

SECOND AMENDED FORM 10-K/A-2
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934 (FEE REQUIRES)

For the fiscal year ended March 31, 2005

Commission File Number 0-19022

Gateway Tax Credit Fund II Ltd.
(Exact name of Registrant as specified in its charter)

Florida 65-0142704
(State or other jurisdiction of (I.R.S. Employer No.)
incorporation or organization)

880 Carillon Parkway, St. Petersburg, Florida 33716
(Address of principal executive offices) (Zip Code)

Registrant's Telephone No., Including Area Code: (727)567-4830

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:
Title of Each Class: Beneficial Assignee Certificates

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

YES NO

Indicate by check mark if disclosure of delinquent filers pursuant to item 405 of
Regulation S-K (Sec. 229.405 of this chapter) is not contained herein, and will 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.

<u>Title of Each Class</u>	<u>Number of Units</u> <u>March 31, 2005</u>
Beneficial Assignee Certificates	2,258
General Partner Interest	2

DOCUMENTS INCORPORATED BY REFERENCE

Parts III and IV - Form S-11 Registration Statement and
all amendments and supplements thereto.
File No. 33-31821

EXPLANATORY NOTE

This document is a second amendment of the Form 10-K for the annual period ended March 31, 2005. This second amendment amends Item 8 Financial Statements and Supplementary Data for the correction of an error in the wording of the reports of the other auditor relied upon by the principal auditor. Those opinions, as originally filed, incorrectly stated that the audit was conducted in accordance with "the auditing standards of the Public Company Accounting Oversight Board (United States)". The corrected reports contained herein state that the audit was conducted in accordance with "the standards of the Public Company Accounting Oversight Board (United States)".

Item 8. Financial Statements and Supplementary Data

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Partners of Gateway Tax Credit Fund II Ltd.

We have audited the accompanying balance sheets of each of the five Series (Series 2 through 6) constituting Gateway Tax Credit Fund II Ltd. (a Florida Limited Partnership) as of March 31, 2005 and 2004 and the related statements of operations, partners' equity (deficit), and cash flows of each of the five Series for each of the three years in the period ended March 31, 2005. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of certain Project Partnerships for which investments included on the balance sheets as of March 31, 2005 and 2004 and net losses included on the statements of operations for each of the three years in the period ended March 31, 2005 are:

	Investments March 31,		Partnership Loss Year Ended March 31,		
	2005	2004	2005	2004	2003
Series 2	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Series 3	0	0	0	0	12,361
Series 4	0	0	0	0	71,223
Series 5	0	0	0	0	68,984
Series 6	4,200	0	5,938	3,291	130,246

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for such underlying partnerships, is based solely on the reports of the other auditors.

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

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of each of the five Series (Series 2 through 6) constituting Gateway Tax Credit Fund II Ltd. as of March 31, 2005 and 2004, and the results of their operations and their cash flows for each of the three years in the period ended March 31, 2005, in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed under Item 14(a)(2) in the index are presented for purposes of complying with the Securities and Exchange Commission's rules and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audits and the reports of other auditors, fairly state in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

/s/ Spence, Marston, Bunch, Morris & Co.
SPENCE, MARSTON, BUNCH, MORRIS & CO.
Certified Public Accountants

Clearwater, Florida
September 8, 2005

PART I - Financial Information
Item 1. Financial Statements

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)
BALANCE SHEET
MARCH 31, 2005 AND 2004

SERIES 2	2005	2004
	----	----
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 235,004	\$ 221,084
Investments in Securities	63,596	61,300
	-----	-----
Total Current Assets	298,600	282,384
Investments in Securities	61,315	115,551
Investments in Project Partnerships, Net	34,391	47,597
	-----	-----
Total Assets	\$ 394,306	\$ 445,532
	=====	=====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 45,045	\$ 63,359
	-----	-----
Total Current Liabilities	45,045	63,359
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	531,644	467,036
	-----	-----
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest		
consisting of 40,000 authorized BAC's, of which		
Series 2 had 6,136 at March 31, 2005 and 2004		
issued to the assignees		
Assignees		
Units of beneficial interest of the limited		
partnership interest of the assignor limited		
partner, \$1,000 stated value per BAC, Series 2		
had 6,136 at March 31, 2005 and 2004, issued		
and outstanding		
General Partners	(126,760)	(30,215)
	(55,623)	(54,648)
	-----	-----
Total Partners' Equity (Deficit)	(182,383)	(84,863)
	-----	-----
Total Liabilities and Partners' Equity	\$ 394,306	\$ 445,532
(Deficit)	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

BALANCE SHEET

MARCH 31, 2005 AND 2004

SERIES 3	2005 ----	2004 ----
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 218,547	\$ 187,419
Investments in Securities	56,568	54,525
Total Current Assets	275,115	241,944
Investments in Securities	54,538	102,780
Investments in Project Partnerships, Net	0	0
Total Assets	\$ 329,653	\$ 344,724
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 49,309	\$ 63,415
Total Current Liabilities	49,309	63,415
Long-Term Liabilities:		
Payable to General Partners	430,440	353,758
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest consisting of 40,000 authorized BAC's, of which Series 3 had 5,456 at March 31, 2005 and 2004 issued to the assignees		
Assignees		
Units of beneficial interest of the limited partnership interest of the assignor limited partner, \$1,000 stated value per BAC, Series 3 had 5,456 at March 31, 2005 and 2004, issued and outstanding		
General Partners	(100,780)	(23,909)
	(49,316)	(48,540)
Total Partners' Equity (Deficit)	(150,096)	(72,449)
Total Liabilities and Partners' Equity (Deficit)	\$ 329,653	\$ 344,724

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

BALANCE SHEET

MARCH 31, 2005 AND 2004

SERIES 4	2005 ----	2004 ----
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 304,447	\$ 273,485
Investments in Securities	71,666	69,078
	-----	-----
Total Current Assets	376,113	342,563
Investments in Securities	69,095	130,212
Investments in Project Partnerships, Net	0	0
	-----	-----
Total Assets	\$ 445,208	\$ 472,775
	=====	=====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 54,471	\$ 66,784
	-----	-----
Total Current Liabilities	54,471	66,784
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	570,233	482,520
	-----	-----
Partners' Equity (deficit):		
Assignor Limited Partner		
Units of limited partnership interest		
consisting of 40,000 authorized BAC's, of which		
Series 4 had 6,915 at March 31, 2005 and 2004		
issued to the assignees		
Assignees		
Units of beneficial interest of the limited		
partnership interest of the assignor limited		
partner, \$1,000 stated value per BAC, Series 4		
had 6,915 at March 31, 2005 and 2004, issued		
and outstanding		
	(117,046)	(15,109)
General Partners	(62,450)	(61,420)
	-----	-----
Total Partners' Equity (Deficit)	(179,496)	(76,529)
	-----	-----
Total Liabilities and Partners' Equity (Deficit)	\$ 445,208	\$ 472,775
	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

BALANCE SHEET

MARCH 31, 2005 AND 2004

SERIES 5	2005	2004
	----	----
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 238,360	\$ 349,174
Restricted Cash	157,126	0
Investments in Securities	89,322	86,098
	-----	-----
Total Current Assets	484,808	435,272
Investments in Securities	86,118	162,292
Investments in Project Partnerships, Net	202,405	229,630
	-----	-----
Total Assets	\$ 773,331	\$ 827,194
	=====	=====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 72,789	\$ 96,999
Distribution Payable	157,126	0
Other Payable	700	0
	-----	-----
Total Current Liabilities	230,615	96,999
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	418,856	464,362
	-----	-----
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest		
consisting of 40,000 authorized BAC's, of which		
Series 5 had 8,616 at March 31, 2005 and 2004		
issued to the assignees		
Assignees		
Units of beneficial interest of the limited		
partnership interest of the assignor limited		
partner, \$1,000 stated value per BAC, Series 5		
had 8,616 at March 31, 2005 and 2004, issued		
and outstanding		
General Partners	123,860	338,798
	0	(72,965)
	-----	-----
Total Partners' Equity (Deficit)	123,860	265,833
	-----	-----
Total Liabilities and Partners' Equity (Deficit)	\$ 773,331	\$ 827,194
	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

BALANCE SHEET

MARCH 31, 2005 AND 2004

SERIES 6	2005	2004
	----	----
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 444,751	\$ 401,535
Accounts Receivable - Other	700	0
Investments in Securities	74,664	70,976
	-----	-----
Total Current Assets	520,115	472,511
Investments in Securities	72,775	136,979
Investments in Project Partnerships, Net	781,147	858,488
	-----	-----
Total Assets	\$1,374,037	\$1,467,978
	=====	=====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 68,579	\$ 90,272
Other Payable	500	0
	-----	-----
Total Current Liabilities	69,079	90,272
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	736,464	610,503
	-----	-----
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest		
consisting of 40,000 authorized BAC's, of which		
Series 6 had 10,105 at March 31, 2005 and 2004		
issued to the assignees		
Assignees		
Units of beneficial interest of the limited		
partnership interest of the assignor limited		
partner, \$1,000 stated value per BAC, Series 6		
had 10,105 at March 31, 2005 and 2004, issued		
and outstanding		
General Partners	651,535	848,257
	(83,041)	(81,054)
	-----	-----
Total Partners' Equity (Deficit)	568,494	767,203
	-----	-----
Total Liabilities and Partners' Equity	\$1,374,037	\$1,467,978
(Deficit)	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

BALANCE SHEET

MARCH 31, 2005 AND 2004

	2005 ----	2004 ----
TOTAL SERIES 2 - 6		
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$1,441,109	\$1,432,697
Restricted Cash	157,126	0
Accounts Receivable - Other	700	0
Investments in Securities	355,816	341,977
	-----	-----
Total Current Assets	1,954,751	1,774,674
Investments in Securities	343,841	647,814
Investments in Project Partnerships, Net	1,017,943	1,135,715
	-----	-----
Total Assets	\$3,316,535	\$3,558,203
	=====	=====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 290,193	\$ 380,829
Distribution Payable	157,126	0
Other Payable	1,200	0
	-----	-----
Total Current Liabilities	448,519	380,829
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	2,687,637	2,378,179
	-----	-----
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest consisting of 40,000 authorized BAC's, of which Series 2-6 had 37,228 at March 31, 2005 and 2004 issued to the assignees		
Assignees		
Units of beneficial interest of the limited partnership interest of the assignor limited partner, \$1,000 stated value per BAC, Series 2-6 had 37,228 at March 31, 2005 and 2004, issued and outstanding		
General Partners	430,809	1,117,822
	(250,430)	(318,627)
	-----	-----
Total Partners' Equity (Deficit)	180,379	799,195
	-----	-----
Total Liabilities and Partners' Equity (Deficit)	\$3,316,535	\$3,558,203
	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED MARCH 31,

