units of the Partnership and it is not anticipated that one will ever develop. During the last twelve months, less than five percent (5.0%) of the Units have been transferred, including transfers due to death or intra-family transfers. The Partnership believes there is no formal secondary market, or the substantial equivalent thereof, and none will develop.

The General Partner calculates the estimated net asset value of each Unit by dividing (i) the amount of distributions that would be made to the Unit Holders in the event of the current sale of the Properties at their current appraised value, less the outstanding balances of the mortgages on the mortgaged Properties and sales expenses (but without consideration to tax consequences of the sale), by (ii) 3,303,387. In March 2006, the Properties were appraised at an aggregate fair market value of \$84,000,000. Assuming a sale of the nine properties in March 2006, at the appraised value, less payment of selling expenses and mortgage debt, the net aggregate proceeds available for distribution to the Unit Holders is estimated to be \$54,655,646 or \$16.55 per Unit. There can be no assurance that the estimated net asset value could ever be realized. As of December 31, 2005, the Partnership had 3,881 Unit Holders.

The following table sets forth the distributions per limited partnership unit for each calendar quarter in the last two fiscal years. Distributions were paid in the periods immediately subsequent to the periods in which such distributions were declared.

Distribution per

## Limited Partnership Unit

### Quarter Ended

March 31, 2005	\$0.23
June 30, 2005	\$0.23
September 30, 2005	\$0.23
December 31, 2005	\$0.12
March 31, 2004	\$0.23
June 30, 2004	\$0.23
September 30, 2004	\$0.23
December 31, 2004	\$0.23

The Partnership intends to continue to declare quarterly distributions. However, distributions are determined by the General Partner and will depend on the results of the Partnership's operations.

The Partnership has no equity compensation plans.

### **ITEM 6. SELECTED FINANCIAL DATA**

The following table summarizes selected financial data for the Partnership for the periods ended December 31, 2005, 2004, 2003, 2002 and 2001:

	<b>Fiscal Year Ended December 31, 2005</b>	<b>Fiscal Year Ended December 31, 2004</b>	<b>Fiscal Year Ended December 31, 2003</b>	<b>Fiscal Year Ended December 31, 2002</b>	<b>Fiscal Year Ended December 31, 2001</b>
Total Assets	<u>\$37,788,488</u>	<u>\$40,749,401</u>	<u>\$42,826,320</u>	<u>\$44,130,856</u>	<u>\$45,616,944</u>
Note Payable	<u>\$26,824,354</u>	<u>\$27,340,304</u>	<u>\$27,819,236</u>	<u>\$28,723,124</u>	<u>\$28,817,758</u>
Revenue	12,842,270	12,979,388	14,402,693	13,741,599	14,530,327
Operating Expenses	<u>(12,320,039)</u>	<u>(11,604,261)</u>	<u>(12,290,990)</u>	<u>(11,623,613)</u>	<u>(12,419,504)</u>
Total Net Income	<u>\$ 522,231</u>	<u>\$1,375,127</u>	<u>\$2,111,703</u>	<u>\$2,117,986</u>	<u>\$2,110,823</u>
Distributions to Unit Holders, per Unit:	\$.81	\$.92	\$.92	\$.90	\$.82
Income per Unit:	\$.16	\$.42	\$.64	\$.63	\$.63
Weighted average Number of Units Outstanding:	3,303,387	3,303,387	3,303,387	3,303,387	3,303,387

## **ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

### **Capital Resources**

The capital formation phase of the Partnership began on April 1, 1987 when Sunshine Village and Ardmor Village were purchased by the Partnership and operations commenced. It ended on January 15, 1988 when El Adobe, the Partnership's last property, was purchased. The total capital raised through December 1987 was \$66,067,740 of which approximately \$58,044,000 was used to purchase the nine Properties after deducting sales commissions, advisory fees and other organization and offering costs.

As described in Item 1, the Partnership borrowed \$30,000,000 from GMAC Commercial Mortgage Corporation in August 1998. The note is payable in monthly installments of \$188,878, including interest at 6.37% through March, 2009. Thereafter, the monthly installment and interest rate will be adjusted based on the provisions of the agreement through the note maturity date of September 2028. The Loan 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 Loan to refinance the Partnership's outstanding indebtedness of \$30,045,000.

