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

Consolidated Balance Sheets

December 31,	**2014**	2013
Assets		
Property and Equipment		
Buildings and improvements	**$ 42,772,228**	$ 42,431,157
Land	**8,952,937**	8,952,937
Manufactured homes and improvements	**5,366,489**	4,275,639
Furniture and equipment	**693,433**	678,866
	57,785,087	56,338,599
Less accumulated depreciation	**37,643,771**	35,974,653
Net Property and Equipment	**20,141,316**	20,363,946
Cash	**7,317,400**	8,584,140
Unamortized financing costs - net	**927,256**	1,013,113
Deferred home relocation costs - net	**330,595**	605,239
Other assets	**959,623**	841,522
	$ 29,676,190	$ 31,407,960
Liabilities and Partners' Equity		
Notes payable	**$ 27,999,960**	$ 28,674,370
Accounts payable	**144,242**	52,932
Other liabilities	**538,151**	522,009
Total Liabilities	**28,682,353**	29,249,311
Partners' Equity		
Unit holders - 3,303,387 units issued and outstanding	**575,857**	1,739,592
General partner	**417,980**	419,057
Total Partners' Equity	**993,837**	2,158,649
	$ 29,676,190	$ 31,407,960

See accompanying notes to financial statements.

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

Consolidated Statements of Operations

Year Ended December 31,	**2014**	2013
Revenue		
Rental	**$ 7,158,130**	$ 7,020,241
Home sale income	**253,178**	103,606
Other	**976,084**	850,307
	8,387,392	7,974,154
Operating Expenses		
Administrative	**2,754,485**	2,595,338
Property taxes	**623,600**	816,566
Utilities	**623,452**	593,071
Property operations	**1,054,023**	974,461
Depreciation	**1,669,119**	1,707,828
Interest	**1,532,954**	1,778,592
Home sale expense	**237,487**	107,576
	8,495,120	8,573,432
Net Loss	**$ (107,728)**	$ (599,278)
Total (Loss) Per Limited Partnership Unit	**$ (.03)**	$ (.18)
Distributions Per Limited Partnership Unit	**$ .32**	$ .86
Weighted Average Number of Limited Partnership Units Outstanding	**3,303,387**	3,303,387
Net Loss Allocable to General Partner	**$ (1,077)**	$ (5,993)
Distributions Allocable to General Partner	**$ -**	$ -

See accompanying notes to financial statements.

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

Consolidated Statements of Partners' Equity Years Ended December 31, 2014 and 2013

	General Partner	*Unit Holders*	***Total***
Balance, January 1, 2013	$425,050	$5,173,790	**$5,598,840**
Distributions to unit holders	-	(2,840,913)	**(2,840,913)**
Net loss for the year	(5,993)	(593,285)	**(599,278)**
Balance, December 31, 2013	419,057	1,739,592	**2,158,649**
Distributions to unit holders	-	(1,057,084)	**(1,057,084)**
Net loss for the year	(1,077)	(106,651)	**(107,728)**
Balance, December 31, 2014	$ 417,980	$ 575,857	**$ 993,837**

See accompanying notes to financial statements.

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

Consolidated Statements of Cash Flows

Year Ended December 31,	**2014**	2013
Cash Flows From Operating Activities		
Net loss	**$ (107,728)**	$ (599,278)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation	**1,669,119**	1,707,828
Amortization and write-off of deferred financing costs	**85,858**	232,121
Amortization of home relocation costs	**276,144**	209,464
Payment of home relocation costs	**(1,500)**	(814,703)
(Gain) loss on sale of manufactured homes	**(15,692)**	4,060
(Increase) decrease in other assets	**(118,101)**	238,201
Increase in accounts payable	**91,310**	25,028
Increase (decrease) in other liabilities	**16,142**	(46,821)
Net Cash Provided By Operating Activities	**1,895,552**	955,900
Cash Flows From Investing Activities		
Purchase of property and equipment	**(355,640)**	(136,810)
Investment in manufactured homes and improvements	**(1,328,336)**	(1,174,458)
Proceeds from sale of manufactured homes	**253,178**	103,516
Net Cash Used In Investing Activities	**(1,430,798)**	(1,207,752
Cash Flows From Financing Activities		
Distributions to unit holders	**(1,057,084)**	(2,840,913)
Repayments of notes payable	**(674,410)**	(12,084,563)
Proceeds from notes payable refinancing	**-**	19,320,000
Payments of deferred financing costs	**-**	(676,321)
Net Cash (Used In) Provided By Financing Activities	**(1,731,494)**	3,718,203
Net (Decrease) Increase In Cash	**(1,266,740)**	3,466,351
Cash, at beginning of year	**8,584,140**	5,117,789
Cash, at end of year	**$ 7,317,400**	$ 8,584,140

