

**U.S. Return of Partnership Income**

For calendar year 2017, or tax year beginning \_\_\_\_\_, 2017, ending \_\_\_\_\_, 20 \_\_\_\_\_.

**2017**

▶ Go to [www.irs.gov/Form1065](http://www.irs.gov/Form1065) for instructions and the latest information.

<b>A</b> Principal business activity <u>Rental Property</u>	<b>Type or Print</b>	Name of partnership <u>Elkwood LLC</u>	<b>D</b> Employer identification number <u>32-0489813</u>
<b>B</b> Principal product or service <u>Rental Property</u>		Number, street, and room or suite no. If a P.O. box, see the instructions. <u>1148 Heritage Dr</u>	<b>E</b> Date business started <u>03-01-2016</u>
<b>C</b> Business code number <u>531210</u>		City or town, state or province, country, and ZIP or foreign postal code <u>Shakopee, MN 55379</u>	<b>F</b> Total assets (see the instructions) <u>\$ 556,221</u>

**G** Check applicable boxes: (1)  Initial return (2)  Final return (3)  Name change (4)  Address change (5)  Amended return

(6)  Technical termination - also check (1) or (2)

**H** Check accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_

**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 4

**J** Check if Schedules C and M-3 are attached

**Caution.** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

<b>Income</b>	<b>1 a</b> Gross receipts or sales	<b>1a</b>	
	<b>b</b> Returns and allowances	<b>1b</b>	
	<b>c</b> Balance. Subtract line 1b from line 1a		<b>1c</b>
	<b>2</b> Cost of goods sold (attach Form 1125-A)		<b>2</b>
	<b>3</b> Gross profit. Subtract line 2 from line 1c		<b>3</b>
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)		<b>4</b>
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040))		<b>5</b>
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)		<b>6</b>
<b>7</b> Other income (loss) (attach statement)		<b>7</b>	
<b>8</b> <b>Total income (loss).</b> Combine lines 3 through 7		<b>8</b>	
<b>Deductions</b> <small>(see the instructions for limitations)</small>	<b>9</b> Salaries and wages (other than to partners) (less employment credits)		<b>9</b>
	<b>10</b> Guaranteed payments to partners		<b>10</b>
	<b>11</b> Repairs and maintenance		<b>11</b>
	<b>12</b> Bad debts		<b>12</b>
	<b>13</b> Rent		<b>13</b>
	<b>14</b> Taxes and licenses		<b>14</b>
	<b>15</b> Interest		<b>15</b>
	<b>16 a</b> Depreciation (if required, attach Form 4562)	<b>16a</b>	
	<b>b</b> Less depreciation reported on Form 1125-A and elsewhere on return	<b>16b</b>	<b>16c</b>
	<b>17</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> )		<b>17</b>
	<b>18</b> Retirement plans, etc.		<b>18</b>
<b>19</b> Employee benefit programs		<b>19</b>	
<b>20</b> Other deductions (attach statement)		<b>20</b>	
<b>21</b> <b>Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20.		<b>21</b>	
<b>22</b> <b>Ordinary business income (loss).</b> Subtract line 21 from line 8		<b>22</b>	

**Sign Here** Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than partner or limited liability company member) is based on all information of which preparer has any knowledge.

▶ Jerry Lindeen  
Signature of partner or limited liability company member

▶ \_\_\_\_\_  
Date

May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

<b>Paid Preparer Use Only</b>	Print/Type preparer's name <u>Donna Franklin</u>	Preparer's signature	Date <u>04-12-2018</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>P01243894</u>
	Firm's name ▶ <u>Arlyce Cleveland Ltd</u>	Firm's EIN ▶ <u>41-1975782</u>			
	Firm's address ▶ <u>11943 Lever Street NE</u> <u>Minneapolis, MN 55449</u>	Phone no. <u>(763) 786-4626</u>			

**For Paperwork Reduction Act Notice, see separate instructions.**

Schedule B Other Information

1 What type of entity is filing this return? Check the applicable box:
a Domestic general partnership
b Domestic limited partnership
c Domestic limited liability company
d Domestic limited liability partnership
e Foreign partnership
f Other

2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person? X

3 At the end of the tax year:
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership X

b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership SEE 1065B1 X

4 At the end of the tax year, did the partnership:
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below X

Table with 4 columns: (i) Name of Corporation, (ii) Employer Identification Number (if any), (iii) Country of Incorporation, (iv) Percentage Owned in Voting Stock

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below X

Table with 5 columns: (i) Name of Entity, (ii) Employer Identification Number (if any), (iii) Type of Entity, (iv) Country of Organization, (v) Maximum Percentage Owned in Profit, Loss, or Capital

5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details

6 Does the partnership satisfy all four of the following conditions?
a The partnership's total receipts for the tax year were less than \$250,000.
b The partnership's total assets at the end of the tax year were less than \$1 million.
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.
d The partnership is not filing and is not required to file Schedule M-3 X
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.

7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? X

8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?

9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction? X

10 At any time during calendar year 2017, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country. X

**Schedule B** Other Information (continued)

	Yes	No
<b>11</b> At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions . . . . .		X
<b>12a</b> Is the partnership making, or had it previously made (and not revoked), a section 754 election? . . . . . See instructions for details regarding a section 754 election.		X
<b>b</b> Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions . . . . .		
<b>c</b> Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions . . . . .		
<b>13</b> Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly owned by the partnership throughout the tax year) . . . . . <input type="checkbox"/>		
<b>14</b> At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property? . . . . .		
<b>15</b> If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions ▶		
<b>16</b> Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership. ▶		X
<b>17</b> Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return. ▶ 0		
<b>18a</b> Did you make any payments in 2017 that would require you to file Form(s) 1099? See instructions . . . . .		
<b>b</b> If "Yes," did you or will you file required Form(s) 1099? . . . . .		
<b>19</b> Enter the number of Form(s) 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return. ▶		
<b>20</b> Enter the number of partners that are foreign governments under section 892. ▶		
<b>21</b> During the partnership's tax year, did the partnership make any payments that would require it to file Form 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474)? . . . . .		
<b>22</b> Was the partnership a specified domestic entity required to file Form 8938 for the tax year (See the Instructions for Form 8938)? . . . . .		

**Designation of Tax Matters Partner** (see instructions)

Enter below the general partner or member-manager designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ Jerry Lindeen Identifying number of TMP ▶ 469-86-9242

If the TMP is an entity, name of TMP representative ▶ Phone number of TMP ▶ (612) 239-6390

Address of designated TMP ▶ 1148 Heritage Drive E Shakopee, MN 55379

Schedule K		Partners' Distributive Share Items		Total amount	
Income (Loss)	1	Ordinary business income (loss) (page 1, line 22)		1	0
	2	Net rental real estate income (loss) (attach Form 8825)		2	8,814
	3 a	Other gross rental income (loss)	3a		
	b	Expenses from other rental activities (attach statement)	3b		
	c	Other net rental income (loss). Subtract line 3b from line 3a		3c	
	4	Guaranteed payments		4	
	5	Interest income		5	6
	6	Dividends:		6a	
	a	Ordinary dividends			
	b	Qualified dividends	6b		
	7	Royalties		7	
8	Net short-term capital gain (loss) (attach Schedule D (Form 1065))		8		
9 a	Net long-term capital gain (loss) (attach Schedule D (Form 1065))		9a		
b	Collectibles (28%) gain (loss)	9b			
c	Unrecaptured section 1250 gain (attach statement)	9c			
10	Net section 1231 gain (loss) (attach Form 4797)		10		
11	Other income (loss) (see instructions) Type ▶		11		
Deductions	12	Section 179 deduction (attach Form 4562)		12	
	13 a	Contributions		13a	
	b	Investment interest expense		13b	
	c	Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶		13c(2)	
d	Other deductions (see instructions) Type ▶		13d		
Self-Employment	14 a	Net earnings (loss) from self-employment		14a	
	b	Gross farming or fishing income		14b	
	c	Gross nonfarm income		14c	
Credits	15 a	Low-income housing credit (section 42(j)(5))		15a	
	b	Low-income housing credit (other)		15b	
	c	Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)		15c	
	d	Other rental real estate credits (see instructions) Type ▶		15d	
	e	Other rental credits (see instructions) Type ▶		15e	
	f	Other credits (see instructions) Type ▶		15f	
Foreign Transactions	16 a	Name of country or U.S. possession ▶			
	b	Gross income from all sources		16b	
	c	Gross income sourced at partner level		16c	
		Foreign gross income sourced at partnership level			
	d	Passive category ▶ e General category ▶ f Other ▶		16f	
		Deductions allocated and apportioned at partner level			
	g	Interest expense ▶ h Other ▶		16h	
		Deductions allocated and apportioned at partnership level to foreign source income			
	i	Passive category ▶ j General category ▶ k Other ▶		16k	
	l	Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		16l	
m	Reduction in taxes available for credit (attach statement)		16m		
n	Other foreign tax information (attach statement)				
Alternative Minimum Tax (AMT) Items	17 a	Post-1986 depreciation adjustment		17a	2
	b	Adjusted gain or loss		17b	
	c	Depletion (other than oil and gas)		17c	
	d	Oil, gas, and geothermal properties - gross income		17d	
	e	Oil, gas, and geothermal properties - deductions		17e	
	f	Other AMT items (attach statement)		17f	
Other Information	18 a	Tax-exempt interest income		18a	
	b	Other tax-exempt income		18b	
	c	Nondeductible expenses		18c	
	19 a	Distributions of cash and marketable securities		19a	
	b	Distributions of other property		19b	
	20 a	Investment income		20a	6
b	Investment expenses		20b		
c	Other items and amounts (attach statement)				