Future maturities on the note payable for the next five years are as follows: 2006 - \$540,000; 2007 - \$587,000; 2008 - \$622,000; 2009 - \$660,000, and 2010 - \$712,000.

The General Partner acknowledges that the mortgages pose some risks to the Partnership, but believes that such risks are not greater than risks typically associated with real estate financing.

### **Liquidity**

The Partnership has, since inception, generated adequate amounts of cash to meet its operating needs. The Partnership retains cash reserves, which it believes will be adequate to maintain the Properties. All funds in excess of operating needs, amounts sufficient to pay debt service, and cash reserves are distributed to the Unit Holders on a quarterly basis. While the Partnership is not required to maintain a working capital reserve, the Partnership has not distributed all of the cash generated from operations in order to build capital reserves. As of December 31, 2005, the Partnership had \$266,128 in cash balances.

The Partnership established a renewable line of credit of \$1,500,000 with National City Bank that expires in October, 2006. The interest rate floats 180 basis points above the one month LIBOR rate. As of December 31, 2005, there was no outstanding balance. The primary purpose of the line of credit is to meet any short-term or seasonal cash flow needs. The Partnership plans to renew the line of credit at the expiration.

In February of 1994, the Partnership distributed \$23,119,767 to the Unit Holders, or \$7.00 per \$20.00 Unit held. Of this amount, \$13,572,978 (or \$4.11 per Unit), was applied to the then shortfall in the Unit Holders' 10.0% cumulative preferred return, and \$9,546,789 (or \$2.89 per Unit), was a partial return of the Limited Partners' original capital contributions.

## Results of Operations

### Distributions

For the year ended December 31, 2005, the Partnership made distributions to the Unit Holders of \$2,675,743, which is equal, on an annualized basis, to a 4.73% return on their adjusted capital contributions (\$.81 per \$17.11 Unit). Distributions paid to Unit Holders in 2004 totaled \$3,039,115, and \$3,039,116 was paid in 2003.

The distributions paid in 2005 were less than the amount required for the annual 10.0% preferred return to the Unit Holders by approximately \$2,976,000. As described in Note 8 to the Partnership's financial statements, the cumulative preferred return deficit through December 2005 was approximately \$35,831,000. No distributions can be made to the General Partner in regard to its incentive management interest until the cumulative preferred return deficit has been distributed to the Unit Holders. At December 31, 2005, the unpaid amount to be distributed to the General Partner was approximately \$10,250,000.

### Revenue and Net Income

For the years ended December 31, 2005, 2004 and 2003, net income was \$522,231, \$1,375,127 and \$2,111,703 and gross revenue was \$12,842,270, \$12,979,388 and \$14,402,693, respectively.

The manufactured housing industry in general has experienced lower retail sales over the past three years due to restrictive financing and to the ease at which site-built homes can be acquired and financed.

### Partnership Management

Certain employees of the Partnership are also employees of affiliates of the General Partner. The Partnership paid these employees an aggregate of \$120,077, \$116,571, and \$113,501, in 2005, 2004 and 2003 respectively, to perform partnership management and investor relation services for the Partnership.

### Recent Accounting Pronouncements

There are no recent accounting pronouncements that the Fund is required to adopt.

## Critical Accounting Policies

In the course of developing and evaluating accounting policies and procedures, we use estimates, assumptions and judgments to determine the most appropriate methods to be applied. Such processes are used in determining capitalization of costs related to real estate investments and potential impairment of real estate investments.

Real estate assets are stated at cost less accumulated depreciation. Expenditures for property maintenance are charged to operations as incurred, while significant renovations are capitalized. Depreciation of the buildings is recorded on the straight-line method using an estimated useful life of thirty years.

In determining the fair value of real estate investments, we consider future cash flow projections on a property by property basis, current interest rates and current market conditions of the geographical location of each property.

The following table outlines our contractual obligations (in thousands) as of December 31, 2005.

	Total	Yr1	2-3 Yrs	4-5 Yrs	Over 5 Yrs
Mortgages payable	\$26,824	\$540	\$1,209	\$1,372	\$23,703

The future payments listed above for long-term debt repayments exclude interest payments.