See accompanying notes to financial statements.

1. Summary of Accounting Policies

Organization and Business

Uniprop Manufactured 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 manufactured housing communities (the "properties") at December 31, 2014, and 2013, 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. The general partner is Genesis Associates Limited Partnership ("General Partner").

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 its original 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, 2014.

In connection with the refinancing discussed in Note 2, to satisfy the requirements of Cantor Commercial Real Estate, the ownership of the fee title of two of the properties was transferred into bankruptcy remote special purpose entities. The fee title to the Sunshine Village real property is now held by Sunshine Village MHP, LLC. The fee title to the West Valley real property is now held by West Valley MHP, LLC. Both of these entities are wholly owned by IF II, Holdings, LLC, a newly formed holding company which is wholly owned by the Partnership. Sunshine Village MHP, LLC, West Valley MHP, LLC and IF II, Holdings, LLC are all disregarded entities for federal income tax purposes. The ownership transfers were made solely to meet the requirements of the lender and do not change the beneficial or economic ownership by the Partnership.

Principles of Consolidation

The consolidated financial statements include the accounts of the Partnership and all of its wholly owned subsidiaries as described above. All material intercompany accounts and transactions have been eliminated in consolidation.

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 and accounts payable approximate their fair values due to their short-term nature. The fair value of notes payable approximates their carrying amounts based on current borrowing rates.

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 approximately$36,841,000 and $35,904,000 as of December 31, 2014 and 2013, 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 fair value based on the specific identification method. Manufactured homes and improvements include homes that are vacant and held for sale and occupied lease homes. As of December 31, 2014, there were 171 homes, of which 147 were occupied lease homes valued at approximately $4,520,000 and 24 homes available for sale valued at approximately $846,000. As of December 31, 2013, there were 155 homes, of which 129 were occupied lease homes valued at approximately $3,178,000 and 26 homes available for sale valued at approximately $1,218,000. The fair values of homes held for sale are assessed quarterly based on recent sales of similar homes, guide book values and condition. Impairments are recognized to reduce the carrying amount of each home to the lower of cost or estimated fair value. Occupied lease homes are subject to depreciation using estimated useful lives of 27.5 years, with depreciation commencing at lease inception. Depreciation expense related to these homes for the years ended December 31, 2014 and 2013 was $120,000 and $160,000, respectively. Accumulated depreciation as of December 31, 2014 and 2013 was $320,000 and $200,000, respectively.

Financing Costs

The Partnership incurred $676,321 in financing costs as a result of the 2013 refinancing described in Note 2 below, which is being amortized over the life of the new mortgage notes payable. This included a 1% fee payable to an affiliate of the General Partner.

Amortization and write off of deferred financing costs totaled $85,858 and $232,121 for December 31, 2014 and 2013, respectively. Unamortized deferred financing costs in the amount of $179,375 related to the mortgage notes payable that were refinanced were written off in 2013 and included in amortization expense. Amortization expense is included in interest expense in the consolidated statement of operations.

Deferred Home Relocation Costs

The Partnership initiated the Sunshine Village Paid Home Relocation Program (the "Program") during 2013. The Program was offered exclusively to residents of Seminole Estates, a 704 site, age 55 and over manufactured home community in Hollywood, Florida that announced its closure. The Partnership incurred expenditures of $903,232, of which $816,203 has been capitalized and is being amortized over the life of the residents' three year rental periods. Amortization of these costs recognized for the years ended December 31, 2014 and 2013 totaled $276,144 and $209,464, respectively, and has been recorded as a reduction to rental revenue.