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l						1	8,820
2 Analysis by partner type:		(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt Organization	(vi) Nominee/Other
a General partners							
b Limited partners			8,820				

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
1	Cash		12,154		19,720
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities				
6	Other current assets (attach statement)	Statement #27	2,130	Statement #27	16,327
7a	Loans to partners (or persons related to partners)				
b	Mortgage and real estate loans				
8	Other investments (attach statement)				
9a	Buildings and other depreciable assets	460,653		460,653	
b	Less accumulated depreciation	9,830	450,823	27,343	433,310
10a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)		84,000		84,000
12a	Intangible assets (amortizable only)	3,032		3,032	
b	Less accumulated amortization	67	2,965	168	2,864
13	Other assets (attach statement)				
14	Total assets		552,072		556,221
<b>Liabilities and Capital</b>					
15	Accounts payable				
16	Mortgages, notes, bonds payable in less than 1 year				
17	Other current liabilities (attach statement)	Statement #31	14,435	Statement #31	12,347
18	All nonrecourse loans				
19a	Loans from partners (or persons related to partners)				
b	Mortgages, notes, bonds payable in 1 year or more		509,324		417,241
20	Other liabilities (attach statement)				
21	Partners' capital accounts		28,313		126,633
22	Total liabilities and capital		552,072		556,221

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**

Note. The partnership may be required to file Schedule M-3 (see instructions).

1	Net income (loss) per books	8,820	6	Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a	Tax-exempt interest \$	
3	Guaranteed payments (other than health insurance)		7	Deductions included on Schedule K, lines 1 through 13d, and 16l, not charged against book income this year (itemize):	
4	Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize):		a	Depreciation \$	
a	Depreciation \$		8	Add lines 6 and 7	
b	Travel and entertainment \$		9	Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	8,820
5	Add lines 1 through 4	8,820			

**Schedule M-2 Analysis of Partners' Capital Accounts**

1	Balance at beginning of year	28,313	6	Distributions:	
2	Capital contributed:	89,500	a	Cash	
a	Cash		b	Property	
b	Property		7	Other decreases (itemize):	
3	Net income (loss) per books	8,820	8	Add lines 6 and 7	
4	Other increases (itemize):		9	Balance at end of year. Subtract line 8 from line 5	126,633
5	Add lines 1 through 4	126,633			

## Rental Real Estate Income and Expenses of a Partnership or an S Corporation

▶ **Attach to Form 1065, Form 1065-B, or Form 1120S.**  
 ▶ **Go to [www.irs.gov/Form8825](http://www.irs.gov/Form8825) for the latest information.**

OMB No. 1545-0123

Name <b>Elkwood LLC</b>	Employer identification number <b>32-0489813</b>
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<b>1</b>	Show the type and address of each property. For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions. See page 2 to list additional properties.			
	Physical address of each property - street, city, state, ZIP code	Type - Enter code 1-8; see page 2 for list	Fair Rental Days	Personal Use Days
<b>A</b>	1212 2nd Street NE Saint Cloud, MN 56304	2 Multi-family	365	
<b>B</b>				
<b>C</b>				
<b>D</b>				

		Properties			
		A	B	C	D
<b>2</b>	Gross rents . . . . .	<b>2</b>	96,199		
<b>Rental Real Estate Expenses</b>					
<b>3</b>	Advertising . . . . .	<b>3</b>	144		
<b>4</b>	Auto and travel . . . . .	<b>4</b>			
<b>5</b>	Cleaning and maintenance . . . . .	<b>5</b>	9,838		
<b>6</b>	Commissions . . . . .	<b>6</b>	3,416		
<b>7</b>	Insurance . . . . .	<b>7</b>	2,926		
<b>8</b>	Legal and other professional fees . . . . .	<b>8</b>	7,813		
<b>9</b>	Interest . . . . .	<b>9</b>	17,208		
<b>10</b>	Repairs . . . . .	<b>10</b>	7,052		
<b>11</b>	Taxes . . . . .	<b>11</b>	10,326		
<b>12</b>	Utilities . . . . .	<b>12</b>	10,370		
<b>13</b>	Wages and salaries . . . . .	<b>13</b>			
<b>14</b>	Depreciation (see instructions) . . . . .	<b>14</b>	17,513		
<b>15</b>	Other (list) ▶ <b>Amortization</b>		101		
	<b>Statement #8A</b>	<b>15</b>	678		
<b>16</b>	Total expenses for each property. Add lines 3 through 15 . . . . .	<b>16</b>	87,385		
<b>17</b>	Income or (loss) from each property. Subtract line 16 from line 2 . . . . .	<b>17</b>	8,814		

<b>18a</b>	Total gross rents. Add gross rents from line 2, columns A through H . . . . .	<b>18a</b>	96,199
<b>b</b>	Total expenses. Add total expenses from line 16, columns A through H . . . . .	<b>18b</b>	( 87,385 )
<b>19</b>	Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities . . . . .	<b>19</b>	
<b>20a</b>	Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1) . . . . .	<b>20a</b>	
<b>b</b>	Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed.		
	(1) Name	(2) Employer identification number	
	_____	_____	
	_____	_____	

<b>21</b>	Net rental estate income (loss). Combine lines 18a through 20a. Enter the result here and on: <ul style="list-style-type: none"> <li>• <b>Form 1065 or 1120S:</b> Schedule K, line 2; or</li> <li>• <b>Form 1065-B:</b> Part I, line 4</li> </ul>	<b>21</b>	8,814
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**Information on Partners Owning 50% or More of the Partnership**

► **Attach to Form 1065**

► **Go to [www.irs.gov/Form1065](http://www.irs.gov/Form1065) for the latest information.**

Name of partnership

Elkwood LLC

Employer identification number (EIN)

32-0489813

**Part I Entities Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 3a)

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Org.	(v) Maximum Percentage Owned in Profit, Loss, or Capital

**Part II Individuals or Estates Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 3b)

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
Patrick Tansey	474-76-5883	US	57.4
Charlene Tansey	475-74-4351	US	57.4

Schedule K-1 (Form 1065)

2017

Department of the Treasury Internal Revenue Service

For calendar year 2017, or tax year

beginning \_\_\_\_\_, 2017 ending \_\_\_\_\_, 20

Partner's Share of Income, Deductions, Credits, etc.

See page 2 of form and separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number 32-0489813

B Partnership's name, address, city, state, and ZIP code Elkwood LLC 1148 Heritage Dr Shakopee, MN 55379

C IRS Center where partnership filed return efile

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number 469-86-9242

F Partner's name, address, city, state, and ZIP code Jerry Lindeen 1148 Heritage Drive E Shakopee, MN 55379

G General partner or LLC member-manager Limited partner or other LLC member

H Domestic partner Foreign partner

I1 What type of entity is this partner? INDIVIDUAL

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here

J Partner's share of profit, loss, and capital (see instructions):

Table with columns: Beginning, Ending, Profit, Loss, Capital. Values: Profit 38.7200000, Loss 38.7200000, Capital 38.7200000.

K Partner's share of liabilities at year end: Nonrecourse, Qualified nonrecourse financing, Recourse.

L Partner's capital account analysis: Beginning capital account, Capital contributed during the year, Current year increase (decrease), Withdrawals & distributions, Ending capital account.

X Tax basis GAAP Section 704(b) book Other (explain)

M Did the partner contribute property with a built-in gain or loss? Yes No

Final K-1 Amended K-1 OMB No. 1545-0123

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss) 15 Credits 2 Net rental real estate income (loss) 3,412

3 Other net rental income (loss) 16 Foreign transactions 4 Guaranteed payments

5 Interest income 2 6a Ordinary dividends

6b Qualified dividends 7 Royalties

8 Net short-term capital gain (loss) 9a Net long-term capital gain (loss)

9b Collectibles (28%) gain (loss) 17 Alternative minimum tax (AMT) items

9c Unrecaptured section 1250 gain 10 Net section 1231 gain (loss)

11 Other income (loss) 18 Tax-exempt income and nondeductible expenses

12 Section 179 deduction 19 Distributions

13 Other deductions 20 Other information

14 Self-employment earnings (loss) A 2

\*See attached statement for additional information.