## Property Operations

Overall, as illustrated in the table below, the Partnership's nine properties had a combined average occupancy of 64% for the year ended December 31, 2005, as compared to 68% for the fiscal year December 31, 2004, and 76% for the fiscal year ended December 31, 2003. The average monthly rent (not weighted average) was approximately \$399 per home site for the year ended December 31, 2005, as compared to \$402 for the year ended December 31, 2004 and \$397 for the year ended December 31, 2003. The decline in occupancy is due primarily to an increase in foreclosures on homes financed by third-party lenders. The rate of new foreclosures has slowed but continues.

	Total Sites	Occupied Sites			Occupancy Rate			Average Rent		
		2005	2004	2003	2005	2004	2003	2005	2004	2003
Ardmor Village	339	227	265	301	67%	78%	89%	\$429	\$414	\$394
Camelot Manor	335	175	216	257	52%	65%	77%	378	366	372
Country Roads	311	161	182	227	52%	59%	73%	286	278	272
Dutch Hills	278	182	213	248	66%	77%	89%	386	386	371
El Adobe	367	224	235	266	61%	64%	72%	447	437	450
Paradise Village	614	286	308	356	47%	50%	58%	343	340	335
Stonegate Manor	308	176	206	233	57%	67%	76%	372	385	374
Sunshine Village	356	355	311	322	100%	87%	90%	534	512	494
West Valley	421	313	317	334	74%	75%	79%	413	499	512
Overall	3,329	2,099	2,253	2,544	64%	68%	76%	\$399	\$402	\$397

The following table summarizes gross revenues and net operating income for the Partnership and Properties during 2005, 2004, 2003 twelve month period.

	GROSS REVENUE			NET OPERATING INCOME AND NET INCOME		
	2005	2004	2003	2005	2004	2003
Ardmor Village	\$1,477,396	\$1,591,966	\$2,048,194	\$600,601	\$815,426	\$801,896
Camelot Manor	968,492	1,137,522	1,384,266	320,186	517,127	527,365
Country Roads	730,116	811,738	878,556	194,688	267,828	307,423
Dutch Hills	972,186	1,124,377	1,219,250	360,577	514,329	593,790
El Adobe	1,331,273	1,374,120	1,542,349	639,801	666,732	786,259
Paradise Village	1,516,067	1,698,099	1,825,944	419,436	477,613	450,805
Stonegate Manor	952,569	1,173,422	1,196,556	293,779	439,779	461,438
Sunshine Village	2,441,728	2,104,982	2,086,697	1,079,952	1,074,067	1,101,982
West Valley	<u>2,442,362</u>	<u>1,955,140</u>	<u>2,206,617</u>	<u>1,182,155</u>	<u>1,115,613</u>	<u>1,331,024</u>
	12,832,189	12,971,366	14,388,429	5,091,175	5,888,514	6,361,982
Partnership Mgmt.	\$10,081	\$8,022	\$14,264	(343,196)	(380,865)	(303,092)
Other Expenses				(580,075)	(522,779)	(333,947)
Interest Expense				(1,769,583)	(1,806,738)	(1,831,875)
Depreciation and Amortization				<u>(1,876,090)</u>	<u>(1,803,005)</u>	<u>(1,781,365)</u>
TOTAL:	\$12,842,270	\$12,979,388	\$14,402,693	\$522,231	\$1,375,127	\$2,111,703

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 Year Ended December 31, 2005 to Year Ended December 31, 2004**

Total revenues decreased \$137,118 to \$12,842,270 in 2005, compared to \$12,979,388 in 2004. The decrease is primarily the result of a decrease in occupancy, offset by an increase in home sale revenue. The decrease in occupancy is due primarily to increased foreclosures on home mortgages, which frequently results in the home being moved out of the property. Rental Revenue decreased \$873,973 due to lower occupancy.

The Partnership’s operating expenses increased \$715,778, to \$12,320,039 in 2005, compared to \$11,604,261 in 2004. Home sale expense increased due to the increased volume of home sales and write down of selected inventory to current market values.

As a result of the aforementioned factors, net income decreased \$852,896 from \$1,375,127 in 2004 to \$522,231 in 2005.