SERIES 2	2005	2004	2003
	----	----	----
Revenues:			
Distribution Income	\$ 13,938	\$ 12,820	\$ 12,665
	-----	-----	-----
Total Revenues	13,938	12,820	12,665
	-----	-----	-----
Expenses:			
Asset Management Fee-General Partner	67,609	67,822	68,021
General and Administrative:			
General Partner	32,074	32,065	18,483
Other	11,930	10,198	12,050
Amortization	697	698	696
	-----	-----	-----
Total Expenses	112,310	110,783	99,250
	-----	-----	-----
Loss Before Equity in Losses of Project Partnerships and Other Income	(98,372)	(97,963)	(86,585)
Equity in Losses of Project Partnerships	(10,911)	(8,484)	(17,624)
Interest Income	11,763	14,247	18,979
	-----	-----	-----
Net Loss	\$ (97,520)	\$ (92,200)	\$ (85,230)
	=====	=====	=====
Allocation of Net Loss:			
Assignees	\$ (96,545)	\$ (91,278)	\$ (84,378)
General Partners	(975)	(922)	(852)
	-----	-----	-----
	\$ (97,520)	\$ (92,200)	\$ (85,230)
	=====	=====	=====
Net Loss Per Beneficial Assignee Certificate	\$ (15.73)	\$ (14.88)	\$ (13.75)
Number of Beneficial Assignee Certificates Outstanding	6,136	6,136	6,136
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED MARCH 31,

Series 3	2005	2004	2003
	----	----	----
Revenues:			
Distribution Income	\$ 18,781	\$ 22,801	\$ 21,167
	-----	-----	-----
Total Revenues	18,781	22,801	21,167
	-----	-----	-----
Expenses:			
Asset Management Fee-General Partner	62,717	63,022	62,667
General and Administrative:			
General Partner	33,531	33,523	19,323
Other	10,716	10,490	12,669
Amortization	0	516	516
	-----	-----	-----
Total Expenses	106,964	107,551	95,175
	-----	-----	-----
Loss Before Equity in Losses of Project Partnerships and Other Income	(88,183)	(84,750)	(74,008)
Equity in Losses of Project Partnerships	0	(5,137)	(25,505)
Interest Income	10,536	12,644	16,784
	-----	-----	-----
Net Loss	\$ (77,647)	\$ (77,243)	\$ (82,729)
	=====	=====	=====
Allocation of Net Loss:			
Assignees	\$ (76,871)	\$ (76,471)	\$ (81,902)
General Partners	(776)	(772)	(827)
	-----	-----	-----
	\$ (77,647)	\$ (77,243)	\$ (82,729)
	=====	=====	=====
Net Loss Per Beneficial Assignee Certificate	\$ (14.09)	\$ (14.02)	\$ (15.01)
Number of Beneficial Assignee Certificates Outstanding	5,456	5,456	5,456
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED MARCH 31,

SERIES 4	2005	2004	2003
	----	----	----
Revenues:			
Distribution Income	\$ 16,181	\$ 27,960	\$ 14,116
	-----	-----	-----
Total Revenues	16,181	27,960	14,116
	-----	-----	-----
Expenses:			
Asset Management Fee - General Partner	77,205	77,448	77,271
General and Administrative:			
General Partner	42,279	42,266	24,365
Other	13,260	13,098	15,376
Amortization	0	671	1,235
	-----	-----	-----
Total Expenses	132,744	133,483	118,247
	-----	-----	-----
Loss Before Equity in Losses of Project Partnerships and Other Income	(116,563)	(105,523)	(104,131)
Equity in Losses of Project Partnerships	0	(8,763)	(77,657)
Interest Income	13,596	16,127	21,475
	-----	-----	-----
Net Loss	\$(102,967)	\$ (98,159)	\$(160,313)
	=====	=====	=====
Allocation of Net Loss:			
Assignees	\$(101,937)	\$ (97,177)	\$(158,710)
General Partners	(1,030)	(982)	(1,603)
	-----	-----	-----
	\$(102,967)	\$ (98,159)	\$(160,313)
	=====	=====	=====
Net Loss Per Beneficial Assignee Certificate	\$ (14.74)	\$ (14.05)	\$ (22.95)
Number of Beneficial Assignee Certificates Outstanding	6,915	6,915	6,915
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED MARCH 31,

SERIES 5	2005 ----	2004 ----	2003 ----
Revenues:			
Distribution Income	\$ 27,663	\$ 16,981	\$ 20,909
Total Revenues	27,663	16,981	20,909
Expenses:			
Asset Management Fee - General Partner	92,722	95,180	95,480
General and Administrative:			
General Partner	52,484	52,470	30,245
Other	17,788	16,351	20,045
Amortization	2,005	4,560	4,807
Total Expenses	164,999	168,561	150,577
Loss Before Equity in Losses of Project Partnerships and Other Income	(137,336)	(151,580)	(129,668)
Equity in Income (Losses) of Project Partnerships:			
Current Year Equity in Loss of Project Partnerships	(26,110)	(133,705)	(159,492)
Suspended Losses Utilized in Current Year	(43,945)	0	0
Gain on Sale of Partnership Assets	227,407	0	0
Total Equity in Income (Losses) of Project Partnership	157,352	(133,705)	(159,492)
Loss on Disposition of Partnership Interests	(21,574)	0	0
Interest Income	16,711	20,246	27,167
Net Income (Loss)	\$ 15,153	\$(265,039)	\$(261,993)
Allocation of Net Loss:			
Assignees	(57,812)	\$(262,389)	\$(259,373)
General Partners	72,965	(2,650)	(2,620)
	\$ 15,153	\$(265,039)	\$(261,993)
Net Loss Per Beneficial Assignee Certificate	\$ (6.71)	\$ (30.45)	\$ (30.10)
Number of Beneficial Assignee Certificates Outstanding	8,616	8,616	8,616

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED MARCH 31,

SERIES 6	2005	2004	2003
	----	----	----
Revenues:			
Distribution Income	\$ 32,039	\$ 21,129	\$ 16,919
Total Revenues	----- 32,039	----- 21,129	----- 16,919
Expenses:			
Asset Management Fee - General Partner	104,509	104,953	105,376
General and Administrative:			
General Partner	55,400	55,384	31,926
Other	17,799	18,607	20,786
Amortization	6,106	8,403	8,896
Total Expenses	----- 183,814	----- 187,347	----- 166,984
Loss Before Equity in Losses of Project Partnerships and Other Income	(151,775)	(166,218)	(150,065)
Equity in Losses of Project Partnerships	(65,236)	(148,498)	(209,950)
Interest Income	18,302	19,949	25,421
Net Loss	----- \$(198,709) =====	----- \$(294,767) =====	----- \$(334,594) =====
Allocation of Net Loss:			
Assignees	\$(196,722)	\$(291,819)	\$(331,248)
General Partners	(1,987)	(2,948)	(3,346)
	----- \$(198,709) =====	----- \$(294,767) =====	----- \$(334,594) =====
Net Loss Per Beneficial Assignee Certificate	\$ (19.47)	\$ (28.88)	\$ (32.78)
Number of Beneficial Assignee Certificates Outstanding	----- 10,105 =====	----- 10,105 =====	----- 10,105 =====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED MARCH 31,

TOTAL SERIES 2 - 6	2005	2004	2003
	----	----	----
Revenues:			
Distribution Income	\$ 108,602	\$ 101,691	\$ 85,776
Total Revenues	----- 108,602	----- 101,691	----- 85,776
Expenses:			
Asset Management Fee-General Partner	404,762	408,425	408,815
General and Administrative:			
General Partner	215,768	215,708	124,342
Other	71,493	68,744	80,926
Amortization	8,808	14,848	16,150
Total Expenses	----- 700,831	----- 707,725	----- 630,233
Loss Before Equity in Losses of Project Partnerships and Other Income	(592,229)	(606,034)	(544,457)
Equity in Losses of Project Partnerships	(102,257)	(304,587)	(490,228)
Suspended Losses Utilized in Current Year	(43,945)	0	0
Gain on Sale of Project Partnership	227,407	0	0
Total Equity in Income (Losses) of Project Partnerships	----- 81,205	----- (304,587)	----- (490,228)
Loss on Disposition of Partnership Interests	(21,574)	0	0
Interest Income	70,908	83,213	109,826
Net Loss	----- \$ (461,690)	----- \$ (827,408)	----- \$ (924,859)
Allocation of Net Loss:			
Assignees	\$ (529,887)	\$ (819,134)	\$ (915,611)
General Partners	68,197	(8,274)	(9,248)
	----- \$ (461,690)	----- \$ (827,408)	----- \$ (924,859)
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

SERIES 2	Assignees -----	General Partners -----	Total -----
Balance at March 31, 2002	\$ 145,441	\$ (52,874)	\$ 92,567
Net Loss	(84,378)	(852)	(85,230)
	-----	-----	-----
Balance at March 31, 2003	61,063	(53,726)	7,337
Net Loss	(91,278)	(922)	(92,200)
	-----	-----	-----
Balance at March 31, 2004	(30,215)	(54,648)	(84,863)
Net Loss	(96,545)	(975)	(97,520)
	-----	-----	-----
Balance at March 31, 2005	\$ (126,760)	\$ (55,623)	\$ (182,383)
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

SERIES 3	Assignees -----	General Partners -----	Total -----
Balance at March 31, 2002	\$ 134,464	\$ (46,941)	\$ 87,523
Net Loss	(81,902)	(827)	(82,729)
	-----	-----	-----
Balance at March 31, 2003	52,562	(47,768)	4,794
Net Loss	(76,471)	(772)	(77,243)
	-----	-----	-----
Balance at March 31, 2004	(23,909)	(48,540)	(72,449)
Net Loss	(76,871)	(776)	(77,647)
	-----	-----	-----
Balance at March 31, 2005	\$ (100,780)	\$ (49,316)	\$ (150,096)
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

SERIES 4	Assignees -----	General Partners -----	Total -----
Balance at March 31, 2002	\$ 240,778	\$ (58,835)	\$ 181,943
Net Loss	(158,710) -----	(1,603) -----	(160,313) -----
Balance at March 31, 2003	82,068	(60,438)	21,630
Net Loss	(97,177) -----	(982) -----	(98,159) -----
Balance at March 31, 2004	(15,109)	(61,420)	(76,529)
Net Loss	(101,937) -----	(1,030) -----	(102,967) -----
Balance at March 31, 2005	\$ (117,046) =====	\$ (62,450) =====	\$ (179,496) =====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