For IRS Use Only





**This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.**

1. Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.	Code	Report on	
	<b>L</b> Empowerment zone employment credit	See the Partner's Instructions	
	<b>M</b> Credit for increasing research activities		
	<b>N</b> Credit for employer social security and Medicare taxes		
	<b>O</b> Backup withholding		
	<b>P</b> Other credits		
	<b>16. Foreign transactions</b>		
Passive loss	See the Partner's Instructions	Form 1116, Part I	
Passive income	Schedule E, line 28, column (g)		
Nonpassive loss	See the Partner's Instructions		
Nonpassive income	Schedule E, line 28, column (j)		
<b>2. Net rental real estate income (loss)</b>	See the Partner's Instructions		
<b>3. Other net rental income (loss)</b>	See the Partner's Instructions		
Net income	Schedule E, line 28, column (g)	Form 1116, Part I	
Net loss	See the Partner's Instructions		
<b>4. Guaranteed payments</b>	Schedule E, line 28, column (j)		
<b>5. Interest income</b>	Form 1040, line 8a		
<b>6a. Ordinary dividends</b>	Form 1040, line 9a		
<b>6b. Qualified dividends</b>	Form 1040, line 9b		
<b>7. Royalties</b>	Schedule E, line 4	Form 1116, Part I	
<b>8. Net short-term capital gain (loss)</b>	Schedule D, line 5		
<b>9a. Net long-term capital gain (loss)</b>	Schedule D, line 12		
<b>9b. Collectibles (28%) gain (loss)</b>	28% Rate Gain Worksheet, line 4 (Schedule D instructions)		
<b>9c. Unrecaptured section 1250 gain</b>	See the Partner's Instructions		
<b>10. Net section 1231 gain (loss)</b>	See the Partner's Instructions		
<b>11. Other income (loss)</b>	See the Partner's Instructions		
	<b>Code</b>		
<b>A</b> Other portfolio income (loss)	See the Partner's Instructions	Form 1116, Part I	
<b>B</b> Involuntary conversions	See the Partner's Instructions		
<b>C</b> Sec. 1256 contracts & straddles	Form 6781, line 1		
<b>D</b> Mining exploration costs recapture	See Pub. 535		
<b>E</b> Cancellation of debt	Form 1040, line 21 or Form 982		
<b>F</b> Other income (loss)	See the Partner's Instructions		
<b>12. Section 179 deduction</b>	See the Partner's Instructions		
<b>13. Other deductions</b>			
<b>A</b> Cash contributions (50%)	See the Partner's Instructions	Form 1116, Part II	
<b>B</b> Cash contributions (30%)			
<b>C</b> Noncash contributions (50%)			
<b>D</b> Noncash contributions (30%)			
<b>E</b> Capital gain property to a 50% organization (30%)			
<b>F</b> Capital gain property (20%)			
<b>G</b> Contributions (100%)			
<b>H</b> Investment interest expense			Form 4952, line 1
<b>I</b> Deductions-royalty income			Schedule E, line 19
<b>J</b> Section 59(e)(2) expenditures			See the Partner's Instructions
<b>K</b> Deductions-portfolio (2% floor)	Schedule A, line 23		
<b>L</b> Deductions-portfolio (other)	Schedule A, line 28		
<b>M</b> Amounts paid for medical insurance	Schedule A, line 1 or Form 1040, line 29		
<b>N</b> Educational assistance benefits	See the Partner's Instructions		
<b>O</b> Dependent care benefits	Form 2441, line 12		
<b>P</b> Preproductive period expenses	See the Partner's Instructions		
<b>Q</b> Commercial revitalization deduction from rental real estate activities	See Form 8582 instructions		
<b>R</b> Pensions and IRAs	See the Partner's Instructions		
<b>S</b> Reforestation expense deduction	See the Partner's Instructions		
<b>T</b> Domestic production activities information	See Form 8903 instructions		
<b>U</b> Qualified production activities income	Form 8903, line 7b		
<b>V</b> Employer's Form W-2 wages	Form 8903, line 17		
<b>W</b> Other deductions	See the Partner's Instructions		
<b>14. Self-employment earnings (loss)</b>			
<b>Note:</b> If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.			
<b>A</b> Net earnings (loss) from self-employment	Schedule SE, Section A or B		
<b>B</b> Gross farming or fishing income	See the Partner's Instructions		
<b>C</b> Gross non-farm income	See the Partner's Instructions		
<b>15. Credits</b>			
<b>A</b> Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Partner's Instructions	See the Partner's Instructions	
<b>B</b> Low-income housing credit (other) from pre-2008 buildings			
<b>C</b> Low-income housing credit (section 42(j)(5)) from post-2007 buildings			
<b>D</b> Low-income housing credit (other) from post-2007 buildings			
<b>E</b> Qualified rehabilitation expenditures (rental real estate)			
<b>F</b> Other rental real estate credits			
<b>G</b> Other rental credits			
<b>H</b> Undistributed capital gains credit			Form 1040, line 73; check box a
<b>I</b> Biofuel producer credit			
<b>J</b> Work opportunity credit			
<b>K</b> Disabled access credit	See the Partner's Instructions		
	<b>Code</b>		
	<b>L</b> Dispositions of property with section 179 deductions	See the Partner's Instructions	
	<b>M</b> Recapture of section 179 deduction		
	<b>N</b> Interest expense for corporate partners		
	<b>O</b> Section 453(l)(3) information		
	<b>P</b> Section 453A(c) information		
	<b>Q</b> Section 1260(b) information		
	<b>R</b> Interest allocable to production expenditures		
	<b>S</b> CCF nonqualified withdrawals		
	<b>T</b> Depletion information - oil and gas		
	<b>U</b> Reserved		
	<b>V</b> Unrelated business taxable income		
	<b>W</b> Precontribution gain (loss)		
	<b>X</b> Section 108(i) information		
	<b>Y</b> Net investment income		
	<b>Z</b> Other information		



# Partner's Adjusted Basis Worksheet

**2017**

Keep for your records.

Partner Number:	TIN: 469-86-9242	Tax year ending: 12-31-2017	Ownership %: 38.720000
Name of Partner: Jerry Lindeen			
Name of Partnership: Elkwood LLC			EIN 32-0489813

A. Partner's share of partnership liabilities (Sch K-1, Item K)		A. <u>166,336</u>	
B. Partner's share of partnership liabilities from PRIOR year		B. ( <u>202,799</u> )	
C. Increases (Decrease) in share of Partnership Liabilities during this tax period		C. <u>(36,463)</u>	
1. Adjusted Basis from preceding year			1. <u>204,082</u>
2. Capital contributions of property			
a. Gain (if any) recognized this year on contribution of property to partnership	2 a.		
b. Cash contributed during the year	b.	<u>40,872</u>	
c. Adjusted basis of property contributed during the year	c.		
d. Partnership interest acquired other than by cash or property	d.		
Total additional contributions (Total lines 2a-2d)	2.	<u>40,872</u>	
3. Items of Income or Gain for this period			
a. Ordinary Income (Sch K-1, Line 1)	3 a.		
b. Real Estate Rental Income (Sch K-1, Line 2)	b.	<u>3,412</u>	
c. Other Rental Income (Sch K-1, Line 3c)	c.		
d. Interest, Dividends & Royalties (Sch K-1, Lines 5, 6a & 7)	d.	<u>2</u>	
e. Capital Gain (Sch K-1, Lines 8 & 9a)	e.		
f. Other Portfolio Income (Sch K-1, Line 11a)	f.		
g. Section 1231 Gain (Sch K-1, Line 10)	g.		
h. Other Income (Sch K-1, Line 11)	h.		
i. Tax Exempt Income (Sch K-1, Lines 18a & b)	i.		
j. Excess Depletion Adjustment	j.		
k. Increase from Recapture of Business Credits	k.		
i. Gain from 179 disposition (See IRC § 49(a), 50(a), 50(c)(2) & 1371 (d))	i.		
Total items of Income or Gains (Total lines 3a-3l)	3.	<u>3,414</u>	
4. Increase in Partnership Share of Partnership Liabilities from line C above	4.		
5. Total increases in basis (combine lines 1 through 4)	5.		<u>248,368</u>
6. Distributions to the Partner during the year	6.		
7. Decrease in Partner's Share of Partnership Liabilities from line C above	7.	<u>36,463</u>	
8 a. Decrease for Non-Deductible Expenses/Credit Adjustments	8 a.		
b. Decrease for Depletion	b.		
Total other decreases (lines 8a-8b)	8.		
9. Subtotal - basis after all distributions and other decreases (Line 5 minus lines 6-8)	9.		<u>211,905</u>
10. Items of Losses and Deductions (Allowed for the current year)			
a. Ordinary Loss (Page 2, Col e, Line 10a)	10 a.		
b. Real Estate Rental Loss (Page 2, Col e, Line 10b)	b.		
c. Other Rental Loss (Page 2, Col e, Line 10c)	c.		
d. Capital Loss (Page 2, Col e, Line 10d)	d.		
e. Other Portfolio Loss (Page 2, Col e, Line 10e)	e.		
f. Section 1231 Loss (Page 2, Col e, Line 10f)	f.		
g. Other Loss (Page 2, Col e, Line 10g)	g.		
h. Charitable Contributions (Page 2, Col e, Line 10h)	h.		
i. Section 179 Expense (Page 2, Col e, Line 10i)	i.		
j. Portfolio Income Expenses (Page 2, Col e, Line 10j)	j.		
k. Other Deductions (Page 2, Col e, Line 10k)	k.		
l. Interest Expense on Investment Debt (Page 2, Col e, Line 10l)	l.		
m. Total Foreign Taxes Paid/Accrued (Page 2, Col e, Line 10m)	m.		
n. Section 59(e) Expenditures (Page 2, Col e, Line 10n)	n.		
o. Other decreases (Page 2, Col e, Line 10o)	o.		
p. Loss from 179 disposition (Page 2, Col e, Line 10p)	p.		
Total items of Losses and Deductions (Total lines 10a-10p)	10.		
11. Adjusted Basis of Partnership Interest (Cannot be negative) (Line 9-Line 10) At-Risk Basis	11.		<u>211,905</u>
12. At-risk adjustment: (Amount from lines 5)	12.	<u>248,368</u>	
13. Enter the amount from lines 6, 7, 8 and 10	13.	( <u>36,463</u> )	
14. Enter any nonrecourse loans, etc.	14.	( _____ )	
15. Enter the FMV of partner's personal property not used in the partnership that secures a nonrecourse loan on line 14	15.		
16. Combine lines 12 through 15. If negative, no current year loss can be deducted. See Form 6198	16.		<u>211,905</u>

**Allocation of Losses and Deductions**

**2017**

Keep for your records.