#### **Comparison of Year Ended December 31, 2004 to Year Ended December 31, 2003**

Total revenues decreased \$1,423,305 to \$12,979,388 in 2004, compared to \$14,402,693 in 2003. The decrease is primarily the result of a decrease in home sales as well as in occupancy. The decrease in occupancy is due primarily to increased foreclosures on home mortgages, which frequently results in the home being moved out of the property. Rental Revenue decreased \$710,200 due to lower occupancy. Home Sale Revenue decreased \$865,703.

The Partnership’s operating expenses decreased \$686,729, to \$11,604,261 in 2004, compared to \$12,290,990 in 2003. Home sale expense decreased due to the decreased volume of home sales.

As a result of the aforementioned factors, net income decreased \$736,576 from \$2,111,703 in 2003 to \$1,375,127 in 2004.

## **IMPORTANT DISCLOSURES**

The General Partner believes it is important to disclose certain recent events to the Unit Holders along with a description of the actions taken by the General Partner to respond to the events.

During 2005, industry conditions remained depressed due to the lack of available retail financing. Reduced retail home sales for manufactured homes and high default rates on chattel mortgage loans for manufactured homes continued through 2005. The number of foreclosures has created a surplus of pre-owned homes for sale in the market place. The availability of pre-owned home inventory contributed to the reduced purchase of new homes for the industry as a whole.

The surplus of pre-owned homes available in the market has presented an opportunity for the Partnership to purchase homes at low prices. On a limited basis, these homes have been purchased by the Partnership and reviewed on a case by case basis for retail sale. The maximum term of the typical retail contract provided by the Partnership is twelve years, significantly less than is generally available from retail lenders. This shorter amortization period allows for a faster return of principal for the Partnership and reduces the risk of loss through repossession. The total amount of retail loans at this time is not material relative to the total assets and revenues of the Partnership. The General Partner believes that its retail sales and finance activity can help increase occupancy and thereby rental income. To date, the delinquency and default rates of the retail loans are not significant. However the General Partner will continue to monitor the portfolio and adjust its underwriting criteria accordingly.

### **ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

The Partnership is exposed to interest rate risk 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 December 31, 2005 the Partnership had a note payable outstanding in the amount of \$26,824,354. Interest on this note is at a fixed rate of 6.37% through March 2009.

Line of Credit: At December 31, 2005, the Partnership holds a line of credit with National City Bank for \$1,500,000. Interest on this note is accrued at a variable rate of 1.80% in excess of One Month LIBOR. This line of credit was established to meet any short term or seasonal cash flow needs. There is no outstanding balance as of December 31, 2005.

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

## **ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The following Partnership financial statements for the fiscal years ended December 31, 2005, 2004 and 2003, and supplementary data are filed with this Report:

- (i) Report of Independent Registered Public Accounting Firm
- (ii) Balance Sheets as of December 31, 2005 and 2004
- (iii) Statements of Operations for the fiscal years ended December 31, 2005, 2004 and 2003
- (iv) Statements of Partners' Equity for the fiscal years ended December 31, 2005, 2004 and 2003
- (v) Statements of Cash Flows for the fiscal years ended December 31, 2005, 2004 and 2003

## **ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

There has been no change in the Partnership's independent registered public accounting firm nor have there been any disagreements during the Partnership's most recent two fiscal years.

## **ITEM 9A. CONTROLS AND PROCEDURES**

The Partnership maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Partnership's Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to the Partnership's management, including its Principal Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure based closely on the definition of "disclosure controls and procedures" in Rule 13a – 14(c). In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. As of the end of the period covered by this report (the-evaluation date), the Partnership conducted an evaluation under the supervision and with the participation of its Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of its disclosure controls and procedures (as defined in Rule 13a – 14(c) under the Securities Exchange Act of 1934 ("the Exchange Act")). Based on this evaluation, the Principal

Executive Officer and Principal Financial Officer concluded that, as of the evaluation date, the Partnership's disclosure controls and procedures were effective to reasonably ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms.

There was no change in the Partnership's internal control over financial reporting during its most recently completed fiscal year that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

### **PART III**

#### **ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT**

The Partnership, as an entity, does not have any officers or directors. The General Partner, Genesis Associates Limited Partnership is a Michigan limited partnership, which Uniprop, Inc. is the General Partner.