Notes Receivables

The Company provides financing options for certain tenants executing home purchases. Tenant financing loan receivables, referred to as home loan contracts, are periodically evaluated for collectability based on past credit history with tenants and their current financial condition.

The need for an allowance for loan losses is evaluated on a regular basis by management and is based upon management's periodic review of the collectability of the loans in light of historical experience, adverse situations that may affect the borrowers' ability to repay, estimated value of the underlying collateral, and prevailing economic conditions. The evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available. Financing loans receivable are placed on nonaccrual status when they become 30 or more days past due. The Partnership considers the notes delinquent upon maturity without satisfaction of the outstanding balance, per the terms of the note agreement.

Notes receivable are reported at cost and are included in Other Assets on the consolidated balance sheet. Notes receivable totaled $459,312 and $377,396 at December 31, 2014 and 2013, respectively. Interest is recognized according to the terms of the note.

A loan is considered impaired when, based on current information and events, it is probable that the Partnership will be unable to collect the balance either through the scheduled payments of principal and interest when due according to the contractual terms of the loan agreement or through settlement with the borrower by surrender of collateral. Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when due. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. As of December 31, 2014 and 2013, no allowance for loan losses was recorded as all amounts were deemed collectible.

Revenue Recognition

Rental income attributable to home site 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 home lease income, 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 and state income tax regulations in the states in which the Partnership operates 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.

2. Notes Payable

During 2008, the Partnership executed notes payable to StanCorp Mortgage Investors, LLC in the aggregate amount of $23,225,000 secured by the seven properties of the Partnership. The mortgages are payable in monthly installments of interest and principal through September 2033. In connection with the 2008 mortgage debt, the Partnership incurred $693,798 in financing costs as a result of the refinancing which were deferred and amortized over the life of the mortgages of 25 years.

Effective July, 2013, the Partnership refinanced two of the existing mortgage notes payable and executed two new mortgage notes payable in the amount of $19,320,000 secured by Sunshine Village, located in Davie, Florida and West Valley, located in Las Vegas, Nevada with a new lender, Cantor Commercial Real Estate. The mortgages are payable in monthly installments of interest and principal through August, 2023. These notes bear interest at a fixed rate of 5.09% with principal payments based on a twenty-five year amortization period. As of December 31, 2014 and 2013, the balance on these notes was $18,811,184 and $19,196,759, respectively.

Effective September, 2013, the available interest rate re-set option was accepted on the five remaining mortgage notes with StanCorp. The new rate on these five notes is 5.00% and the amortization period is twenty years. Another rate re-set option is available in five years. As of December 31, 2014 and 2013, the balance on these five notes was $9,188,776 and $9,447,611, respectively.

The Partnership incurred $676,321 in financing costs as a result of the 2013 refinancing which is being amortized over the life of the loans. These costs included a 1% fee payable to a Uniprop AM LLC, an affiliate of the General Partner. Unamortized finance costs of $179,395 related to the mortgage notes payable that were refinanced were written off during 2013. Additionally, the Partnership incurred a fee with StanCorp totaling $72,020 related to the refinancing, which has been reflected as part of interest expense on the statement of operations.

In connection with the refinancing of the two mortgage notes payable discussed above, a guaranty of recourse obligations was put in place by Roger Zlotoff, President of Uniprop AM, LLC and his spouse. The Board of Directors has approved a guaranty fee of $25,000 per year for Sunshine Village and $37,500 per year for West Valley payable to Mr. Zlotoff related to this agreement.

Future maturities on the notes payable for the next five years and thereafter are as follows: 2015 - $709,585; 2016 - $744,498; 2017 - $785,396; 2018 - $826,361; 2019 - $869,465 and thereafter - $24,064,655.

At December 31, 2014 and 2013, “Other Assets” includes cash of approximately $243,000 and $201,000, respectively, in an escrow account for property taxes, insurance, and capital improvements, as required by the Partnership’s notes payable agreements. This cash is restricted from operating use.