<b>Partner Number:</b>	<b>TIN:</b> 469-86-9242	<b>Year Ended:</b> 12-31-2017	<b>Ownership %:</b> 38.720000
<b>Partner Name:</b> Jerry Lindeen			
<b>Partnership Name:</b> Elkwood LLC			<b>EIN</b> 32-0489813

		(a) Beginning of Year Losses and Deductions	(b) Current Year Losses and Deductions	(c) Total Losses and Deductions	(d) %	(e) Allocable Losses and Deductions in Current Year	(f) Disallowed Losses and Deductions (Carryover to Next Year)
10a	Ordinary losses from trade or business (Sch K-1, Line 1)	_____	_____	_____	_____	_____	_____
b	Net losses from rental real estate activities (Sch K-1, Line 2)	_____	_____	_____	_____	_____	_____
c	Net losses from other rental activities (Sch K-1, Line 3)	_____	_____	_____	_____	_____	_____
d	Net short-term capital losses (Sch K-1, Lines 8 & 9a)	_____	_____	_____	_____	_____	_____
d	Net long-term capital losses	_____	_____	_____	_____	_____	_____
e	Other portfolio losses (Shc K-1, Line 11a)	_____	_____	_____	_____	_____	_____
f	Net losses under Section 1231 (Sch K-1, Line 10)	_____	_____	_____	_____	_____	_____
g	Other losses (Sch K-1, Line 11f)	_____	_____	_____	_____	_____	_____
h	Charitable contributions (Sch K-1, Lines 13a-g)	_____	_____	_____	_____	_____	_____
i	Section 179 expense deduction (Sch K-1, Line 12)	_____	_____	_____	_____	_____	_____
j	Portfolio income expenses (Sch K-1, Lines 13k & l)	_____	_____	_____	_____	_____	_____
k	Other deductions (Sch K-1, Lines 13m-s,w)	_____	_____	_____	_____	_____	_____
l	Interest expense on investment debts (Sch K-1, Line 13h)	_____	_____	_____	_____	_____	_____
m	Foreign taxes paid or accrued (Sch K-1, Lines 16i & m)	_____	_____	_____	_____	_____	_____
n	Section 59(e) expenditures (Sch K-1, Line 13j)	_____	_____	_____	_____	_____	_____
o	Other decreases	_____	_____	_____	_____	_____	_____
p	Loss from 179 asset	_____	_____	_____	_____	_____	_____
<b>Total deductible losses and deductions</b>		_____	_____	_____	_____	_____	_____
8a	Nondeductible expenses & credit adj	_____	_____	_____	_____	_____	_____
b	Oil and gas depletion	_____	_____	_____	_____	_____	_____
<b>Total nondeductible losses and deductions</b>		_____	_____	_____	_____	_____	_____
<b>Totals</b>		_____	_____	_____	_____	_____	_____

Schedule K-1 (Form 1065)

2017

Department of the Treasury Internal Revenue Service

For calendar year 2017, or tax year

beginning \_\_\_\_\_, 2017 ending \_\_\_\_\_, 20

Partner's Share of Income, Deductions, Credits, etc.

See page 2 of form and separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number 32-0489813

B Partnership's name, address, city, state, and ZIP code Elkwood LLC 1148 Heritage Dr Shakopee, MN 55379

C IRS Center where partnership filed return efile

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number 367-64-2767

F Partner's name, address, city, state, and ZIP code Kimberly A Lindeen 1148 Heritage Dr E Shakopee, MN 55379

G General partner or LLC member-manager Limited partner or other LLC member

H Domestic partner Foreign partner

I1 What type of entity is this partner? INDIVIDUAL

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here

J Partner's share of profit, loss, and capital (see instructions):

Table with columns: Beginning, Ending, Profit, Loss, Capital. Values: 3.8800000, 3.8800000, 3.8800000, 3.8800000, 3.8800000.

K Partner's share of liabilities at year end: Nonrecourse, Qualified nonrecourse financing, Recourse.

L Partner's capital account analysis: Beginning capital account, Capital contributed during the year, Current year increase (decrease), Withdrawals & distributions, Ending capital account.

Tax basis, GAAP, Section 704(b) book, Other (explain)

M Did the partner contribute property with a built-in gain or loss? Yes, No

Final K-1, Amended K-1, OMB No. 1545-0123

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 2 columns: Item description, Amount. Rows 1-14. Includes 342 for item 2.

\*See attached statement for additional information.

For IRS Use Only. QR code.

**This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.**

1. Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.	Code	Report on
	<b>L</b> Empowerment zone employment credit	See the Partner's Instructions
	<b>M</b> Credit for increasing research activities	
	<b>N</b> Credit for employer social security and Medicare taxes	
	<b>O</b> Backup withholding	
	<b>P</b> Other credits	
	<b>16. Foreign transactions</b>	
	<b>A</b> Name of country or U.S. possession	Form 1116, Part I
	<b>B</b> Gross income from all sources	
	<b>C</b> Gross income sourced at partner level	
	<i>Foreign gross income sourced at partnership level</i>	
	<b>D</b> Passive category	Form 1116, Part I
	<b>E</b> General category	
	<b>F</b> Other	
	<i>Deductions allocated and apportioned at partner level</i>	
	<b>G</b> Interest expense	Form 1116, Part I
	<b>H</b> Other	Form 1116, Part I
	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>	
	<b>I</b> Passive category	Form 1116, Part I
	<b>J</b> General category	
	<b>K</b> Other	
	<i>Other information</i>	
	<b>L</b> Total foreign taxes paid	Form 1116, Part II
	<b>M</b> Total foreign taxes accrued	Form 1116, Part II
	<b>N</b> Reduction in taxes available for credit	Form 1116, line 12
	<b>O</b> Foreign trading gross receipts	Form 8873
	<b>P</b> Extraterritorial income exclusion	Form 8873
	<b>Q</b> Other foreign transactions	See the Partner's Instructions
	<b>17. Alternative minimum tax (AMT) items</b>	
	<b>A</b> Post-1986 depreciation adjustment	See the Partner's Instructions and the Instructions for Form 6251
	<b>B</b> Adjusted gain or loss	
	<b>C</b> Depletion (other than oil & gas)	
	<b>D</b> Oil, gas, & geothermal-gross income	
	<b>E</b> Oil, gas, & geothermal-deductions	
	<b>F</b> Other AMT items	
	<b>18. Tax-exempt income and nondeductible expenses</b>	
	<b>A</b> Tax-exempt interest income	Form 1040, line 8b
	<b>B</b> Other tax-exempt income	See the Partner's Instructions
	<b>C</b> Nondeductible expenses	See the Partner's Instructions
	<b>19. Distributions</b>	
	<b>A</b> Cash and marketable securities	See the Partner's Instructions
	<b>B</b> Distribution subject to section 737	
	<b>C</b> Other property	
	<b>20. Other information</b>	
	<b>A</b> Investment income	Form 4952, line 4a
	<b>B</b> Investment expenses	Form 4952, line 5
	<b>C</b> Fuel tax credit information	Form 4136
	<b>D</b> Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions
	<b>E</b> Basis of energy property	See the Partner's Instructions
	<b>F</b> Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
	<b>G</b> Recapture of low-income housing credit (other)	Form 8611, line 8
	<b>H</b> Recapture of investment credit	See Form 4255
	<b>I</b> Recapture of other credits	See the Partner's Instructions
	<b>J</b> Look-back interest - completed long-term contracts	See Form 8697
	<b>K</b> Look-back interest - income forecast method	See Form 8866
	<b>L</b> Dispositions of property with section 179 deductions	See the Partner's Instructions
	<b>M</b> Recapture of section 179 deduction	
	<b>N</b> Interest expense for corporate partners	
	<b>O</b> Section 453(l)(3) information	
	<b>P</b> Section 453A(c) information	
	<b>Q</b> Section 1260(b) information	
	<b>R</b> Interest allocable to production expenditures	
	<b>S</b> CCF nonqualified withdrawals	
	<b>T</b> Depletion information - oil and gas	
	<b>U</b> Reserved	
	<b>V</b> Unrelated business taxable income	
	<b>W</b> Precontribution gain (loss)	
	<b>X</b> Section 108(i) information	
	<b>Y</b> Net investment income	
	<b>Z</b> Other information	



# Partner's Adjusted Basis Worksheet

**2017**

Keep for your records.