Information concerning officers of Uniprop, Inc., during the last five years or more is as follows:

Paul M. Zlotoff, 56, became the Chairman of Uniprop, Inc. in May 1986 and was its President from 1979 through 1997. He is also the sole owner of GP P.I. Associates Corp, the general partner of P.I. Associates, the general partner of Uniprop Manufactured Housing Communities Income Fund, a public limited partnership which owns and operates four manufactured housing communities. Mr. Zlotoff currently, and in the past, has acted as the general partner for various other limited partnerships owning manufactured housing communities and some commercial properties.

Joel Schwartz CPA, 44, became Chief Financial Officer of Uniprop Inc. on June 1, 2004. Mr. Schwartz is responsible for all financial affairs including accounting operations, banking relationships, raising mortgage capital, asset management and investor relations. From 1998 to 2004, Mr. Schwartz was Chief Financial Officer for Village Green Companies. From 1990 to 1998, Mr. Schwartz was Project Manager for Ford Motor Land Services Corporation. Mr. Schwartz was also an Associate at Plante & Moran CPA's from 1983 to 1989. Mr. Schwartz received his B.A. from Michigan State University in 1983 with a major in accounting and received an MBA from the University of Michigan in 1990.

Roger Zlotoff, 45, is Vice President and became Chief Operating Officer of Uniprop, Inc. in 2004. He has been with Uniprop since October 18, 1999. Mr. Zlotoff is primarily responsible for raising equity capital, managing partnership investments, evaluating acquisitions of existing properties and leading the development process for new properties. From 1997 to 1999, Mr. Zlotoff served as Director of Business Development for Vistana, Inc. in Orlando, FL. Previously, Mr. Zlotoff was Managing Director for Sterling Finance International from 1994 to 1997 and was a corporate banker with First Union National Bank from 1988 to 1994. Mr. Zlotoff received his B.A. from the University of Central Florida as a

philosophy major, and received his Masters Degree in International Business from the University of South Carolina.

Paul M. Zlotoff and Roger Zlotoff are brothers.

### **CODE OF ETHICS**

Because the Partnership has no executive officers, the Partnership has not adopted a code of ethics for the Partnership. A code of ethics has been established for the Directors, Officers, and Employees of Uniprop. A copy of the Code of ethics is available at no charge upon request.

### **ITEM 11. EXECUTIVE COMPENSATION**

The Partnership has no executive officers and therefore, no officers received a salary or remuneration exceeding \$100,000 during the last fiscal year. The General Partner of the Partnership and an affiliate, Uniprop AM, LLC, received certain compensation and fees during the fiscal year in the amounts described in Item 13. Depending upon the results of operations and other factors, the Partnership anticipates that it will provide similar compensation to the General Partner and Uniprop AM, LLC. during the next fiscal year.

### **ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED UNITHOLDER MATTERS**

The Partnership is a limited partnership duly formed pursuant to the Uniform Limited Partnership Act, as amended, of the State of Michigan. The General Partner, Genesis Associates Limited Partnership, is vested with full authority as to the general management and supervision of business and the other affairs of the Partnership, subject to certain constraints in the Partnership Agreement and consulting agreement. Unit holders have no right to participate in the management of the Partnership and have limited voting privileges only on certain matters of fundamental significance. To the knowledge of the Partnership, no person owns of record or beneficially, more than five percent of the Partnership's Units.

### **ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

The following discussion describes all of the types of compensation, fees or other distributions paid by the Partnership or others to the General Partner or its affiliates from the operations of the Partnership during the last fiscal year, as well as certain of such items which may be payable during the next fiscal year. Certain of the following arrangements for

compensation and fees were not determined by arm's length negotiations between the General Partner, its affiliates and the Partnership.

Paul M. Zlotoff has an interest in the original sellers of Sunshine Village and Ardmor Village and is entitled to share in a contingent purchase price with respect to each Property, when and if the Properties are sold and the sellers become entitled thereto. The maximum amounts which could be payable to the sellers are as follows: Sunshine Village, \$1,108,260 and Ardmor Village, \$946,236. The cash purchase price and contingent purchase price for each Property were determined by reference to the average of two independent real estate appraisals which were obtained by the General Partner. Such appraisals are only estimates of value and are not necessarily indicative of the actual real estate value. Each seller will become entitled to any unpaid contingent purchase price upon the sale, financing or other disposition of each such Property, but, only after the receipt by each Unit Holder of aggregate distributions equal to the sum of (i) his 10% cumulative preferred return plus (ii) 125% of his capital contribution. The actual amounts to be received, 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 Properties and are not determinable at this time. The Partnership does not anticipate any such amount will become payable during the next fiscal year.