SERIES 5	<u>Assignees</u>	<u>General Partners</u>	<u>Total</u>
Balance at March 31, 2002	\$ 860,560	\$ (67,695)	\$ 792,865
Net Loss	(259,373)	(2,620)	(261,993)
Balance at March 31, 2003	601,187	(70,315)	530,872
Net Loss	(262,389)	(2,650)	(265,039)
Balance at March 31, 2004	338,798	(72,965)	265,833
Net Income	(57,812)	72,965	15,153
Distributions	(157,126)	0	(157,126)
Balance at March 31, 2005	\$ 123,860	\$ 0	\$ 123,860

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

SERIES 6	Assignees -----	General Partners -----	Total -----
Balance at March 31, 2002	\$ 1,471,324	\$ (74,760)	\$ 1,396,564
Net Loss	(331,248)	(3,346)	(334,594)
	-----	-----	-----
Balance at March 31, 2003	1,140,076	(78,106)	1,061,970
Net Loss	(291,819)	(2,948)	(294,767)
	-----	-----	-----
Balance at March 31, 2004	848,257	(81,054)	767,203
Net Loss	(196,722)	(1,987)	(198,709)
	-----	-----	-----
Balance at March 31, 2005	\$ 651,535	\$ (83,041)	\$ 568,494
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

TOTAL SERIES 2 - 6	<u>Assignees</u> -----	<u>General Partners</u> -----	<u>Total</u> -----
Balance at March 31, 2002	\$ 2,852,567	\$(301,105)	\$ 2,551,462
Net Loss	(915,611)	(9,248)	(924,859)
	-----	-----	-----
Balance at March 31, 2003	1,936,956	(310,353)	1,626,603
Net Loss	(819,134)	(8,274)	(827,408)
	-----	-----	-----
Balance at March 31, 2004	1,117,822	(318,627)	799,195
Net Loss	(529,887)	(68,197)	(461,690)
Distributions	(157,126)	0	(157,126)
	-----	-----	-----
Balance at March 31, 2005	\$ 430,809	\$(250,430)	\$ 180,379
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

SERIES 2 -----	2005 ----	2004 ----	2003 ----
Cash Flows from Operating Activities:			
Net Loss	\$(97,520)	\$(92,200)	\$(85,230)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:			
Amortization	697	698	696
Accreted Interest Income on Investments in Securities	(9,361)	(13,179)	(16,515)
Equity in Losses of Project Partnerships	10,911	8,484	17,624
Interest Income from Redemption of Securities	37,584	33,934	30,400
Distributions Included in Other Income	(13,438)	(12,820)	(12,665)
Changes in Operating Assets and Liabilities:			
Increase in Payable to General Partners	46,294	13,938	33,077
	-----	-----	-----
Net Cash Used in Operating Activities	(24,833)	(61,145)	(32,613)
	-----	-----	-----
Cash Flows from Investing Activities:			
Distributions Received from Project Partnerships	15,038	14,422	14,265
Redemption of Investment in Securities	23,715	24,652	25,698
	-----	-----	-----
Net Cash Provided by Investing Activities	38,753	39,074	39,963
	-----	-----	-----
Increase (Decrease) in Cash and Cash Equivalents	13,920	(22,071)	7,350
Cash and Cash Equivalents at Beginning of Year	221,084	243,155	235,805
	-----	-----	-----
Cash and Cash Equivalents at End of Year	\$ 235,004	\$ 221,084	\$ 243,155
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

SERIES 3 -----	2005 ----	2004 ----	2003 ----
Cash Flows from Operating Activities:			
Net Loss	\$ (77,647)	\$ (77,243)	\$ (82,729)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:			
Amortization	0	516	516
Accreted Interest Income on Investments in Securities	(8,327)	(11,722)	(14,689)
Equity in Losses of Project Partnerships	0	5,137	25,505
Interest Income from Redemption of Securities	33,433	30,183	27,037
Distributions Included In Other Income	(18,781)	(22,801)	(21,167)
Changes in Operating Assets and Liabilities:			
Increase in Payable to General Partners	62,576	16,190	22,976
	-----	-----	-----
Net Cash Used in Operating Activities	(8,746)	(59,740)	(42,551)
	-----	-----	-----
Cash Flows from Investing Activities:			
Distributions Received from Project Partnerships	18,781	23,780	23,114
Redemption of Investment in Securities	21,093	21,929	22,859
	-----	-----	-----
Net Cash Provided by Investing Activities	39,874	45,709	45,973
	-----	-----	-----
Increase (Decrease) in Cash and Cash Equivalents	31,128	(14,031)	3,422
Cash and Cash Equivalents at Beginning of Year	187,419	201,450	198,028
	-----	-----	-----
Cash and Cash Equivalents at End of Year	\$ 218,547	\$ 187,419	\$ 201,450
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

SERIES 4 -----	2005 ----	2004 ----	2003 ----
Cash Flows from Operating Activities:			
Net Loss	\$(102,967)	\$ (98,159)	\$(160,313)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:			
Amortization	0	671	1,235
Accreted Interest Income on Investments in Securities	(10,549)	(14,851)	(18,610)
Equity in Losses of Project Partnerships	0	8,763	77,657
Interest Income from Redemption of Securities	42,355	38,238	34,256
Distributions Included In Other Income	(16,173)	(27,960)	(14,116)
Changes in Operating Assets and Liabilities:			
Increase in Payable to General Partners	75,400	34,302	32,963
	-----	-----	-----
Net Cash Used in Operating Activities	(11,934)	(58,996)	(46,928)
	-----	-----	-----
Cash Flows from Investing Activities:			
Distributions Received from Project Partnerships	16,173	30,805	19,685
Redemption of Investment in Securities	26,723	27,780	28,960
	-----	-----	-----
Net Cash Provided by Investing Activities	42,896	58,585	48,645
	-----	-----	-----
Increase (Decrease) in Cash and Cash Equivalents	30,962	(411)	1,717
Cash and Cash Equivalents at Beginning of Year	273,485	273,896	272,179
	-----	-----	-----
Cash and Cash Equivalents at End of Year	\$ 304,447	\$ 273,485	\$ 273,896
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

SERIES 5 -----	2005 ----	2004 ----	2003 ----
Cash Flows from Operating Activities:			
Net Income (Loss)	\$ 15,153	\$(265,039)	\$(261,993)
Adjustments to Reconcile Net Loss to Net Cash Provided by (Used in) Operating Activities:			
Amortization	2,005	4,560	4,807
Accreted Interest Income on Investments in Securities	(13,147)	(18,510)	(23,195)
Equity in Losses of Project Partnerships	70,055	133,705	159,492
Gain on Sale of Partnership Assets	(227,407)	0	0
Loss on Disposition of Partnership Interests	21,574	0	0
Interest Income from Redemption of Securities	52,790	47,662	42,695
Distributions Included In Other Income	(27,063)	(16,981)	(20,909)
Changes in Operating Assets and Liabilities:			
Increase (decrease) in Payable to General Partners	(69,716)	18,393	37,552
Increase in Other Payable	700	0	0
	-----	-----	-----
Net Cash Used in Operating Activities	(175,056)	(96,210)	(61,551)
	-----	-----	-----
Cash Flows from Investing Activities:			
Distributions Received from Project Partnerships	30,934	25,358	30,482
Redemption of Investment in Securities	33,308	34,624	36,094
	-----	-----	-----
Net Cash Provided by Investing Activities	64,242	59,982	66,576
	-----	-----	-----
Increase (Decrease) in Cash and Cash Equivalents	(110,814)	(36,228)	5,025
Cash and Cash Equivalents at Beginning of Year	349,174	385,402	380,377
	-----	-----	-----
Cash and Cash Equivalents at End of Year	\$ 238,360	\$ 349,174	\$ 385,402
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

SERIES 6 -----	2005 ----	2004 ----	2003 ----
Cash Flows from Operating Activities:			
Net Loss	\$(198,709)	\$(294,767)	\$(334,594)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:			
Amortization	6,106	8,403	8,896
Accreted Interest Income on Investments in Securities	(14,483)	(18,286)	(21,459)
Equity in Losses of Project Partnerships	65,236	148,498	209,950
Interest Income from Redemption of Securities	44,194	38,520	33,739
Distributions Included In Other Income	(32,039)	(21,129)	(16,919)
Changes in Operating Assets and Liabilities:			
Increase in Accounts Receivable	(700)	0	0
Increase in Payable to General Partners	104,268	30,821	49,906
Increase in Other Payables	500	0	0
	-----	-----	-----
Net Cash Used in Operating Activities	(25,627)	(107,940)	(70,481)
	-----	-----	-----
Cash Flows from Investing Activities:			
Distributions Received from Project Partnerships	38,038	30,412	30,427
Redemption of Investment in Securities	30,805	31,478	32,262
	-----	-----	-----
Net Cash Provided by Investing Activities	68,843	61,890	62,689
	-----	-----	-----
Increase (Decrease) in Cash and Cash Equivalents	43,216	(46,050)	(7,792)
Cash and Cash Equivalents at Beginning of Year	401,535	447,585	455,377
	-----	-----	-----
Cash and Cash Equivalents at End of Year	\$ 444,751	\$ 401,535	\$ 447,585
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2005, 2004 AND 2003

TOTAL SERIES 2 - 6	2005	2004	2003
-----	----	----	----
Cash Flows from Operating Activities:			
Net Loss	\$(461,690)	\$(827,408)	\$(924,859)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:			
Amortization	8,808	14,848	16,150
Accreted Interest Income on Investments in Securities	(55,867)	(76,548)	(94,468)
Equity in Losses of Project Partnerships	146,202	304,587	490,228
Gain on Sale of Partnership Assets	(227,407)	0	0
Loss on Disposition of Partnership Interests	21,574	0	0
Interest Income from Redemption of Securities	210,356	188,537	168,127
Distributions Included In Other Income	(107,494)	(101,691)	(85,776)
Changes in Operating Assets and Liabilities:			
Increase in Accounts Receivable	(700)	0	0
Increase in Payable to General Partners	218,822	113,644	176,474
Increase in Other Payable	1,200	0	0
	-----	-----	-----
Net Cash Used in Operating Activities	(246,196)	(384,031)	(254,124)
	-----	-----	-----
Cash Flows from Investing Activities:			
Distributions Received from Project Partnerships	118,964	124,777	117,973
Redemption of Investment in Securities	135,644	140,463	145,873
	-----	-----	-----
Net Cash Provided by Investing Activities	254,608	265,240	263,846
	-----	-----	-----
Increase (Decrease) in Cash and Cash Equivalents	8,412	(118,791)	9,722
Cash and Cash Equivalents at Beginning of Year	1,432,697	1,551,488	1,541,766
	-----	-----	-----
Cash and Cash Equivalents at End of Year	\$ 1,441,109	\$ 1,432,697	\$ 1,551,488
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.
(A Florida Limited Partnership)

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005, 2004 AND 2003

NOTE 1 - ORGANIZATION:

Gateway Tax Credit Fund II Ltd. ("Gateway"), a Florida Limited Partnership, was formed September 12, 1989, under the laws of Florida. Operations commenced on September 14, 1990 for Series 2, September 28, 1990 for Series 3, February 1, 1991 for Series 4, July 1, 1991 for Series 5 and January 1, 1992 for Series 6. Gateway has invested, as a limited partner, in other limited partnerships ("Project Partnerships") each of which owns and operates one or more apartment complexes expected to qualify for Low-Income Housing Tax Credits. Gateway will terminate on December 31, 2040, or sooner, in accordance with the terms of the Limited Partnership Agreement. As of March 31, 2005, Gateway had received capital contributions of \$1,000 from the General Partners and \$37,228,000 from Beneficial Assignee Certificate investors (the "Assignees"). The fiscal year of Gateway for reporting purposes ends on March 31.