Partner Number:	TIN: 367-64-2767	Tax year ending: 12-31-2017	Ownership %: 3.880000
Name of Partner: Kimberly A Lindeen			
Name of Partnership: Elkwood LLC			EIN 32-0489813

A. Partner's share of partnership liabilities (Sch K-1, Item K)		A. <u>16,668</u>	
B. Partner's share of partnership liabilities from PRIOR year		B. ( <u>20,322</u> )	
C. Increases (Decrease) in share of Partnership Liabilities during this tax period		C. <u>(3,654)</u>	
1. Adjusted Basis from preceding year			1. <u>20,450</u>
2. Capital contributions of property			
a. Gain (if any) recognized this year on contribution of property to partnership	2 a.	<u>                    </u>	
b. Cash contributed during the year	b.	<u>7,913</u>	
c. Adjusted basis of property contributed during the year	c.	<u>                    </u>	
d. Partnership interest acquired other than by cash or property	d.	<u>                    </u>	
Total additional contributions (Total lines 2a-2d)	2.	<u>7,913</u>	
3. Items of Income or Gain for this period			
a. Ordinary Income (Sch K-1, Line 1)	3 a.	<u>                    </u>	
b. Real Estate Rental Income (Sch K-1, Line 2)	b.	<u>342</u>	
c. Other Rental Income (Sch K-1, Line 3c)	c.	<u>                    </u>	
d. Interest, Dividends & Royalties (Sch K-1, Lines 5, 6a & 7)	d.	<u>                    </u>	
e. Capital Gain (Sch K-1, Lines 8 & 9a)	e.	<u>                    </u>	
f. Other Portfolio Income (Sch K-1, Line 11a)	f.	<u>                    </u>	
g. Section 1231 Gain (Sch K-1, Line 10)	g.	<u>                    </u>	
h. Other Income (Sch K-1, Line 11)	h.	<u>                    </u>	
i. Tax Exempt Income (Sch K-1, Lines 18a & b)	i.	<u>                    </u>	
j. Excess Depletion Adjustment	j.	<u>                    </u>	
k. Increase from Recapture of Business Credits	k.	<u>                    </u>	
i. Gain from 179 disposition (See IRC § 49(a), 50(a), 50(c)(2) & 1371 (d))	i.	<u>                    </u>	
Total items of Income or Gains (Total lines 3a-3l)	3.	<u>342</u>	
4. Increase in Partnership Share of Partnership Liabilities from line C above	4.	<u>                    </u>	
5. Total increases in basis (combine lines 1 through 4)	5.	<u>28,705</u>	
6. Distributions to the Partner during the year	6.	<u>                    </u>	
7. Decrease in Partner's Share of Partnership Liabilities from line C above	7.	<u>3,654</u>	
8 a. Decrease for Non-Deductible Expenses/Credit Adjustments	8 a.	<u>                    </u>	
b. Decrease for Depletion	b.	<u>                    </u>	
Total other decreases (lines 8a-8b)	8.	<u>                    </u>	
9. Subtotal - basis after all distributions and other decreases (Line 5 minus lines 6-8)	9.	<u>25,051</u>	
10. Items of Losses and Deductions (Allowed for the current year)			
a. Ordinary Loss (Page 2, Col e, Line 10a)	10 a.	<u>                    </u>	
b. Real Estate Rental Loss (Page 2, Col e, Line 10b)	b.	<u>                    </u>	
c. Other Rental Loss (Page 2, Col e, Line 10c)	c.	<u>                    </u>	
d. Capital Loss (Page 2, Col e, Line 10d)	d.	<u>                    </u>	
e. Other Portfolio Loss (Page 2, Col e, Line 10e)	e.	<u>                    </u>	
f. Section 1231 Loss (Page 2, Col e, Line 10f)	f.	<u>                    </u>	
g. Other Loss (Page 2, Col e, Line 10g)	g.	<u>                    </u>	
h. Charitable Contributions (Page 2, Col e, Line 10h)	h.	<u>                    </u>	
i. Section 179 Expense (Page 2, Col e, Line 10i)	i.	<u>                    </u>	
j. Portfolio Income Expenses (Page 2, Col e, Line 10j)	j.	<u>                    </u>	
k. Other Deductions (Page 2, Col e, Line 10k)	k.	<u>                    </u>	
l. Interest Expense on Investment Debt (Page 2, Col e, Line 10l)	l.	<u>                    </u>	
m. Total Foreign Taxes Paid/Accrued (Page 2, Col e, Line 10m)	m.	<u>                    </u>	
n. Section 59(e) Expenditures (Page 2, Col e, Line 10n)	n.	<u>                    </u>	
o. Other decreases (Page 2, Col e, Line 10o)	o.	<u>                    </u>	
p. Loss from 179 disposition (Page 2, Col e, Line 10p)	p.	<u>                    </u>	
Total items of Losses and Deductions (Total lines 10a-10p)	10.	<u>                    </u>	
11. Adjusted Basis of Partnership Interest (Cannot be negative) (Line 9-Line 10) At-Risk Basis	11.	<u>25,051</u>	
12. At-risk adjustment: (Amount from lines 5)	12.	<u>28,705</u>	
13. Enter the amount from lines 6, 7, 8 and 10	13.	<u>(3,654)</u>	
14. Enter any nonrecourse loans, etc.	14.	<u>(                    )</u>	
15. Enter the FMV of partner's personal property not used in the partnership that secures a nonrecourse loan on line 14	15.	<u>                    </u>	
16. Combine lines 12 through 15. If negative, no current year loss can be deducted. See Form 6198	16.	<u>25,051</u>	



## Allocation of Losses and Deductions

**2017**

Keep for your records.

<b>Partner Number:</b>	<b>TIN:</b> 367-64-2767	<b>Year Ended:</b> 12-31-2017	<b>Ownership %:</b> 3.880000
<b>Partner Name:</b> Kimberly A Lindeen			
<b>Partnership Name:</b> Elkwood LLC			<b>EIN</b> 32-0489813

		(a) Beginning of Year Losses and Deductions	(b) Current Year Losses and Deductions	(c) Total Losses and Deductions	(d) %	(e) Allocable Losses and Deductions in Current Year	(f) Disallowed Losses and Deductions (Carryover to Next Year)
10a Ordinary losses from trade or business	(Sch K-1, Line 1)	_____	_____	_____	_____	_____	_____
b Net losses from rental real estate activities	(Sch K-1, Line 2)	_____	_____	_____	_____	_____	_____
c Net losses from other rental activities	(Sch K-1, Line 3)	_____	_____	_____	_____	_____	_____
d Net short-term capital losses	(Sch K-1, Lines 8 & 9a)	_____	_____	_____	_____	_____	_____
d Net long-term capital losses		_____	_____	_____	_____	_____	_____
e Other portfolio losses	(Shc K-1, Line 11a)	_____	_____	_____	_____	_____	_____
f Net losses under Section 1231	(Sch K-1, Line 10)	_____	_____	_____	_____	_____	_____
g Other losses	(Sch K-1, Line 11f)	_____	_____	_____	_____	_____	_____
h Charitable contributions	(Sch K-1, Lines 13a-g)	_____	_____	_____	_____	_____	_____
i Section 179 expense deduction	(Sch K-1, Line 12)	_____	_____	_____	_____	_____	_____
j Portfolio income expenses	(Sch K-1, Lines 13k & l)	_____	_____	_____	_____	_____	_____
k Other deductions	(Sch K-1, Lines 13m-s,w)	_____	_____	_____	_____	_____	_____
l Interest expense on investment debts	(Sch K-1, Line 13h)	_____	_____	_____	_____	_____	_____
m Foreign taxes paid or accrued	(Sch K-1, Lines 16i & m)	_____	_____	_____	_____	_____	_____
n Section 59(e) expenditures	(Sch K-1, Line 13j)	_____	_____	_____	_____	_____	_____
o Other decreases		_____	_____	_____	_____	_____	_____
p Loss from 179 asset		_____	_____	_____	_____	_____	_____
<b>Total deductible losses and deductions</b>		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
8a Nondeductible expenses & credit adj		_____	_____	_____	_____	_____	_____
b Oil and gas depletion		_____	_____	_____	_____	_____	_____
<b>Total nondeductible losses and deductions</b>		_____	_____	_____	_____	_____	_____
<b>Totals</b>		_____	_____	_____	_____	_____	_____

**Schedule K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**2017**

For calendar year 2017, or tax year

beginning \_\_\_\_\_, 2017 ending \_\_\_\_\_, 20

**Partner's Share of Income, Deductions, Credits, etc.**

▶ See page 2 of form and separate instructions.