The Partnership will pay an Incentive Management Interest to the General Partner for managing the Partnership's affairs, including: determining distributions, negotiating agreements, selling or financing properties, preparing records and reports, and performing other ongoing Partnership responsibilities. This incentive management interest is 15% of distributable cash from operations in any quarter. However, in each quarter, the General Partner's right to receive any net cash from operations is subordinated to the extent necessary to first provide each Unit Holder his 10% cumulative preferred return. During the last fiscal year, the General Partner received no distributions on account of its Incentive Management Interest from operations because distributions were approximately \$2,976,000 less than the 10% cumulative preferred return due Unit Holders. Any such amounts of Incentive Management Interest unpaid in a taxable year will be accumulated and paid from distributable cash from capital transactions, but only after each Unit Holder has first received his 10% cumulative preferred return and 125% of his capital contribution. For 2005, approximately \$372,000 was accumulated for the General Partner, and the General Partner's aggregate accumulated Incentive Management Interest as of December 2005 was \$10,025,000. The actual Incentive Management Interest from operations to be accumulated or paid during the next fiscal year will depend upon the results of the Partnership's operations and is not determinable at this time. The Partnership does not anticipate any such amount will be distributed to the General Partner during the next fiscal year and will again be accumulated with payment deferred. No distributions of Incentive Management Interest may be made to the General Partner until the 10% cumulative preferred return of approximately \$35,831,000, as of December 31, 2005, is first distributed to the Unit Holders. In February of 1994, as part of the 1993 mortgage financing with mortgage backed securities held with Bankers Trust, \$23,119,767 was distributed to the Unit Holders, \$13,572,978 of which eliminated the Unit Holders' preferred return deficit through December 31, 1993.

The Partnership must also pay an Incentive Management Interest from capital transactions to the General Partner for its services rendered to the Partnership. The General Partner will be entitled to receive its share of distributable cash from capital transactions after (i) each Unit Holder has received aggregate distributions in an amount equal to the sum of (a) his 10% cumulative preferred return plus (b) 125% of his capital contribution, (ii) any contingent purchase prices have been paid, and (iii) any property disposition fees to Uniprop AM, LLC have been paid. The General Partner's share of distributable cash from capital transactions so payable will be (i) 100% of such distributable cash from capital distributions until the General Partner's share of the aggregate capital distributions made under section 11c(iii) and 11c(v) of the Partnership Agreement equal 25% and (ii) thereafter, 25% of such distributable cash from capital transactions. No Incentive Management Interest from capital transactions was paid to the General Partner for the fiscal year ended December 31, 2005. The Partnership does not anticipate that any such amounts will be paid or become payable to the General Partner during the next fiscal year.

Uniprop AM, LLC received and will receive property management fees for each Property managed by it. Uniprop AM, LLC is primarily responsible for the day-to-day management of the Properties and for the payment of the costs of operating each Property out of the rental income collected. The property management fees are equal to the lesser of 5% of the annual gross receipts from the Properties managed by Uniprop AM, LLC, or the amount which would be payable to an unaffiliated third party for comparable services. During the last fiscal year, Uniprop AM, LLC received property management fees totaling \$537,856. The actual amounts to be received during the next fiscal year will depend upon the results of the Partnership's operations and are not determinable at this time.

Certain employees of affiliates of the General Partner were paid an aggregate of \$120,077 during 2005 to perform partnership management, and investor relation services for the Partnership. It is anticipated comparable amounts will be paid in the next fiscal year.

Uniprop Homes, Inc., a related entity, received commissions totaling \$106,702 for certain services provided as a broker/dealer of manufactured homes for the communities. Uniprop Homes, Inc. represented the communities in the sale of new and pre-owned homes to community residents.