Pursuant to the Securities Act of 1933, Gateway filed a Form S-11 Registration Statement with the Securities and Exchange Commission, effective September 12, 1989, which covered the offering (the "Public Offering") of Gateway's Beneficial Assignee Certificates ("BACs") representing assignments of units for the beneficial interest of the limited partnership interest of the Assignor Limited Partner. The Assignor Limited Partner was formed for the purpose of serving in that capacity for the Fund and will not engage in any other business.

Raymond James Partners, Inc. and Raymond James Tax Credit Funds, Inc., wholly-owned subsidiaries of Raymond James Financial, Inc., are the General Partner and the Managing General Partner, respectively.

Gateway offered BACs in five series. BACs in the amounts of \$6,136,000, \$5,456,000, \$6,915,000, \$8,616,000 and \$10,105,000 for Series 2, 3, 4, 5 and 6, respectively had been issued as of March 31, 2005. Each Series is treated as a separate partnership, investing in a separate and distinct pool of Project Partnerships. Net proceeds from each Series are used to acquire Project Partnerships which are specifically allocated to such Series. Income or loss and all tax items from the Project Partnerships acquired by each Series are specifically allocated among the Assignees of such Series.

Operating profits and losses, cash distributions from operations and tax credits are allocated 99% to the Assignees and 1% to the General Partners. Profit or loss and cash distributions from sales of properties will be allocated as formulated in the Limited Partnership Agreement.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting

Gateway utilizes the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when obligations are incurred.

Gateway accounts for its investments as the sole limited partner in Project Partnerships ("Investments in Project Partnerships"), using the equity method of accounting, because management believes that Gateway does not have a majority control of the major operating and financial policies of the Project Partnerships in which it invests, and reports the equity in losses of the Project Partnerships on a 3-month lag in the Statements of Operations. Under the equity method, the Investments in Project Partnerships initially include:

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued):

- 1) Gateway's capital contribution,
- 2) Acquisition fees paid to the General Partner for services rendered in selecting properties for acquisition, and
- 3) Acquisition expenses including legal fees, travel and other miscellaneous costs relating to acquiring properties.

Quarterly the Investments in Project Partnerships are increased or decreased as follows:

- 1) Increased for equity in income or decreased for equity in losses of the Project Partnerships,
- 2) Decreased for cash distributions received from the Project Partnerships, and
- 3) Decreased for the amortization of the acquisition fees and expenses.

Amortization is calculated on a straight-line basis over 35 years, as this is the average estimated useful life of the underlying assets. The amortization expense is shown on the Statements of Operations.

Pursuant to the limited partnership agreements for the Project Partnerships, cash losses generated by the Project Partnerships are allocated to the general partners of those partnerships. In subsequent years, cash profits, if any, are first allocated to the general partners to the extent of the allocation of prior years' cash losses.

Since Gateway invests as a limited partner, and therefore is not obligated to fund losses or make additional capital contributions, it does not recognize losses from individual Project Partnerships to the extent that these losses would reduce the investment in those Project Partnerships below zero. The suspended losses will be used to offset future income from the individual Project Partnerships.

Gateway reviews its investments in Project Partnerships to determine if there has been any permanent impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If the sum of the expected future cash flows is less than the carrying amount of the investment, Gateway recognizes an impairment loss. No impairment loss has been recognized in the accompanying financial statements.

Gateway, as a limited partner in the Project Partnerships, is subject to risks inherent in the ownership of property which are beyond its control, such as fluctuations in occupancy rates and operating expenses, variations in rental schedules, proper maintenance and continued eligibility of tax credits. If the cost of operating a property exceeds the rental income earned thereon, Gateway may deem it in its best interest to voluntarily provide funds in order to protect its investment. Gateway does not guarantee any of the mortgages or other debt of the Project Partnerships.

Cash and Cash Equivalents

It is Gateway's policy to include short-term investments with an original maturity of three months or less in Cash and Cash Equivalents. Short-term investments are comprised of money market mutual funds.

Concentration of Credit Risk

Financial instruments which potentially subject Gateway to concentrations of credit risk consist of cash investments in a money market mutual fund that is a wholly-owned subsidiary of Raymond James Financial, Inc.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates that affect certain reported amounts and disclosures. These estimates are based on management's knowledge and experience. Accordingly, actual results could differ from these estimates.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued):

Investment in Securities

Effective April 1, 1995, Gateway adopted Statement of Financial Accounting Standards No. 115, Accounting for Certain Investments in Debt and Equity Securities ("FAS 115"). Under FAS 115, Gateway is required to categorize its debt securities as held-to-maturity, available-for-sale or trading securities, dependent upon Gateway's intent in holding the securities. Gateway's intent is to hold all of its debt securities (U. S. Government Security Strips) until maturity and to use these reserves to fund Gateway's ongoing operations. Interest income is recognized ratably on the U. S. Government Strips using the effective yield to maturity.

Income Taxes

No provision for income taxes has been made in these financial statements, as income taxes are a liability of the partners rather than of Gateway.

Reclassifications

For comparability, the 2004 and 2003 figures have been reclassified, where appropriate, to conform with the financial statement presentation used in 2005.

Recent Accounting Pronouncements

In January 2003, the FASB issued FASB Interpretation No. 46 ("FIN46"), "Consolidation of Variable Interest Entities, an Interpretation of ARB No. 51." Gateway has adopted FIN 46 and applied its requirements to all Project Partnerships in which Gateway held an interest. Generally, a variable interest entity, or VIE, is an entity with one or more of the following characteristics, (a) the total equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support; (b) as a group the holders of the equity investment at risk lack (i) the ability to make decisions about an entity's activities through voting or similar rights, (ii) the obligation to absorb the expected losses of the entity; or (c) the equity investors have voting rights that are not proportional to their economic interests and substantially all of the entity's activities either involve, or are conducted on behalf of, an investor that has disproportionately few voting rights. FIN 46 requires VIE to be consolidated in the financial statements of the entity that is determined to be the primary beneficiary of the VIE. The primary beneficiary, as is applicable to Gateway's circumstances, is the party in the Project Partnership equity group that is most closely associated with the Project Partnership.

As of March 31, 2005, Gateway determined that it held variable interests in 143 VIE's, which consist of Project Partnerships, which Gateway is not the primary beneficiary. Gateway's maximum exposure to loss as a result of its involvement with unconsolidated VIE's is limited to Gateway's recorded investments in and receivables from those VIE's, which is approximately \$1,017,943 at March 31, 2005. Gateway may be subject to additional losses to the extent of any financial support that Gateway voluntarily provides to those Project Partnerships in the future.

NOTE 3 - INVESTMENT IN SECURITIES:

The March 31, 2005 Balance Sheet includes Investment in Securities consisting of U.S. Government Security Strips which represents their cost, plus accreted interest income of \$80,534 for Series 2, \$71,633 for Series 3, \$90,753 for Series 4, \$113,112 for Series 5 and \$89,306 for Series 6. For convenience, the Investment in Securities are commonly held in a brokerage account with Raymond James and Associates, Inc. A separate accounting is maintained for each series' share of the investments.

	Estimated Market Value	Cost Plus Accreted Interest	Gross Unrealized Gains and (Losses)
Series 2	\$ 127,481	\$ 124,911	\$ 2,570
Series 3	113,355	111,106	2,249
Series 4	143,666	140,761	2,905
Series 5	179,006	175,440	3,566
Series 6	154,155	147,439	6,716

As of March 31, 2005, the cost and accreted interest of debt securities by contractual maturities is as follows:

	Series 2	Series 3	Series 4
Due within 1 year	\$ 63,596	\$ 56,568	\$ 71,666
After 1 year through 5 years	61,315	54,538	69,095
Total Amount Carried on Balance Sheet	\$ 124,911	\$ 111,106	\$ 140,761

	Series 5	Series 6	Total
Due within 1 year	\$ 89,322	\$ 74,664	\$ 355,816
After 1 year through 5 years	86,118	72,775	343,841
Total Amount Carried on Balance Sheet	\$ 175,440	\$ 147,439	\$ 699,657

NOTE 4 - RELATED PARTY TRANSACTIONS:

The Payable to General Partners primarily represents the asset management fees owed to the General Partners at the end of the period. It is unsecured, due on demand and, in accordance with the limited partnership agreement, non-interest bearing. Within the next 12 months, the Managing General Partner does not intend to demand payment on the portion of Asset Management Fees payable classified as long-term on the Balance Sheet.

NOTE 4 - RELATED PARTY TRANSACTIONS (Continued):

For the years ended March 31, 2005, 2004 and 2003 the General Partners and affiliates are entitled to compensation and reimbursement for costs and expenses incurred by Gateway as follows:

Asset Management Fee - The Managing General Partner is entitled to be paid an annual asset management fee equal to 0.25% of the aggregate cost of Gateway's interest in the projects owned by the Project Partnerships. The asset management fee will be paid only after all other expenses of Gateway have been paid. These fees are included in the Statements of Operations.

	2005	2004	2003
	----	----	----
Series 2	\$ 67,609	\$ 67,822	\$ 68,021
Series 3	62,717	63,022	62,667
Series 4	77,205	77,448	77,271
Series 5	92,722	95,180	95,480
Series 6	104,509	104,953	105,376
	-----	-----	-----
Total	\$ 404,762	\$ 408,425	\$ 408,815
	=====	=====	=====

General and Administrative Expenses - The Managing General Partner is reimbursed for general and administrative expenses of Gateway on an accountable basis. This expense is included in the Statements of Operations.

	2005	2004	2003
	----	----	----
Series 2	\$ 32,074	\$ 32,065	\$ 18,483
Series 3	33,531	33,523	19,323
Series 4	42,279	42,266	24,365
Series 5	52,484	52,470	30,245
Series 6	55,400	55,384	31,926
	-----	-----	-----
Total	\$215,768	\$215,708	\$124,342
	=====	=====	=====

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS:

SERIES 2

As of March 31, 2005, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 22 Project Partnerships which own and operate government assisted multi-family housing complexes.

Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in Project Partnerships as of:

	MARCH 31, 2005	MARCH 31, 2004
	-----	-----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 4,524,678	\$ 4,524,678
Cumulative equity in losses of Project Partnerships (1)	(4,710,669)	(4,699,758)
Cumulative distributions received from Project Partnerships	(86,005)	(84,405)
	-----	-----
Investment in Project Partnerships before Adjustment	(271,996)	(259,485)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	390,838	390,838
Accumulated amortization of acquisition fees and expenses	(84,451)	(83,756)
	-----	-----
Investments in Project Partnerships	\$ 34,391	\$ 47,597
	=====	=====

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$5,027,429 for the year ended March 31, 2005 and cumulative suspended losses of \$4,358,678 for the year ended March 31, 2004 are not included.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

SERIES 3

As of March 31, 2005, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 23 Project Partnerships which own and operate government assisted multi-family housing complexes.

Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in Project Partnerships as of:

	MARCH 31, 2005	MARCH 31, 2004
	-----	-----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 3,888,713	\$ 3,888,713
Cumulative equity in losses of Project Partnerships (1)	(4,133,478)	(4,133,478)
Cumulative distributions received from Project Partnerships	(164,417)	(164,417)
	-----	-----
Investment in Project Partnerships before Adjustment	(409,182)	(409,182)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	491,746	491,746
Accumulated amortization of acquisition fees and expenses	(82,564)	(82,564)
	-----	-----
Investments in Project Partnerships	\$ 0	\$ 0
	=====	=====

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$5,850,760 for the year ended March 31, 2005 and cumulative suspended losses of \$5,123,116 for the year ended March 31, 2004 are not included.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

SERIES 4

As of March 31, 2005, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 29 Project Partnerships which own and operate government assisted multi-family housing complexes.

Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in Project Partnerships as of:

	MARCH 31, 2005	MARCH 31, 2004
	-----	-----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 4,952,519	\$ 4,952,519
Cumulative equity in losses of Project Partnerships (1)	(5,268,905)	(5,268,905)
Cumulative distributions received from Project Partnerships	(124,819)	(124,819)
	-----	-----
Investment in Project Partnerships before Adjustment	(441,205)	(441,205)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	562,967	562,967
Accumulated amortization of acquisition fees and expenses	(121,762)	(121,762)
	-----	-----
Investments in Project Partnerships	\$ 0	\$ 0
	=====	=====

1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$4,920,242 for the year ended March 31, 2005 and cumulative suspended losses of \$4,113,695 for the year ended March 31, 2004 are not included.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

SERIES 5

As of March 31, 2005, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 35 Project Partnerships which own and operate government assisted multi-family housing complexes.

Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in Project Partnerships as of:

	MARCH 31, 2005	MARCH 31, 2004
	-----	-----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 6,010,273	\$ 6,164,472
Cumulative equity in losses of Project Partnerships (1)	(6,104,694)	(6,247,828)
Cumulative distributions received from Project Partnerships	(196,610)	(196,488)
	-----	-----
Investment in Project Partnerships before Adjustment	(291,031)	(279,844)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	632,419	650,837
Accumulated amortization of acquisition fees and expenses	(138,983)	(141,363)
	-----	-----
Investments in Project Partnerships	\$ 202,405	\$ 229,630
	=====	=====

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$5,631,211 for the year ended March 31, 2005 and cumulative suspended losses of \$4,928,362 for the year ended March 31, 2004 are not included.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

SERIES 6

As of March 31, 2005, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 38 Project Partnerships which own and operate government assisted multi-family housing complexes.

Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in Project Partnerships as of:

	MARCH 31, 2005	MARCH 31, 2004
	-----	-----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 7,462,215	\$ 7,462,215
Cumulative equity in losses of Project Partnerships (1)	(7,044,277)	(6,979,041)
Cumulative distributions received from Project Partnerships	(219,390)	(213,391)
	-----	-----
Investment in Project Partnerships before Adjustment	198,548	269,783
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	785,179	785,179
Accumulated amortization of acquisition fees and expenses	(202,580)	(196,474)
	-----	-----
Investments in Project Partnerships	\$ 781,147	\$ 858,488
	=====	=====

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$3,911,618 for the year ended March 31, 2005 and cumulative suspended losses of \$3,303,141 for the year ended March 31, 2004 are not included.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

TOTAL SERIES 2 - 6

The following is a summary of Investments in Project Partnerships:

	MARCH 31, 2005	MARCH 31, 2004
	-----	-----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 26,838,398	\$ 26,992,597
Cumulative equity in losses of Project Partnerships (1)	(27,262,023)	(27,329,010)
Cumulative distributions received from Project Partnerships	(791,241)	(783,520)
	-----	-----
Investment in Project Partnerships before Adjustment	(1,214,866)	(1,119,933)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	2,863,149	2,881,567
Accumulated amortization of acquisition fees and expenses	(630,340)	(625,919)
	-----	-----
Investments in Project Partnerships	\$ 1,017,943	\$ 1,135,715
	=====	=====

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of December 31 of each year:

SERIES 2	DECEMBER 31,		
	2004	2003	2002
	-----	-----	-----
SUMMARIZED BALANCE SHEETS	(Unaudited)	(Unaudited)	(Unaudited)
Assets:			
Current assets	\$ 1,968,967	\$ 1,968,746	\$ 1,996,703
Investment properties, net	15,779,910	16,592,073	17,389,222
Other assets	770	12,876	30,833
	-----	-----	-----
Total assets	\$17,749,647	\$18,573,695	\$19,416,758
	=====	=====	=====
Liabilities and Partners' Equity:			
Current liabilities	\$ 483,214	\$ 503,026	\$ 479,598
Long-term debt	22,746,522	22,832,568	22,911,635
	-----	-----	-----
Total liabilities	23,229,736	23,335,594	23,391,233
	-----	-----	-----
Partners' equity			
Limited Partner	(5,354,226)	(4,660,463)	(3,898,565)
General Partners	(125,863)	(101,436)	(75,910)
	-----	-----	-----
Total Partners' equity	(5,480,089)	(4,761,899)	(3,974,475)
	-----	-----	-----
Total liabilities and partners' equity	\$17,749,647	\$18,573,695	\$19,416,758
	=====	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS			
Rental and other income	\$ 4,270,346	\$ 4,224,657	\$ 4,185,769
Expenses:			
Operating expenses	2,079,978	2,102,111	2,005,732
Interest expense	2,007,179	2,011,686	2,019,497
Depreciation and amortization	869,716	865,601	864,473
	-----	-----	-----
Total expenses	4,956,873	4,979,398	4,889,702
	-----	-----	-----
Net loss	\$ (686,527)	\$ (754,741)	\$ (703,933)
	=====	=====	=====
Other partners' share of net loss	\$ (6,865)	\$ (7,547)	\$ (7,039)
	=====	=====	=====
Partnership's share of net loss	\$ (679,662)	\$ (747,194)	\$ (696,894)
	-----	-----	-----
Suspended losses	668,751	738,710	679,270
	-----	-----	-----
Equity in Losses of Project Partnerships	\$ (10,911)	\$ (8,484)	\$ (17,624)
	=====	=====	=====

As of December 31, 2004, the largest Project Partnership constituted 12.0% and 13.7%, and as of December 31, 2003 the largest Project Partnership constituted 12.2% and 14.5% of the combined total assets by series and combined total revenues by series, respectively.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of December 31 of each year:

SERIES 3	2004	2003	2002
	-----	-----	-----
	(Unaudited)	(Unaudited)	(Unaudited)
DECEMBER 31,			
SUMMARIZED BALANCE SHEETS			
Assets:			
Current assets	\$ 2,560,603	\$ 2,528,204	\$ 2,494,464
Investment properties, net	12,872,999	13,784,914	14,677,423
Other assets	166,839	175,280	207,241
	-----	-----	-----
Total assets	\$15,600,441	\$16,488,398	\$17,379,128
	=====	=====	=====
Liabilities and Partners' Equity:			
Current liabilities	\$ 508,518	\$ 482,162	\$ 767,216
Long-term debt	21,412,108	21,535,458	21,388,284
	-----	-----	-----
Total liabilities	21,920,626	22,017,620	22,155,500
	-----	-----	-----
Partners' equity			
Limited Partner	(6,676,166)	(5,924,969)	(5,199,220)
General Partners	355,981	395,747	422,848
	-----	-----	-----
Total Partners' equity	(6,320,185)	(5,529,222)	(4,776,372)
	-----	-----	-----
Total liabilities and partners' equity	\$15,600,441	\$16,488,398	\$17,379,128
	=====	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS			
Rental and other income	\$ 4,301,073	\$ 4,123,334	\$ 3,894,384
Expenses:			
Operating expenses	2,100,539	1,961,831	1,846,763
Interest expense	1,967,487	1,894,630	1,705,335
Depreciation and amortization	973,367	983,259	961,550
	-----	-----	-----
Total expenses	5,041,393	4,839,720	4,513,648
	-----	-----	-----
Net loss	\$ (740,320)	\$ (716,386)	\$ (619,264)
	=====	=====	=====
Other partners' share of net loss	\$ (12,676)	\$ (11,723)	\$ (10,391)
	=====	=====	=====
Partnership's share of net loss	\$ (727,644)	\$ (704,663)	\$ (608,873)
	-----	-----	-----
Suspended losses	727,644	699,526	583,368
	-----	-----	-----
Equity in Losses of Project Partnerships	\$ 0	\$ (5,137)	\$ (25,505)
	=====	=====	=====

As of December 31, 2004, the largest Project Partnership constituted 8.5% and 6.4%, and as of December 31, 2003 the largest Project Partnership constituted 8.4% and 6.7% of the combined total assets by series and combined total revenues by series, respectively.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of December 31 of each year:

SERIES 4	DECEMBER 31,		
	2004	2003	2002
	-----	-----	-----
SUMMARIZED BALANCE SHEETS	(Unaudited)	(Unaudited)	(Unaudited)
Assets:			
Current assets	\$ 2,310,917	\$ 2,246,924	\$ 2,096,991
Investment properties, net	20,049,998	21,023,533	21,967,065
Other assets	33,120	20,390	98,167
	-----	-----	-----
Total assets	\$22,394,035	\$23,290,847	\$24,162,223
	=====	=====	=====
Liabilities and Partners' Equity:			
Current liabilities	\$ 910,446	\$ 864,424	\$ 1,042,776
Long-term debt	26,191,312	26,289,686	26,217,878
	-----	-----	-----
Total liabilities	27,101,758	27,154,110	27,260,654
	-----	-----	-----
Partners' equity			
Limited Partner	(5,435,023)	(4,611,405)	(3,856,877)
General Partners	727,300	748,142	758,446
	-----	-----	-----
Total Partners' equity	(4,707,723)	(3,863,263)	(3,098,431)
	-----	-----	-----
Total liabilities and partners' equity	\$22,394,035	\$23,290,847	\$24,162,223
	=====	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS			
Rental and other income	\$ 4,938,004	\$ 4,832,351	\$ 4,729,907
Expenses:	-----	-----	-----
Operating expenses	2,576,638	2,432,823	2,278,471
Interest expense	2,138,281	2,096,318	2,111,419
Depreciation and amortization	1,045,249	1,045,416	1,044,807
	-----	-----	-----
Total expenses	5,760,168	5,574,557	5,434,697
	-----	-----	-----
Net loss	\$ (822,164)	\$ (742,206)	\$ (704,790)
	=====	=====	=====
Other partners' share of net loss	\$ (15,617)	\$ (9,779)	\$ (8,990)
	=====	=====	=====
Partnership's share of net loss	\$ (806,547)	\$ (732,427)	\$ (695,800)
Suspended losses	806,547	723,664	618,143
	-----	-----	-----
Equity in Losses of Project Partnerships	\$ 0	\$ (8,763)	\$ (77,657)
	=====	=====	=====

As of December 31, 2004, the largest Project Partnership constituted 7.8% and 5.8%, and as of December 31, 2003 the largest Project Partnership constituted 7.8% and 5.6% of the combined total assets by series and combined total revenues by series, respectively.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of December 31 of each year:

SERIES 5	2004	DECEMBER 31, 2003	2002
	-----	-----	-----
SUMMARIZED BALANCE SHEETS	(Unaudited)	(Unaudited)	(Unaudited)
Assets:			
Current assets	\$ 3,075,902	\$ 3,058,047	\$ 2,992,231
Investment properties, net	22,749,373	24,492,694	25,673,688
Other assets	51,964	2,286	133,044
	-----	-----	-----
Total assets	\$25,877,239	\$27,553,027	\$28,798,963
	=====	=====	=====
Liabilities and Partners' Equity:			
Current liabilities	\$ 736,200	\$ 807,429	\$ 803,333
Long-term debt	31,392,413	32,229,915	32,351,185
	-----	-----	-----
Total liabilities	32,128,613	33,037,344	33,154,518
	-----	-----	-----
Partners' equity			
Limited Partner	(5,930,379)	(5,197,812)	(4,110,580)
General Partners	(320,995)	(286,505)	(244,975)
	-----	-----	-----
Total Partners' equity	(6,251,374)	(5,484,317)	(4,355,555)
	-----	-----	-----
Total liabilities and partners' equity	\$25,877,239	\$27,553,027	\$28,798,963
	=====	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS			
Rental and other income	\$ 5,792,482	\$ 5,575,579	\$ 5,359,025
Gain on Sale	227,407	0	0
	-----	-----	-----
Total Income	6,019,889	5,575,579	5,359,025
	-----	-----	-----
Expenses:			
Operating expenses	3,096,406	3,119,514	2,910,555
Interest expense	2,229,541	2,250,016	2,121,354
Depreciation and amortization	1,247,246	1,276,928	1,280,622
	-----	-----	-----
Total expenses	6,573,193	6,646,458	6,312,531
	-----	-----	-----
Net loss	\$ (553,304)	\$(1,070,879)	\$ (953,506)
	=====	=====	=====
Other partners' share of net loss	\$ (7,807)	\$ (10,709)	\$ (9,535)
	=====	=====	=====
Partnership's share of net loss	\$ (545,497)	\$(1,060,170)	\$ (943,971)
	-----	-----	-----
Suspended losses	746,794	926,465	784,479
	-----	-----	-----
Equity in Income (Losses) of Project Partnerships	\$ 201,297	\$ (133,705)	\$ (159,492)
	=====	=====	=====

As of December 31, 2004, the largest Project Partnership constituted 8.3% and 8.0%, and as of December 31, 2003 the largest Project Partnership constituted 7.9% and 8.2% of the combined total assets by series and combined total revenues by series, respectively.

One of the Project Partnerships, Highland View, LP, sold its property in December 2004. The sale of the property resulted in a gain allocated to Gateway of \$227,407. Gateway received sale proceeds totaling \$157,127, which will be distributed to the Limited Partners at \$18.24 per limited partnership unit. Gateway had previously suspended losses reported by this Project Partnership in conformity with its policy to not record losses which reduce the investment below zero. As a result of the net increase in the investment from the sale transaction

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

Gateway was able to recognize \$43,945 in suspended losses. Gateway's ending investment in this Project Partnership, after adjusting for the gain on sale, cash proceeds received and suspended losses, was \$21,574, which is reported as a loss on disposition in the Combined Statements of Operations.

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of December 31 of each year:

SERIES 6	2004	DECEMBER 31, 2003	2002
	----- (Unaudited)	----- (Unaudited)	----- (Unaudited)
SUMMARIZED BALANCE SHEETS			
Assets:			
Current assets	\$ 4,075,629	\$ 3,748,484	\$ 3,483,867
Investment properties, net	27,082,558	28,314,923	29,526,496
Other assets	3,934	17,884	21,090
	-----	-----	-----
Total assets	\$31,162,121	\$32,081,291	\$33,031,453
	=====	=====	=====
Liabilities and Partners' Equity:			
Current liabilities	\$ 760,481	\$ 733,479	\$ 729,972
Long-term debt	34,688,448	34,867,631	35,038,427
	-----	-----	-----
Total liabilities	35,448,929	35,601,110	35,768,399
	-----	-----	-----
Partners' equity			
Limited Partner	(3,799,474)	(3,085,785)	(2,353,217)
General Partners	(487,334)	(434,034)	(383,729)
	-----	-----	-----
Total Partners' equity	(4,286,808)	(3,519,819)	(2,736,946)
	-----	-----	-----
Total liabilities and partners' equity	\$31,162,121	\$32,081,291	\$33,031,453
	=====	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS			
Rental and other income	\$ 6,536,265	\$ 6,361,139	\$ 5,978,366
Expenses:			
Operating expenses	3,184,179	3,026,245	2,948,945
Interest expense	2,666,928	2,684,574	2,478,366
Depreciation and amortization	1,367,028	1,357,379	1,361,813
	-----	-----	-----
Total expenses	7,218,135	7,068,198	6,789,124
	-----	-----	-----
Net loss	\$ (681,870)	\$ (707,059)	\$ (810,758)
	=====	=====	=====
Other partners' share of net loss	\$ (8,157)	\$ (8,150)	\$ (9,624)
	=====	=====	=====
Partnership's share of net loss	\$ (673,713)	\$ (698,909)	\$ (801,134)
	-----	-----	-----
Suspended losses	608,477	550,411	591,184
	-----	-----	-----
Equity in Losses of Project Partnerships	\$ (65,236)	\$ (148,498)	\$ (209,950)
	=====	=====	=====

As of December 31, 2004, the largest Project Partnership constituted 6.4% and 6.5%, and as of December 31, 2003 the largest Project Partnership constituted 6.5% and 6.5% of the combined total assets by series and combined total revenues by series, respectively.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of December 31 of each year:

TOTAL SERIES 2 - 6	2004	DECEMBER 31, 2003	2002
	-----	-----	-----
SUMMARIZED BALANCE SHEETS	(Unaudited)	(Unaudited)	(Unaudited)
Assets:			
Current assets	\$ 13,992,018	\$ 13,550,405	\$ 13,064,256
Investment properties, net	98,534,838	104,208,137	109,233,894
Other assets	256,627	228,716	490,375
	-----	-----	-----
Total assets	\$112,783,483	\$117,987,258	\$122,788,525
	=====	=====	=====
Liabilities and Partners' Equity:			
Current liabilities	\$ 3,398,859	\$ 3,390,520	\$ 3,822,895
Long-term debt	136,430,803	137,755,258	137,907,409
	-----	-----	-----
Total liabilities	139,829,662	141,145,778	141,730,304
	-----	-----	-----
Partners' equity			
Limited Partner	(27,195,268)	(23,480,434)	(19,418,459)
General Partners	149,089	321,914	476,680
	-----	-----	-----
Total Partners' equity	(27,046,179)	(23,158,520)	(18,941,779)
	-----	-----	-----
Total liabilities and partners' equity	\$112,783,483	\$117,987,258	\$122,788,525
	=====	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS			
Rental and other income	\$ 25,838,170	\$ 25,117,060	\$ 24,147,451
Gain on Sale	227,407	0	0
	-----	-----	-----
Total Income	26,065,577	25,117,060	24,147,451
	-----	-----	-----
Expenses:			
Operating expenses	13,037,740	12,642,524	11,990,466
Interest expense	11,009,416	10,937,224	10,435,971
Depreciation and amortization	5,502,606	5,528,583	5,513,265
	-----	-----	-----
Total expenses	29,549,762	29,108,331	27,939,702
	-----	-----	-----
Net loss	\$ (3,484,185)	\$ (3,991,271)	\$ (3,792,251)
	=====	=====	=====
Other partners' share of net loss	\$ (51,122)	\$ (47,908)	\$ (45,579)
	=====	=====	=====
Partnership's share of net loss	\$ (3,433,063)	\$ (3,943,363)	\$ (3,746,672)
	-----	-----	-----
Suspended losses	3,558,213	3,638,776	3,256,444
	-----	-----	-----
Equity in Income (Losses) of Project Partnerships	\$ 125,150	\$ (304,587)	\$ (490,228)
	=====	=====	=====

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS(continued):

The Partnership's equity by Series as reflected by the Project Partnerships differs from the Partnership's Investments in Project Partnerships before acquisition fees and expenses and amortization by Series primarily because of suspended losses on the Partnerships books and differences in the accounting treatment of miscellaneous items.