Part I	Information About the Partnership																									
<b>A</b>	Partnership's employer identification number 32-0489813																									
<b>B</b>	Partnership's name, address, city, state, and ZIP code Elkwood LLC  1148 Heritage Dr Shakopee, MN 55379																									
<b>C</b>	IRS Center where partnership filed return efile																									
<b>D</b>	<input type="checkbox"/> Check if this is a publicly traded partnership (PTP)																									
Part II	Information About the Partner																									
<b>E</b>	Partner's identifying number 474-76-5883																									
<b>F</b>	Partner's name, address, city, state, and ZIP code Patrick Tansey 9675 Winslow Chase Maple Grove, MN 55311																									
<b>G</b>	<input checked="" type="checkbox"/> General partner or LLC member-manager <input type="checkbox"/> Limited partner or other LLC member																									
<b>H</b>	<input checked="" type="checkbox"/> Domestic partner <input type="checkbox"/> Foreign partner																									
<b>I1</b>	What type of entity is this partner? <u>INDIVIDUAL</u>																									
<b>I2</b>	If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here <input type="checkbox"/>																									
<b>J</b>	Partner's share of profit, loss, and capital (see instructions):																									
	<table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:10%;"></th> <th style="width:15%; text-align: center;">Beginning</th> <th style="width:10%;"></th> <th style="width:15%; text-align: center;">Ending</th> <th style="width:10%;"></th> </tr> </thead> <tbody> <tr> <td>Profit</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> </tr> <tr> <td>Loss</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> </tr> <tr> <td>Capital</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> </tr> </tbody> </table>		Beginning		Ending		Profit	28.7000000	%	28.7000000	%	Loss	28.7000000	%	28.7000000	%	Capital	28.7000000	%	28.7000000	%					
	Beginning		Ending																							
Profit	28.7000000	%	28.7000000	%																						
Loss	28.7000000	%	28.7000000	%																						
Capital	28.7000000	%	28.7000000	%																						
<b>K</b>	Partner's share of liabilities at year end:																									
	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%;">Nonrecourse</td> <td style="width:10%;">\$</td> <td style="width:10%;"></td> <td style="width:15%;"></td> <td style="width:10%;"></td> </tr> <tr> <td>Qualified nonrecourse financing</td> <td>\$</td> <td></td> <td style="text-align: right;">119,748</td> <td></td> </tr> <tr> <td>Recourse</td> <td>\$</td> <td></td> <td style="text-align: right;">3,544</td> <td></td> </tr> </table>	Nonrecourse	\$				Qualified nonrecourse financing	\$		119,748		Recourse	\$		3,544											
Nonrecourse	\$																									
Qualified nonrecourse financing	\$		119,748																							
Recourse	\$		3,544																							
<b>L</b>	Partner's capital account analysis:																									
	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%;">Beginning capital account</td> <td style="width:10%;">\$</td> <td style="width:10%;"></td> <td style="width:15%; text-align: right;">13,451</td> <td style="width:10%;"></td> </tr> <tr> <td>Capital contributed during the year</td> <td>\$</td> <td></td> <td style="text-align: right;">20,358</td> <td></td> </tr> <tr> <td>Current year increase (decrease)</td> <td>\$</td> <td></td> <td style="text-align: right;">2,532</td> <td></td> </tr> <tr> <td>Withdrawals &amp; distributions</td> <td>\$ (</td> <td></td> <td style="text-align: right;">)</td> <td></td> </tr> <tr> <td>Ending capital account</td> <td>\$</td> <td></td> <td style="text-align: right;">36,341</td> <td></td> </tr> </table>	Beginning capital account	\$		13,451		Capital contributed during the year	\$		20,358		Current year increase (decrease)	\$		2,532		Withdrawals & distributions	\$ (		)		Ending capital account	\$		36,341	
Beginning capital account	\$		13,451																							
Capital contributed during the year	\$		20,358																							
Current year increase (decrease)	\$		2,532																							
Withdrawals & distributions	\$ (		)																							
Ending capital account	\$		36,341																							
	<input checked="" type="checkbox"/> Tax basis <input type="checkbox"/> GAAP <input type="checkbox"/> Section 704(b) book <input type="checkbox"/> Other (explain)																									
<b>M</b>	Did the partner contribute property with a built-in gain or loss? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach statement (see instructions)																									

Part III		Partner's Share of Current Year Income, Deductions, Credits, and Other Items
<b>1</b>	Ordinary business income (loss)	<b>15</b> Credits
<b>2</b>	Net rental real estate income (loss) <span style="float: right;">2,530</span>	
<b>3</b>	Other net rental income (loss)	<b>16</b> Foreign transactions
<b>4</b>	Guaranteed payments	
<b>5</b>	Interest income <span style="float: right;">2</span>	
<b>6a</b>	Ordinary dividends	
<b>6b</b>	Qualified dividends	
<b>7</b>	Royalties	
<b>8</b>	Net short-term capital gain (loss)	
<b>9a</b>	Net long-term capital gain (loss)	<b>17</b> Alternative minimum tax (AMT) items A <span style="float: right;">1</span>
<b>9b</b>	Collectibles (28%) gain (loss)	
<b>9c</b>	Unrecaptured section 1250 gain	
<b>10</b>	Net section 1231 gain (loss)	<b>18</b> Tax-exempt income and nondeductible expenses
<b>11</b>	Other income (loss)	
<b>12</b>	Section 179 deduction	<b>19</b> Distributions
<b>13</b>	Other deductions	
<b>14</b>	Self-employment earnings (loss)	<b>20</b> Other information A <span style="float: right;">2</span>
*See attached statement for additional information.		
For IRS Use Only		

**This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.**

1. Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.	Code	Report on	
	<b>L</b> Empowerment zone employment credit	See the Partner's Instructions	
	<b>M</b> Credit for increasing research activities		
	<b>N</b> Credit for employer social security and Medicare taxes		
	<b>O</b> Backup withholding		
	<b>P</b> Other credits		
	<b>16. Foreign transactions</b>		
	<b>A</b> Name of country or U.S. possession	Form 1116, Part I	
	<b>B</b> Gross income from all sources		
	<b>C</b> Gross income sourced at partner level		
	<i>Foreign gross income sourced at partnership level</i>		
	<b>D</b> Passive category	Form 1116, Part I	
	<b>E</b> General category		
	<b>F</b> Other		
	<i>Deductions allocated and apportioned at partner level</i>		
	<b>G</b> Interest expense	Form 1116, Part I	
	<b>H</b> Other	Form 1116, Part I	
	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>		
	<b>I</b> Passive category	Form 1116, Part I	
	<b>J</b> General category		
	<b>K</b> Other		
	<i>Other information</i>		
	<b>L</b> Total foreign taxes paid	Form 1116, Part II	
	<b>M</b> Total foreign taxes accrued	Form 1116, Part II	
	<b>N</b> Reduction in taxes available for credit	Form 1116, line 12	
	<b>O</b> Foreign trading gross receipts	Form 8873	
	<b>P</b> Extraterritorial income exclusion	Form 8873	
	<b>Q</b> Other foreign transactions	See the Partner's Instructions	
	<b>17. Alternative minimum tax (AMT) items</b>		
	<b>A</b> Post-1986 depreciation adjustment	See the Partner's Instructions and the Instructions for Form 6251	
	<b>B</b> Adjusted gain or loss		
	<b>C</b> Depletion (other than oil & gas)		
	<b>D</b> Oil, gas, & geothermal-gross income		
	<b>E</b> Oil, gas, & geothermal-deductions		
	<b>F</b> Other AMT items		
	<b>18. Tax-exempt income and nondeductible expenses</b>		
	<b>A</b> Tax-exempt interest income	Form 1040, line 8b	
	<b>B</b> Other tax-exempt income	See the Partner's Instructions	
	<b>C</b> Nondeductible expenses	See the Partner's Instructions	
	<b>19. Distributions</b>		
	<b>A</b> Cash and marketable securities	See the Partner's Instructions	
	<b>B</b> Distribution subject to section 737		
	<b>C</b> Other property		
	<b>20. Other information</b>		
	<b>A</b> Investment income	Form 4952, line 4a	
	<b>B</b> Investment expenses	Form 4952, line 5	
	<b>C</b> Fuel tax credit information	Form 4136	
	<b>D</b> Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions	
	<b>E</b> Basis of energy property	See the Partner's Instructions	
	<b>F</b> Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8	
	<b>G</b> Recapture of low-income housing credit (other)	Form 8611, line 8	
	<b>H</b> Recapture of investment credit	See Form 4255	
	<b>I</b> Recapture of other credits	See the Partner's Instructions	
	<b>J</b> Look-back interest - completed long-term contracts	See Form 8697	
	<b>K</b> Look-back interest - income forecast method	See Form 8866	
	<b>L</b> Dispositions of property with section 179 deductions	See the Partner's Instructions	
	<b>M</b> Recapture of section 179 deduction		
	<b>N</b> Interest expense for corporate partners		
	<b>O</b> Section 453(l)(3) information		
	<b>P</b> Section 453A(c) information		
	<b>Q</b> Section 1260(b) information		
	<b>R</b> Interest allocable to production expenditures		
	<b>S</b> CCF nonqualified withdrawals		
	<b>T</b> Depletion information - oil and gas		
	<b>U</b> Reserved		
	<b>V</b> Unrelated business taxable income		
	<b>W</b> Precontribution gain (loss)		
	<b>X</b> Section 108(i) information		
	<b>Y</b> Net investment income		
	<b>Z</b> Other information		
<b>2. Net rental real estate income (loss)</b>			
<b>3. Other net rental income (loss)</b>			
Net income	Schedule E, line 28, column (g)		
Net loss	See the Partner's Instructions		
<b>4. Guaranteed payments</b>	Schedule E, line 28, column (j)		
<b>5. Interest income</b>	Form 1040, line 8a		
<b>6a. Ordinary dividends</b>	Form 1040, line 9a		
<b>6b. Qualified dividends</b>	Form 1040, line 9b		
<b>7. Royalties</b>	Schedule E, line 4		
<b>8. Net short-term capital gain (loss)</b>	Schedule D, line 5		
<b>9a. Net long-term capital gain (loss)</b>	Schedule D, line 12		
<b>9b. Collectibles (28%) gain (loss)</b>	28% Rate Gain Worksheet, line 4 (Schedule D instructions)		
<b>9c. Unrecaptured section 1250 gain</b>	See the Partner's Instructions		
<b>10. Net section 1231 gain (loss)</b>	See the Partner's Instructions		
<b>11. Other income (loss)</b>			
Code			
<b>A</b> Other portfolio income (loss)	See the Partner's Instructions		
<b>B</b> Involuntary conversions	See the Partner's Instructions		
<b>C</b> Sec. 1256 contracts & straddles	Form 6781, line 1		
<b>D</b> Mining exploration costs recapture	See Pub. 535		
<b>E</b> Cancellation of debt	Form 1040, line 21 or Form 982		
<b>F</b> Other income (loss)	See the Partner's Instructions		
<b>12. Section 179 deduction</b>	See the Partner's Instructions		
<b>13. Other deductions</b>			
<b>A</b> Cash contributions (50%)	See the Partner's Instructions		
<b>B</b> Cash contributions (30%)			
<b>C</b> Noncash contributions (50%)			
<b>D</b> Noncash contributions (30%)			
<b>E</b> Capital gain property to a 50% organization (30%)			
<b>F</b> Capital gain property (20%)			
<b>G</b> Contributions (100%)			
<b>H</b> Investment interest expense		Form 4952, line 1	
<b>I</b> Deductions-royalty income		Schedule E, line 19	
<b>J</b> Section 59(e)(2) expenditures		See the Partner's Instructions	
<b>K</b> Deductions-portfolio (2% floor)	Schedule A, line 23		
<b>L</b> Deductions-portfolio (other)	Schedule A, line 28		
<b>M</b> Amounts paid for medical insurance	Schedule A, line 1 or Form 1040, line 29		
<b>N</b> Educational assistance benefits	See the Partner's Instructions		
<b>O</b> Dependent care benefits	Form 2441, line 12		
<b>P</b> Preproductive period expenses	See the Partner's Instructions		
<b>Q</b> Commercial revitalization deduction from rental real estate activities	See Form 8582 instructions		
<b>R</b> Pensions and IRAs	See the Partner's Instructions		
<b>S</b> Reforestation expense deduction	See the Partner's Instructions		
<b>T</b> Domestic production activities information	See Form 8903 instructions		
<b>U</b> Qualified production activities income	Form 8903, line 7b		
<b>V</b> Employer's Form W-2 wages	Form 8903, line 17		
<b>W</b> Other deductions	See the Partner's Instructions		
<b>14. Self-employment earnings (loss)</b>			
<b>Note:</b> If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.			
<b>A</b> Net earnings (loss) from self-employment	Schedule SE, Section A or B		
<b>B</b> Gross farming or fishing income	See the Partner's Instructions		
<b>C</b> Gross non-farm income	See the Partner's Instructions		
<b>15. Credits</b>			
<b>A</b> Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Partner's Instructions		
<b>B</b> Low-income housing credit (other) from pre-2008 buildings			
<b>C</b> Low-income housing credit (section 42(j)(5)) from post-2007 buildings			
<b>D</b> Low-income housing credit (other) from post-2007 buildings			
<b>E</b> Qualified rehabilitation expenditures (rental real estate)			
<b>F</b> Other rental real estate credits			
<b>G</b> Other rental credits			
<b>H</b> Undistributed capital gains credit		Form 1040, line 73; check box a	
<b>I</b> Biofuel producer credit			
<b>J</b> Work opportunity credit			
<b>K</b> Disabled access credit			
		See the Partner's Instructions	