#### **ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

The Partnership retained BDO Seidman, LLP to audit its financial statements for the year ended December 31, 2005. The Partnership also retained BDO Seidman, LLP to provide other services in 2005.

The Aggregate fees billed to the Partnership for professional services performed by BDO Seidman, LLP were as follows.

	2005	2004
(1) Audit Fees	\$35,400	\$34,000
(2) Audit-Related Fees	\$0	\$0
(3) Tax Fees	\$14,300	\$14,300
(4) All Other Fees	\$0	\$0
(5) Total	\$49,700	\$48,300

**Audit fees:** pertain to the audit of the Partnerships annual financial statements, including reviews of the interim financial statements contained in the Partnerships Quarterly Reports of Form 10-Q.

**Tax fees:** pertain to services performed for tax compliance, tax planning and tax advice, including preparation of tax returns and partners Schedule K-1 processing.

The services performed by BDO Seidman in 2005 were pre-approved by the General Partner.

#### PART IV

#### **ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

(a) *Financial Statements*

(1) The following financial statements and related documents are filed with this report:

- (i) Report of Independent Registered Public Accounting Firm
- (ii) Balance Sheets as of December 31, 2005 and 2004
- (iii) Statements of Operations for the fiscal years ended December 31, 2005, 2004 and 2003
- (iv) Statements of Partners' Equity for the fiscal years ended December 31, 2005, 2004 and 2003
- (v) Statements of Cash Flows for the fiscal years ended December 31, 2005, 2004 and 2003

(2) The following financial statement schedule is filed with this report:

Schedule III - Real Estate and Accumulated Depreciation for the fiscal years ended December 31, 2005, 2004 and 2003

(3) Exhibits

The following exhibits are incorporated by reference to the S-11 Registration Statement of the Partnership filed November 12, 1986, as amended on December 22, 1986 and January 16, 1987:

- 3(a) Certificate of Limited Partnership for the Partnership
- 3(b) Uniprop Manufactured Housing Communities Income Fund II Agreement of Limited Partnership
- 4(a) First Amendment to Uniprop Manufactured Housing Communities Income Fund II Agreement of Limited Partnership (April 1, 1987)
- 10(a) Form of Management Agreement between the Partnership and Uniprop AM, LLC.
- 10(b) Form of Consulting Agreement among the Partnership, the General Partner and Consultant

The following exhibits are incorporated by reference to the Form 10-K for the fiscal year ended December 31, 1997:

- 4(b) Form of Beneficial Assignment Certificate (BAC) for the Partnership (Originally submitted with Form 10-K for the fiscal year ended December 31, 1987.)
- 10(c) Contingent Purchase Price Agreement with Sunrise Broward Associates, Ltd. (As last submitted with Form 10-K for the fiscal year ended December 31, 1997.)
- 10(d) Contingent Purchase Price Agreement with Ardmor Associates Limited Partnership. (As last submitted with Form 10-K for the fiscal year ended December 31, 1997.)
- 10(e) Incentive Acquisition Fee Agreement between the Partnership and Uniprop, Inc. (As last submitted with Form 10-K for the fiscal year ended December 31, 1997.)

The following exhibit is incorporated by reference to the Form 8-K that was filed on September 8, 1998:

- 10(f) Mortgage notes, made as of August 20, 1998, between Uniprop Manufactured Housing Communities Income Fund II and GMAC CMC.

The following exhibits are attached to this Report:

- 10(g) Second Amended and Restated Consulting Agreement among the Partnership, the General Partner, and Consultant, January 9, 2005
- 10(h) Line of Credit Loan Agreement between the Partnership and National City Bank, October 19, 2005
- 28 Letter summary of the estimated fair market values of the Partnership's nine manufactured housing communities, as of March 1, 2006

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Uniprop Manufactured Housing Communities Income Fund II, a Michigan Limited Partnership, 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., Managing General Partner

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

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Dated: March 24, 2006

By: /s/ Joel Schwartz  
Joel Schwartz  
Principal Financial Officer  
(Chief Financial Officer of  
Uniprop, Inc.)

By: /s/ Paul M Zlotoff  
Paul M. Zlotoff, Chairman of Uniprop, Inc.  
(Principal Executive Officer)

By: /s/ Susann Szepytowski  
Susann Szepytowski  
Principal Accounting Officer  
(Controller of Uniprop, Inc.)