By Series these differences are as follows:

	Equity Per Project Partnership	Equity Per Partnership
	-----	-----
Series 2	\$ (5,354,226)	\$ (271,966)
Series 3	(6,676,166)	(409,182)
Series 4	(5,435,023)	(441,205)
Series 5	(5,930,379)	(291,031)
Series 6	(3,799,474)	198,548

NOTE 6 - TAXABLE INCOME (LOSS):

The following is a reconciliation between Net Income (Loss) as described in the financial statements and the Partnership income (loss) for tax purposes:

SERIES 2	2005 -----	2004 -----	2003 -----
Net Loss per Financial Statements	\$ (97,520)	\$ (92,200)	\$ (85,230)
Equity in Losses of Project Partnerships for tax purposes less than (in excess of) losses for financial statement purposes	(797,850)	(856,310)	(796,760)
Adjustments to convert March 31, fiscal year end to December 31, taxable year end	1,376	8,988	964
Items Expensed for Financial Statement purposes not expensed for Tax purposes:			
Asset Management Fee	53,428	12,850	35,197
Amortization Expense	696	696	(131)
Other Adjustments	(14,217)	(18,415)	(10,860)
	-----	-----	-----
Partnership loss for tax purposes as of December 31	\$ (854,087) =====	\$ (944,391) =====	\$ (856,820) =====
	December 31, 2004 -----	December 31, 2003 -----	December 31, 2002 -----
Federal Low Income Housing Tax Credits (Unaudited)	\$ 892 =====	\$ 892 =====	\$ 17,131 =====

The differences in the assets and liabilities of the Series for financial reporting purposes and tax reporting purposes for the year ended March 31, 2005 are as follows:

	<u>Financial Reporting Purposes</u>	<u>Tax Reporting Purposes</u>	<u>Differences</u>
Investments in Local Limited Partnerships	\$ 34,391	\$(6,549,304)	\$ 6,583,695
Other Assets	\$ 359,915	\$ 1,096,825	\$ (736,910)
Liabilities	\$ 576,689	\$ 4,049	\$ 572,640

NOTE 6 - TAXABLE INCOME (LOSS)(Continued):

The following is a reconciliation between Net Income (Loss) as described in the financial statements and the Partnership income (loss) for tax purposes:

SERIES 3	2005 ----	2004 ----	2003 ----
Net Loss per Financial Statements	\$ (77,647)	\$ (77,243)	\$ (82,729)
Equity in Losses of Project Partnerships for tax purposes less than (in excess of) losses for financial statement purposes	(752,598)	(762,553)	(622,341)
Adjustments to convert March 31, fiscal year end to December 31, taxable year end	2,140	18,639	426
Items Expensed for Financial Statement purposes not expensed for Tax purposes:			
Asset Management Fee	67,931	17,077	25,116
Amortization Expense	129	63	1,120
Other Adjustments	(20,866)	(37,484)	(19,990)
	-----	-----	-----
Partnership loss for tax purposes as of December 31	\$ (780,911) =====	\$ (841,501) =====	\$ (698,398) =====
	December 31, 2004	December 31, 2003	December 31, 2002
	-----	-----	-----
Federal Low Income Housing Tax Credits (Unaudited)	\$ 0 =====	\$ 941 =====	\$ 7,517 =====

The differences in the assets and liabilities of the Series for financial reporting purposes and tax reporting purposes for the year ended March 31, 2005 are as follows:

	<u>Financial Reporting Purposes</u>	<u>Tax Reporting Purposes</u>	<u>Differences</u>
Investments in Local Limited Partnerships	\$ 0	\$(6,099,083)	\$6,099,083
Other Assets	\$ 329,653	\$ 987,524	\$ (657,871)
Liabilities	\$ 479,749	\$ 4,161	\$ 475,588

NOTE 6 - TAXABLE INCOME (LOSS)(Continued):

The following is a reconciliation between Net Income (Loss) as described in the financial statements and the Partnership income (loss) for tax purposes:

SERIES 4	2005 -----	2004 -----	2003 -----
Net Loss per Financial Statements	\$ (102,967)	\$ (98,159)	\$ (160,313)
Equity in Losses of Project Partnerships for tax purposes less than (in excess of) losses for financial statement purposes	(907,174)	(825,899)	(827,686)
Adjustments to convert March 31, fiscal year end to December 31, taxable year end	(971)	18,236	1,588
Items Expensed for Financial Statement purposes not expensed for Tax purposes:			
Asset Management Fee	79,874	37,611	35,743
Amortization Expense	(256)	(802)	2,947
Other Adjustments	(14,332)	(40,257)	(15,207)
	-----	-----	-----
Partnership loss for tax purposes as of December 31	\$ (945,826) =====	\$ (909,270) =====	\$ (962,928) =====
	December 31, 2004	December 31, 2003	December 31, 2002
	-----	-----	-----
Federal Low Income Housing Tax Credits (Unaudited)	\$ 1,484 =====	\$ 8,520 =====	\$ 20,620 =====

The differences in the assets and liabilities of the Series for financial reporting purposes and tax reporting purposes for the year ended March 31, 2005 are as follows:

	<u>Financial Reporting Purposes</u>	<u>Tax Reporting Purposes</u>	<u>Differences</u>
Investments in Local Limited Partnerships	\$ 0	\$ (7,213,834)	\$ 7,213,834
Other Assets	\$ 445,208	\$ 1,282,235	\$ (837,027)
Liabilities	\$ 624,704	\$ 6,719	\$ 617,985

NOTE 6 - TAXABLE INCOME (LOSS)(Continued):

The following is a reconciliation between Net Income (Loss) as described in the financial statements and the Partnership income (loss) for tax purposes:

SERIES 5	2005 ----	2004 ----	2003 ----
Net Income (Loss) per Financial Statements	\$ 15,153	\$ (265,039)	\$ (261,993)
Equity in Losses of Project Partnerships for tax purposes less than (in excess of) losses for financial statement purposes	(948,134)	(996,157)	(886,046)
Adjustments to convert March 31, fiscal year end to December 31, taxable year end	(7,065)	20,717	4,599
Items Expensed for Financial Statement purposes not expensed for Tax purposes:			
Asset Management Fee	(58,836)	19,420	41,264
Amortization Expense	4,380	4,576	5,110
Other Adjustments	(46,206)	(34,151)	(21,532)
	-----	-----	-----
Partnership loss for tax purposes as of December 31	\$ (1,040,708)	\$ (1,250,634)	\$ (1,118,598)
	=====	=====	=====
	December 31, 2004	December 31, 2003	December 31, 2002
	-----	-----	-----
Federal Low Income Housing Tax Credits (Unaudited)	\$ 20,278	\$ 75,409	\$ 471,321
	=====	=====	=====

The differences in the assets and liabilities of the Series for financial reporting purposes and tax reporting purposes for the year ended March 31, 2005 are as follows:

	<u>Financial Reporting Purposes</u>	<u>Tax Reporting Purposes</u>	<u>Differences</u>
Investments in Local Limited Partnerships	\$ 202,405	\$ (7,218,248)	\$ 7,420,653
Other Assets	\$ 570,926	\$ 1,607,629	\$ (1,036,703)
Liabilities	\$ 649,471	\$ 6,156	\$ 643,315

NOTE 6 - TAXABLE INCOME (LOSS)(Continued):

The following is a reconciliation between Net Income (Loss) as described in the financial statements and the Partnership income (loss) for tax purposes:

SERIES 6	2005 -----	2004 -----	2003 -----
Net Loss per Financial Statements	\$ (198,709)	\$ (294,767)	\$ (334,594)
Equity in Losses of Project Partnerships for tax purposes less than (in excess of) losses for financial statement purposes	(849,870)	(788,055)	(805,019)
Adjustments to convert March 31, fiscal year end to December 31, taxable year end	3,894	12,119	5,776
Items Expensed for Financial Statement purposes not expensed for Tax purposes:			
Asset Management Fee	111,482	34,124	53,540
Amortization Expense	8,034	8,478	6,552
Other Adjustments	(36,754)	(28,421)	(17,654)
	-----	-----	-----
Partnership loss for tax purposes as of December 31	\$ 961,923 =====	\$(1,056,522) =====	\$(1,091,399) =====
	December 31, 2004 -----	December 31, 2003 -----	December 31, 2002 -----
Federal Low Income Housing Tax Credits (Unaudited)	\$ 38,926 =====	\$ 154,714 =====	\$ 1,311,025 =====

The differences in the assets and liabilities of the Series for financial reporting purposes and tax reporting purposes for the year ended March 31, 2005 are as follows:

	<u>Financial Reporting Purposes</u>	<u>Tax Reporting Purposes</u>	<u>Differences</u>
Investments in Local Limited Partnerships	\$ 781,147	\$(5,862,980)	\$ 6,644,127
Other Assets	\$ 592,890	\$ 1,780,281	\$(1,187,391)
Liabilities	\$ 805,543	\$ 6,824	\$ 798,719

NOTE 6 - TAXABLE INCOME (LOSS)(Continued):

The following is a reconciliation between Net Income (Loss) as described in the financial statements and the Partnership income (loss) for tax purposes:

TOTAL SERIES 2 - 6	2005	2004	2003
	----	----	----
Net Loss per Financial Statements	\$ (461,690)	\$ (827,408)	\$ (924,859)
Equity in Losses of Project Partnerships for tax purposes less than (in excess of) losses for financial statement purposes	(4,255,626)	(4,228,974)	(3,937,852)
Adjustments to convert March 31, fiscal year end to December 31, taxable year end	(626)	78,699	13,353
Items Expensed for Financial Statement purposes not expensed for Tax purposes:			
Asset Management Fee	253,879	121,082	190,860
Amortization Expense	12,983	13,011	15,598
Other Adjustments	(132,375)	(158,728)	(85,243)
	-----	-----	-----
Partnership loss for tax purposes as of December 31	\$ (4,583,455)	\$ (5,002,318)	\$ (4,728,143)
	=====	=====	=====

The difference in the total value of the Partnership's Investment in Project Partnerships is approximately \$6,583,695 higher for Series 2, \$6,099,083 higher for Series 3, \$7,213,834 higher for Series 4, \$7,420,653 higher for Series 5 and \$6,644,127 higher for Series 6 for financial reporting purposes than for tax return purposes because (i) there were depreciation differences between financial reporting purposes and tax return purposes and (ii) certain expenses are not deductible for tax return purposes.