# Partner's Adjusted Basis Worksheet

**2017**

Keep for your records.

Partner Number:	TIN: 474-76-5883	Tax year ending: 12-31-2017	Ownership %: 28.700000
Name of Partner: Patrick Tansey			
Name of Partnership: Elkwood LLC			EIN 32-0489813

A. Partner's share of partnership liabilities (Sch K-1, Item K)		A. <u>123,292</u>	
B. Partner's share of partnership liabilities from PRIOR year		B. ( <u>150,319</u> )	
C. Increases (Decrease) in share of Partnership Liabilities during this tax period		C. <u>(27,027)</u>	
1. Adjusted Basis from preceding year			1. <u>163,770</u>
2. Capital contributions of property			
a. Gain (if any) recognized this year on contribution of property to partnership	2 a.	<u>                    </u>	
b. Cash contributed during the year	b.	<u>20,358</u>	
c. Adjusted basis of property contributed during the year	c.	<u>                    </u>	
d. Partnership interest acquired other than by cash or property	d.	<u>                    </u>	
Total additional contributions (Total lines 2a-2d)	2.	<u>20,358</u>	
3. Items of Income or Gain for this period			
a. Ordinary Income (Sch K-1, Line 1)	3 a.	<u>                    </u>	
b. Real Estate Rental Income (Sch K-1, Line 2)	b.	<u>2,530</u>	
c. Other Rental Income (Sch K-1, Line 3c)	c.	<u>                    </u>	
d. Interest, Dividends & Royalties (Sch K-1, Lines 5, 6a & 7)	d.	<u>2</u>	
e. Capital Gain (Sch K-1, Lines 8 & 9a)	e.	<u>                    </u>	
f. Other Portfolio Income (Sch K-1, Line 11a)	f.	<u>                    </u>	
g. Section 1231 Gain (Sch K-1, Line 10)	g.	<u>                    </u>	
h. Other Income (Sch K-1, Line 11)	h.	<u>                    </u>	
i. Tax Exempt Income (Sch K-1, Lines 18a & b)	i.	<u>                    </u>	
j. Excess Depletion Adjustment	j.	<u>                    </u>	
k. Increase from Recapture of Business Credits	k.	<u>                    </u>	
i. Gain from 179 disposition (See IRC § 49(a), 50(a), 50(c)(2) & 1371 (d))	i.	<u>                    </u>	
Total items of Income or Gains (Total lines 3a-3l)	3.	<u>2,532</u>	
4. Increase in Partnership Share of Partnership Liabilities from line C above	4.	<u>                    </u>	
5. Total increases in basis (combine lines 1 through 4)	5.	<u>186,660</u>	
6. Distributions to the Partner during the year	6.	<u>                    </u>	
7. Decrease in Partner's Share of Partnership Liabilities from line C above	7.	<u>27,027</u>	
8 a. Decrease for Non-Deductible Expenses/Credit Adjustments	8 a.	<u>                    </u>	
b. Decrease for Depletion	b.	<u>                    </u>	
Total other decreases (lines 8a-8b)	8.	<u>                    </u>	
9. Subtotal - basis after all distributions and other decreases (Line 5 minus lines 6-8)	9.	<u>159,633</u>	
10. Items of Losses and Deductions (Allowed for the current year)			
a. Ordinary Loss (Page 2, Col e, Line 10a)	10 a.	<u>                    </u>	
b. Real Estate Rental Loss (Page 2, Col e, Line 10b)	b.	<u>                    </u>	
c. Other Rental Loss (Page 2, Col e, Line 10c)	c.	<u>                    </u>	
d. Capital Loss (Page 2, Col e, Line 10d)	d.	<u>                    </u>	
e. Other Portfolio Loss (Page 2, Col e, Line 10e)	e.	<u>                    </u>	
f. Section 1231 Loss (Page 2, Col e, Line 10f)	f.	<u>                    </u>	
g. Other Loss (Page 2, Col e, Line 10g)	g.	<u>                    </u>	
h. Charitable Contributions (Page 2, Col e, Line 10h)	h.	<u>                    </u>	
i. Section 179 Expense (Page 2, Col e, Line 10i)	i.	<u>                    </u>	
j. Portfolio Income Expenses (Page 2, Col e, Line 10j)	j.	<u>                    </u>	
k. Other Deductions (Page 2, Col e, Line 10k)	k.	<u>                    </u>	
l. Interest Expense on Investment Debt (Page 2, Col e, Line 10l)	l.	<u>                    </u>	
m. Total Foreign Taxes Paid/Accrued (Page 2, Col e, Line 10m)	m.	<u>                    </u>	
n. Section 59(e) Expenditures (Page 2, Col e, Line 10n)	n.	<u>                    </u>	
o. Other decreases (Page 2, Col e, Line 10o)	o.	<u>                    </u>	
p. Loss from 179 disposition (Page 2, Col e, Line 10p)	p.	<u>                    </u>	
Total items of Losses and Deductions (Total lines 10a-10p)	10.	<u>                    </u>	
11. Adjusted Basis of Partnership Interest (Cannot be negative) (Line 9-Line 10) At-Risk Basis	11.	<u>159,633</u>	
12. At-risk adjustment: (Amount from lines 5)	12.	<u>186,660</u>	
13. Enter the amount from lines 6, 7, 8 and 10	13.	<u>( 27,027 )</u>	
14. Enter any nonrecourse loans, etc.	14.	<u>(                      )</u>	
15. Enter the FMV of partner's personal property not used in the partnership that secures a nonrecourse loan on line 14	15.	<u>                    </u>	
16. Combine lines 12 through 15. If negative, no current year loss can be deducted. See Form 6198	16.	<u>159,633</u>	

## Allocation of Losses and Deductions

**2017**

Keep for your records.