**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 annual report on Form 10-K of Unipro Manufacturing Communities Income Fund II;
2. Based on my knowledge, this annual 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 annual 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: March 24, 2006

Signature: /s/ Paul M. Zlotoff

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

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

I, Joel Schwartz, certify that:

1. I have reviewed this annual report on Form 10-K of Unipro Manufacturing Communities Income Fund II;
2. Based on my knowledge, this annual 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 annual 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: March 24, 2006

Signature: /s/ Joel Schwartz

Joel Schwartz, Principal Financial Officer  
Chief Financial Officer of Unipro 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 Annual Report of Uniprop Manufactured Housing Communities Income Fund II (the "Company") on Form 10-K for the year ending December 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I Paul M. Zlotoff, Principal Executive Officer of the Company, 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,  
President & Director of Uniprop, Inc.

March 24, 2006

Exhibit 32.2

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 Annual Report of Uniprop Manufactured Housing Communities Income Fund II (the "Company") on Form 10-K for the year ending December 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I Joel Schwartz, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

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

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

March 24, 2006

## EXHIBIT INDEX

<u>EXHIBIT NUMBER</u>	<u>DESCRIPTION</u>	<u>METHOD OF FILING</u>	<u>PAGE</u>
3(a)	Certificate of Limited Partnership for the Partnership	Incorporated by reference to the S-11 Registration Statement of the Partnership filed November 12, 1986, as amended on December 22, 1986 and January 16, 1987 (the "Registration Statement").	
3(b)	Uniprop Manufactured Housing Communities Income Fund II Agreement of Limited Partnership	Incorporated by reference to the Registration Statement.	
4(a)	First Amendment to Uniprop Manufactured Housing Communities Income Fund II Agreement of Limited Partnership (April 1, 1987)	Incorporated by reference to the Registration Statement.	
4(b)	Form of Beneficial Assignment Certificate (BAC) for the Partnership (originally filed with Form 10-K for the fiscal year ended December 31, 1987)	Incorporated by reference to Form 10-K for fiscal year ended December 31, 1997.	
10(a)	Form of Management Agreement between the Partnership and Uniprop AM, LLC	Incorporated by reference to the Registration Statement.	
10(b)	Form of Consulting Agreement among the Partnership, the General Partner and Consultant	Incorporated by reference to the Registration Statement.	
10(c)	Contingent Purchase Price Agreement with Sunrise Broward Associates, Ltd. (originally filed with Form 10-K for the fiscal year	Incorporated by reference to Form 10-K for fiscal year ended December 31, 1997.	

	ended December 31, 1987)	
10(d)	Contingent Purchase Price Agreement with Ardmore Associates Limited Partnership (originally filed with Form 10-K for the fiscal year ended December 31, 1987)	Incorporated by reference to Form 10-K for fiscal year ended December 31, 1997.
10(e)	Incentive Acquisition Fee Agreement between the Partnership and Uniprop, Inc. (originally filed with Form 10-K for the fiscal year ended December 31, 1987)	Incorporated by reference to Form 10-K for fiscal year ended December 31, 1997.
10(f)	Mortgage Notes, made on August 20, 1998 between Uniprop Manufactured Home Communities Income Fund II and GMAC CMC	Incorporated by reference to the Form 8-K filed on September 8, 1998.
10(g)	Second Amended and Restated Consulting Agreement among the Partnership, the General Partner and Consultant January 9, 2005	Filed herewith
10(h)	Line of Credit Loan Agreement between the Partnership and National City Bank October 19, 2005	Filed herewith
28	Letter summary of the estimated fair market values of the Partnership's nine manufactured housing communities, as of March 1, 2006.	Filed herewith.
31.1	Certificate of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith.

- |       |  |                 |
|-------|--|-----------------|
| 31.2  | Certificate of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | Filed herewith. |
| *32.1 | Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002                              | Filed herewith. |
| *32.2 | Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002                              | Filed herewith. |

\* This certificate is being furnished solely to accompany the report pursuant to 18 U.S.C. 1350 and is not being filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Partnership, whether made before or after the date hereof, regardless of any general incorporation language in such filing.