The differences in the assets and liabilities of the Fund for financial reporting purposes and tax reporting purposes for the year ended March 31, 2005 are as follows:

	<u>Financial Reporting Purposes</u>	<u>Tax Reporting Purposes</u>	<u>Differences</u>
Investments in Local Limited Partnerships	\$1,017,943	\$(32,943,449)	\$33,961,392
Other Assets	\$2,298,592	\$ 6,754,494	\$(4,455,902)
Liabilities	\$3,136,156	\$ 27,909	\$ 3,108,247

NOTE 7 - SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED):

<u>Series 2</u> <u>Year 2005</u>	<u>Quarter 1</u> <u>6/30/2004</u>	<u>Quarter 2</u> <u>9/30/2004</u>	<u>Quarter 3</u> <u>12/31/2004</u>	<u>Quarter 4</u> <u>3/31/2005</u>
Total Revenues	\$ 3,945	\$ 0	\$ 3,702	\$ 6,291
Net Income (Loss)	\$ (23,076)	\$ (41,293)	\$ (28,733)	\$ (4,418)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (3.72)	\$ (6.66)	\$ (4.64)	\$ (.71)

<u>Series 3</u> <u>Year 2005</u>	<u>Quarter 1</u> <u>6/30/2004</u>	<u>Quarter 2</u> <u>9/30/2004</u>	<u>Quarter 3</u> <u>12/31/2004</u>	<u>Quarter 4</u> <u>3/31/2005</u>
Total Revenues	\$ 9,002	\$ 0	\$ 5,380	\$ 4,399
Net Income (Loss)	\$ (12,843)	\$ (27,395)	\$ (17,660)	\$ (19,749)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (2.33)	\$ (4.97)	\$ (3.21)	\$ (3.58)

<u>Series 4</u> <u>Year 2005</u>	<u>Quarter 1</u> <u>6/30/2004</u>	<u>Quarter 2</u> <u>9/30/2004</u>	<u>Quarter 3</u> <u>12/31/2004</u>	<u>Quarter 4</u> <u>3/31/2005</u>
Total Revenues	\$ 4,944	\$ 5,693	\$ 1,884	\$ 3,660
Net Income (Loss)	\$ (22,017)	\$ (28,145)	\$ (26,708)	\$ (26,097)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (3.15)	\$ (4.03)	\$ (3.82)	\$ (3.74)

NOTE 7 - SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED) (Continued):

<u>Series 5</u> <u>Year 2005</u>	<u>Quarter 1</u> <u>6/30/2004</u>	<u>Quarter 2</u> <u>9/30/2004</u>	<u>Quarter 3</u> <u>12/31/2004</u>	<u>Quarter 4</u> <u>3/31/2005</u>
Total Revenues	\$ 7,658	\$ 8,902	\$ 2,172	\$ 8,931
Net Income (Loss)	\$ (34,298)	\$ (39,929)	\$ (37,000)	\$ 126,380
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (3.94)	\$ (4.59)	\$ (4.25)	\$ 6.07

<u>Series 6</u> <u>Year 2005</u>	<u>Quarter 1</u> <u>6/30/2004</u>	<u>Quarter 2</u> <u>9/30/2004</u>	<u>Quarter 3</u> <u>12/31/2004</u>	<u>Quarter 4</u> <u>3/31/2005</u>
Total Revenues	\$ 7,557	\$ 9,396	\$ 10,174	\$ 4,912
Net Income (Loss)	\$ (49,952)	\$ (46,487)	\$ (48,996)	\$ (53,274)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (4.89)	\$ (4.55)	\$ (4.81)	\$ (5.22)

<u>Series 2 - 6</u> <u>Year 2005</u>	<u>Quarter 1</u> <u>6/30/2004</u>	<u>Quarter 2</u> <u>9/30/2004</u>	<u>Quarter 3</u> <u>12/31/2004</u>	<u>Quarter 4</u> <u>3/31/2005</u>
Total Revenues	\$ 33,106	\$ 23,991	\$ 23,312	\$ 28,493
Net Income (Loss)	\$ (142,186)	\$ (183,249)	\$ (159,097)	\$ 22,842

NOTE 7 - SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED) (Continued):

<u>Series 2</u> <u>Year 2004</u>	<u>Quarter 1</u> <u>6/30/2003</u>	<u>Quarter 2</u> <u>9/30/2003</u>	<u>Quarter 3</u> <u>12/31/2003</u>	<u>Quarter 4</u> <u>3/31/2004</u>
Total Revenues	\$ 0	\$ 1,957	\$ 3,793	\$ 7,070
Net Income (Loss)	\$ (38,406)	\$ (28,418)	\$ (24,264)	\$ (1,112)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (6.20)	\$ (4.59)	\$ (3.91)	\$ (.18)

<u>Series 3</u> <u>Year 2004</u>	<u>Quarter 1</u> <u>6/30/2003</u>	<u>Quarter 2</u> <u>9/30/2003</u>	<u>Quarter 3</u> <u>12/31/2003</u>	<u>Quarter 4</u> <u>3/31/2004</u>
Total Revenues	\$ 6,205	\$ 10,112	\$ 0	\$ 6,484
Net Income (Loss)	\$ (21,261)	\$ (14,615)	\$ (23,305)	\$ (18,062)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (3.86)	\$ (2.65)	\$ (4.23)	\$ (3.28)

<u>Series 4</u> <u>Year 2004</u>	<u>Quarter 1</u> <u>6/30/2003</u>	<u>Quarter 2</u> <u>9/30/2003</u>	<u>Quarter 3</u> <u>12/31/2003</u>	<u>Quarter 4</u> <u>3/31/2004</u>
Total Revenues	\$ 6,563	\$ 19,578	\$ 0	\$ 1,819
Net Income (Loss)	\$ (30,836)	\$ (13,103)	\$ (29,743)	\$ (24,477)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (4.41)	\$ (1.88)	\$ (4.26)	\$ (3.50)

NOTE 7 - SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED) (Continued):

<u>Series 5</u> <u>Year 2004</u>	<u>Quarter 1</u> <u>6/30/2003</u>	<u>Quarter 2</u> <u>9/30/2003</u>	<u>Quarter 3</u> <u>12/31/2003</u>	<u>Quarter 4</u> <u>3/31/2004</u>
Total Revenues	\$ 12,492	\$ 0	\$ 750	\$ 3,739
Net Income (Loss)	\$ (46,203)	\$ (78,011)	\$ (71,278)	\$ (69,547)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (5.31)	\$ (8.96)	\$ (8.19)	\$ (7.99)

<u>Series 6</u> <u>Year 2004</u>	<u>Quarter 1</u> <u>6/30/2003</u>	<u>Quarter 2</u> <u>9/30/2003</u>	<u>Quarter 3</u> <u>12/31/2003</u>	<u>Quarter 4</u> <u>3/31/2004</u>
Total Revenues	\$ 3,514	\$ 6,988	\$ 1,000	\$ 9,627
Net Income (Loss)	\$(107,395)	\$ (45,853)	\$(116,673)	\$ (24,846)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (10.52)	\$ (4.49)	\$ (11.43)	\$ (2.44)

<u>Series 2-6</u> <u>Year 2004</u>	<u>Quarter 1</u> <u>6/30/2003</u>	<u>Quarter 2</u> <u>9/30/2003</u>	<u>Quarter 3</u> <u>12/31/2003</u>	<u>Quarter 4</u> <u>3/31/2004</u>
Total Revenues	\$ 28,774	\$ 38,635	\$ 5,543	\$ 28,739
Net Income (Loss)	\$(244,101)	\$(180,000)	\$(265,263)	\$(138,044)

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INDEPENDENT AUDITORS' REPORT

To the Partners
Sylacauga Heritage Apartments Ltd.
Sylacauga, Alabama

We have audited the accompanying balance sheets of Sylacauga Heritage Apartments, Ltd., a limited partnership, as of December 31, 2004 and 2003, and the related statements of operations, partners' deficit and cash flows for the years then ended. These financial statements are the responsibility of the partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sylacauga Heritage Apartments, Ltd., as of December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

The audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on pages 10 and 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the audit procedures applied in the audit of the basic financial statements and, in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Donald W. Causey & Associates, P.C.
Certified Public Accountants
Gadsden, Alabama
February 10, 2005

Donald W. Causey & Associates, P.C.
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INDEPENDENT AUDITORS' REPORT

To the Partners
Lakeshore Apartments Ltd.
Tuskegee, Alabama

We have audited the accompanying balance sheets of Lakeshore Apartments, Ltd., a limited partnership, as of December 31, 2004 and 2003, and the related statements of operations, partners' deficit and cash flows for the years then ended. These financial statements are the responsibility of the partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lakeshore Apartments, Ltd., as of December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

The audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on pages 10 and 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the audit procedures applied in the audit of the basic financial statements and, in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Donald W. Causey & Associates, P.C.
Certified Public Accountants
Gadsden, Alabama
February 27, 2005

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INDEPENDENT AUDITORS' REPORT

To the Partners
Countrywood Apartments Ltd.
Centerville, Alabama

We have audited the accompanying balance sheets of Countrywood Apartments, Ltd., a limited partnership, as of December 31, 2004 and 2003, and the related statements of operations, partners' deficit and cash flows for the years then ended. These financial statements are the responsibility of the partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Countrywood Apartments, Ltd., as of December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

The audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on pages 10 and 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the audit procedures applied in the audit of the basic financial statements and, in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Donald W. Causey & Associates, P.C.
Certified Public Accountant

Gadsden, Alabama
February 24, 2005

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INDEPENDENT AUDITORS' REPORT

To the Partners
Wildwood Apartments Ltd.
Pineville, Louisiana

We have audited the accompanying balance sheets of Wildwood Apartments, Ltd., a limited partnership, as of December 31, 2004 and 2003, and the related statements of operations, partners' deficit and cash flows for the years then ended. These financial statements are the responsibility of the partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wildwood Apartments, Ltd., as of December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

The audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on pages 10 and 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the audit procedures applied in the audit of the basic financial statements and, in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Donald W. Causey & Associates, P.C.
Certified Public Accountants
Gadsden, Alabama
February 24, 2005

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INDEPENDENT AUDITORS' REPORT

To the Partners
Meadowcrest Apartments Ltd.
Luverne, Alabama

We have audited the accompanying balance sheets of Meadowcrest Apartments, Ltd., a limited partnership, as of December 31, 2004 and 2003, and the related statements of operations, partners' deficit and cash flows for the years then ended. These financial statements are the responsibility of the partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Meadowcrest Apartments, Ltd., as of December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

The audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on pages 10 and 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the audit procedures applied in the audit of the basic financial statements and, in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Donald W. Causey & Associates, P.C.
Certified Public Accountants
Gadsden, Alabama
February 27, 2005

SIGNATURES

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

GATEWAY TAX CREDIT FUND II, LTD.
(A Florida Limited Partnership)
By: Raymond James Tax Credit Funds, Inc.

Date: January 20, 2006

By: /s/ Ronald M. Diner
Ronald M. Diner
President

Date: January 20, 2006

By: /s/ Jonathan Oorlog
Jonathan Oorlog
Vice President and Chief Financial Officer

Date: January 20, 2006

By: /s/ Sandra C. Humphreys
Sandra C. Humphreys
Secretary and Treasurer

EXHIBIT 31.1

CERTIFICATIONS*

I, Ron Diner, certify that:

1. I have reviewed this annual report on Form 10-K of Gateway Tax Credit Fund II, Ltd.;

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 annual report;

3. Based on my knowledge, the financial statements, and other financial information include 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 annual 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-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures 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 annual report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: January 20, 2006

By: /s/ Ronald M. Diner
Ronald M. Diner
President

EXHIBIT 31.2

CERTIFICATIONS*

I, Jonathan Oorlog, certify that:

1. I have reviewed this annual report on Form 10-K of Gateway Tax Credit Fund II, Ltd.;

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 annual report;

3. Based on my knowledge, the financial statements, and other financial information include 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 annual 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-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures 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 annual report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: January 20, 2006

By: /s/ Jonathan Oorlog
Jonathan Oorlog
Vice President and Chief Financial Officer