3. Related Party Transactions

Management Agreement

The Partnership has an agreement with Uniprop AM LLC, 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.

During the years ended December 31, 2014 and 2013, Uniprop AM LLC earned property management fees of approximately $417,000 and $402,000 in 2014 and 2013, 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 $2,500 and $14,900 by Uniprop AM LLC at December 31, 2014 and 2013, respectively, for previously overpaid fees.

Certain employees of affiliates of the General Partner were paid an aggregate of approximately $312,000 and $304,000 during 2014 and 2013, respectively, to perform partnership management, and investor relation services for the Partnership. Uniprop Homes, Inc., a related entity, received commissions totaling $13,400 and $7,300 in 2014 and 2013, respectively, for certain services provided as a broker/dealer of manufactured homes for the properties. Uniprop Homes, Inc. represented the Partnership in the sale of new and pre-owned homes to property residents.

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 in 1987 and is entitled to contingent consideration 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.

4. Reconciliation of Financial Statement Income and Taxable Income

Year Ended December 31,	**2014**	2013
Loss per the financial statements	**$ (107,728)**	(599,278)
Adjustments to depreciation for difference in methods	**(162,392)**	(382,773)
Adjustments for prepaid rent, meals and entertainment, inventory write downs, commissions, sales of lease homes, and tangible property regulations adoption	**(705,460)**	194,266
Income (Loss) Per the Partnership's Tax Return	**$(975,580)**	(787,785)

5. 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, less mortgage 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.

Annual distributable cash from operations was less than the amount required for the annual 10% preferred return to the unit holders by approximately $4,595,000 and $2,811,000, in 2014, and 2013, respectively. No distributions can be made to the general partner until the cumulative preferred return deficit of approximately $71,735,000 as of December 31, 2014 has been distributed to the unit holders.

At December 31, 2014, the general partner’s cumulative incentive management interest to be distributed was approximately $13,420,000. 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 2015.

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 distributed to the unit holders. After sufficient net income has been allocated to the unit holders to equal the amount of cash distributed to them, all the net income is to be allocated to the general partner until it equals the amount of cash distributed to it.

6. Supplemental Cash Flow Information

Interest paid during 2014 and 2013 was approximately $1,450,000, and $1,469,000, respectively.

7. Subsequent Event

The El Adobe property located in Las Vegas, Nevada was listed for sale with a broker subsequent to the year ended December 31, 2014. On February 17, 2015, the property was listed for sale with ARA Realty Advisors. The price and terms of the sale are as follows: the listing price is unpriced; the commission to the broker is three percent, unless there is an outside broker, and then an additional one percent will be added to the commission; and the listing period will expire on July 30, 2015.

As described in the 10K, management performs a strategic review of each Property in the Partnership in conjunction with the preparation of the next year annual operating budget. The strategic review analyzes numerous factors, including occupancy, revenue, expenses, capital expenditures, mortgage debt, and cash flow. Management evaluates the “highest and best use” of each Property and the “sell versus hold” decision, which considers whether or not to put a Property on the market. As part of this process, management may consult with the Regional Vice President for each Property, the Consultant for the Fund, industry experts, real estate brokers, and the appraiser (currently Cushman & Wakefield) of the Fund’s Properties.

For 2014, Management performed the aforementioned analyses and determined that it was in the best interest of the Limited Partners to list for sale the El Adobe property in Las Vegas, Nevada and to hold all the remaining Properties through 2015. Management made a recommendation to the Board of Directors and the Consultant regarding the sale of El Adobe; the Board and Consultant both approved the recommendation to put the property on the market for sale. At this time the manner and timing of a potential sale is unknown.

The carrying amounts of the major classes of assets and liabilities of El Adobe as of December 31, 2014 are as follows: Total Assets of $2,596,859 consist of Current Assets of $22,182 and Fixed Assets of $8,324,391 less Accumulated Depreciation of $5,749,714. Total Liabilities of $3,539,074 consist of Current Liabilities of $134,179 and Long Term Liabilities of $3,404.895.

8. 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, 2013 through December 31, 2014:

	Three Months Ended			
2014	*March 31,*	*June 30,*	*September 30,*	*December 31*
Revenues From Operations	$ 2,163	$ 2,100	$ 2,037	$ 2,087
Income (Loss) from Operations	$ 15	$ (107)	$ (66)	$ 50
Income (Loss) Per Limited Partnership Unit from Operations	$ .00	$ (.03)	$ (.02)	$ .02

	Three Months Ended			
2013	*March 31,*	*June 30,*	*September 30,*	*December 31*
Revenues From Operations	$ 1,991	$ 1,977	$ 2,007	$ 1,999
(Loss) from Operations	$ (48)	$ (74)	$ (301)	$ (176)
(Loss) Per Limited Partnership Unit from Operations	$ (.01)	$ (.02)	$ (.09)	$ (.05)

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

Schedule III - Real Estate and Accumulated Depreciation
December 31, 2014

Column A	*Column B*	*Column C*		*Column D*		*Column E*			*Column F*	*Column G*	*Column H*
		Initial Cost		*Costs Capitalized Subsequent to Acquisition*		*Gross Amount at Which Carried at Close of Period*					*Life on Which Depreciation in Latest Income Statement is Computed*
Description	*Encumbrance*	*Land*	*Buildings and Improvements*	*Land*	*Buildings and Improvements*	*Land*	*Buildings and Improvements*	*Total*	*Accumulated Depreciation*	*Date Acquired*	
Ardmor Village (Lakeville, MN)	$ 3,037,950	$ 1,063,253	$ 4,253,011	$ 4,120	$ 1,509,583	$ 1,067,373	$ 5,762,594	$ 6,829,967	$ 4,804,875	1987	30 years
Sunshine Village (Davie, FL)	4,183,407	1,215,862	4,875,878	-	775,202	1,215,862	5,651,080	6,866,942	4,897,787	1987	30 years
Camelot Manor (Grand Rapids, MI)	1,045,852	918,949	3,681,051	-	1,324,690	918,949	5,005,741	5,924,690	4,238,878	1987	30 years
Dutch Hills (Haslett, MI)	1,419,369	839,693	3,358,771	41,526	999,778	881,219	4,358,549	5,239,768	3,719,163	1987	30 years
Stonegate Manor (Lansing, MI)	1,095,653	930,307	3,721,229	40,552	1,072,682	970,859	4,793,911	5,764,770	4,001,230	1987	30 years
El Adobe (Las Vegas, NV)	3,884,592	1,480,000	5,920,000	39,964	524,399	1,519,964	6,444,399	7,964,363	5,714,688	1988	30 years
West Valley (Las Vegas NV)	8,466,419	2,289,700	9,158,800	89,011	1,597,155	2,378,711	10,755,955	13,134,666	9,335,789	1988	30 years
	$ 23,133,242	$ 8,737,764	$ 34,968,740	$ 215,173	$ 7,803,489	$ 8,952,937	$ 42,772,229	$ 51,725,166	$ 36,712,410		

Notes to Schedule III
December 31, 2014

1. Reconciliation of Land

The following table reconciles the land from January 1, 2013 to December 31, 2014:

	2014	2013
Balance, at January 1	**$ 8,952,937**	$ 8,952,937
Cost of land sold	**-**	-
Balance, at December 31	**$ 8,952,937**	$ 8,952,937

2. Reconciliation of Buildings and Improvements

The following table reconciles the buildings and improvements from January 1, 2013 to December 31, 2014:

	2014	2013
Balance, at January 1	**$ 42,431,157**	$ 42,238,042
Additions to buildings and improvements	**341,072**	193,115
Cost of assets sold	**-**	-
Balance, at December 31	**$ 42,772,229**	$ 42,431,157

3. Reconciliation of Accumulated Depreciation

The following table reconciles the accumulated depreciation from January 1, 2013 to December 31, 2014:

	2014	2013
Balance, at January 1	**$ 35,185,515**	$ 33,660,213
Current year depreciation expense	**1,526,895**	1,525,302
Accumulated depreciation on assets sold	**-**	-
Balance, at December 31	**$ 36,712,410**	$ 35,185,515

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.