<b>Partner Number:</b>	<b>TIN:</b> 474-76-5883	<b>Year Ended:</b> 12-31-2017	<b>Ownership %:</b> 28.700000
<b>Partner Name:</b> Patrick Tansey			
<b>Partnership Name:</b> Elkwood LLC			<b>EIN</b> 32-0489813

		(a) Beginning of Year Losses and Deductions	(b) Current Year Losses and Deductions	(c) Total Losses and Deductions	(d) %	(e) Allocable Losses and Deductions in Current Year	(f) Disallowed Losses and Deductions (Carryover to Next Year)
10a Ordinary losses from trade or business	(Sch K-1, Line 1)	_____	_____	_____	_____	_____	_____
b Net losses from rental real estate activities	(Sch K-1, Line 2)	_____	_____	_____	_____	_____	_____
c Net losses from other rental activities	(Sch K-1, Line 3)	_____	_____	_____	_____	_____	_____
d Net short-term capital losses	(Sch K-1, Lines 8 & 9a)	_____	_____	_____	_____	_____	_____
d Net long-term capital losses		_____	_____	_____	_____	_____	_____
e Other portfolio losses	(Shc K-1, Line 11a)	_____	_____	_____	_____	_____	_____
f Net losses under Section 1231	(Sch K-1, Line 10)	_____	_____	_____	_____	_____	_____
g Other losses	(Sch K-1, Line 11f)	_____	_____	_____	_____	_____	_____
h Charitable contributions	(Sch K-1, Lines 13a-g)	_____	_____	_____	_____	_____	_____
i Section 179 expense deduction	(Sch K-1, Line 12)	_____	_____	_____	_____	_____	_____
j Portfolio income expenses	(Sch K-1, Lines 13k & l)	_____	_____	_____	_____	_____	_____
k Other deductions	(Sch K-1, Lines 13m-s,w)	_____	_____	_____	_____	_____	_____
l Interest expense on investment debts	(Sch K-1, Line 13h)	_____	_____	_____	_____	_____	_____
m Foreign taxes paid or accrued	(Sch K-1, Lines 16i & m)	_____	_____	_____	_____	_____	_____
n Section 59(e) expenditures	(Sch K-1, Line 13j)	_____	_____	_____	_____	_____	_____
o Other decreases		_____	_____	_____	_____	_____	_____
p Loss from 179 asset		_____	_____	_____	_____	_____	_____
<b>Total deductible losses and deductions</b>		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
8a Nondeductible expenses & credit adj		_____	_____	_____	_____	_____	_____
b Oil and gas depletion		_____	_____	_____	_____	_____	_____
<b>Total nondeductible losses and deductions</b>		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
<b>Totals</b>		_____	_____	_____	_____	_____	_____

**Schedule K-1  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**2017**

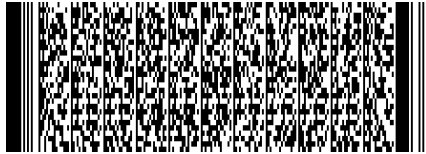
For calendar year 2017, or tax year

beginning \_\_\_\_\_, 2017 ending \_\_\_\_\_, 20

**Partner's Share of Income, Deductions, Credits, etc.**

▶ See page 2 of form and separate instructions.

<b>Part I Information About the Partnership</b>																										
<b>A</b>	Partnership's employer identification number 32-0489813																									
<b>B</b>	Partnership's name, address, city, state, and ZIP code Elkwood LLC  1148 Heritage Dr Shakopee, MN 55379																									
<b>C</b>	IRS Center where partnership filed return efile																									
<b>D</b>	<input type="checkbox"/> Check if this is a publicly traded partnership (PTP)																									
<b>Part II Information About the Partner</b>																										
<b>E</b>	Partner's identifying number 475-74-4351																									
<b>F</b>	Partner's name, address, city, state, and ZIP code Charlene Tansey 9675 Winslow Chase Maple Grove, MN 55311																									
<b>G</b>	<input checked="" type="checkbox"/> General partner or LLC member-manager <input type="checkbox"/> Limited partner or other LLC member																									
<b>H</b>	<input checked="" type="checkbox"/> Domestic partner <input type="checkbox"/> Foreign partner																									
<b>I1</b>	What type of entity is this partner? <u>INDIVIDUAL</u>																									
<b>I2</b>	If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here <input type="checkbox"/>																									
<b>J</b>	Partner's share of profit, loss, and capital (see instructions):																									
	<table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 15%; text-align: center;">Beginning</th> <th style="width: 10%;"></th> <th style="width: 15%; text-align: center;">Ending</th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td>Profit</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> </tr> <tr> <td>Loss</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> </tr> <tr> <td>Capital</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> <td style="text-align: right;">28.7000000</td> <td style="text-align: center;">%</td> </tr> </tbody> </table>		Beginning		Ending		Profit	28.7000000	%	28.7000000	%	Loss	28.7000000	%	28.7000000	%	Capital	28.7000000	%	28.7000000	%					
	Beginning		Ending																							
Profit	28.7000000	%	28.7000000	%																						
Loss	28.7000000	%	28.7000000	%																						
Capital	28.7000000	%	28.7000000	%																						
<b>K</b>	Partner's share of liabilities at year end:																									
	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Nonrecourse</td> <td style="width: 10%;">\$</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td>Qualified nonrecourse financing</td> <td>\$</td> <td style="text-align: right;">119,748</td> <td></td> <td></td> </tr> <tr> <td>Recourse</td> <td>\$</td> <td style="text-align: right;">3,544</td> <td></td> <td></td> </tr> </table>	Nonrecourse	\$				Qualified nonrecourse financing	\$	119,748			Recourse	\$	3,544												
Nonrecourse	\$																									
Qualified nonrecourse financing	\$	119,748																								
Recourse	\$	3,544																								
<b>L</b>	Partner's capital account analysis:																									
	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Beginning capital account</td> <td style="width: 10%;">\$</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;">13,451</td> <td style="width: 10%;"></td> </tr> <tr> <td>Capital contributed during the year</td> <td>\$</td> <td style="text-align: right;">20,357</td> <td></td> <td></td> </tr> <tr> <td>Current year increase (decrease)</td> <td>\$</td> <td style="text-align: right;">2,532</td> <td></td> <td></td> </tr> <tr> <td>Withdrawals &amp; distributions</td> <td>\$ (</td> <td style="text-align: right;">)</td> <td></td> <td></td> </tr> <tr> <td>Ending capital account</td> <td>\$</td> <td style="text-align: right;">36,340</td> <td></td> <td></td> </tr> </table>	Beginning capital account	\$		13,451		Capital contributed during the year	\$	20,357			Current year increase (decrease)	\$	2,532			Withdrawals & distributions	\$ (	)			Ending capital account	\$	36,340		
Beginning capital account	\$		13,451																							
Capital contributed during the year	\$	20,357																								
Current year increase (decrease)	\$	2,532																								
Withdrawals & distributions	\$ (	)																								
Ending capital account	\$	36,340																								
	<input checked="" type="checkbox"/> Tax basis <input type="checkbox"/> GAAP <input type="checkbox"/> Section 704(b) book <input type="checkbox"/> Other (explain)																									
<b>M</b>	Did the partner contribute property with a built-in gain or loss? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach statement (see instructions)																									

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	OMB No. 1545-0123
<b>Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items</b>		
<b>1</b>	Ordinary business income (loss)	<b>15</b> Credits
<b>2</b>	Net rental real estate income (loss) <span style="float: right;">2,530</span>	
<b>3</b>	Other net rental income (loss)	<b>16</b> Foreign transactions
<b>4</b>	Guaranteed payments	
<b>5</b>	Interest income <span style="float: right;">2</span>	
	<b>6a</b> Ordinary dividends	
	<b>6b</b> Qualified dividends	
<b>7</b>	Royalties	
<b>8</b>	Net short-term capital gain (loss)	
<b>9a</b>	Net long-term capital gain (loss)	<b>17</b> Alternative minimum tax (AMT) items A <span style="float: right;">1</span>
<b>9b</b>	Collectibles (28%) gain (loss)	
<b>9c</b>	Unrecaptured section 1250 gain	
<b>10</b>	Net section 1231 gain (loss)	<b>18</b> Tax-exempt income and nondeductible expenses
<b>11</b>	Other income (loss)	
<b>12</b>	Section 179 deduction	<b>19</b> Distributions
<b>13</b>	Other deductions	
<b>14</b>	Self-employment earnings (loss)	<b>20</b> Other information A <span style="float: right;">2</span>
*See attached statement for additional information.		
For IRS Use Only		

**This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.**

1. Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.	Code	Report on		
	<b>L</b> Empowerment zone employment credit	See the Partner's Instructions		
	<b>M</b> Credit for increasing research activities			
	<b>N</b> Credit for employer social security and Medicare taxes			
	<b>O</b> Backup withholding			
	<b>P</b> Other credits			
	<b>16. Foreign transactions</b>			
Passive loss	See the Partner's Instructions	Form 1116, Part I		
Passive income	Schedule E, line 28, column (g)			
Nonpassive loss	See the Partner's Instructions			
Nonpassive income	Schedule E, line 28, column (j)			
<b>2. Net rental real estate income (loss)</b>	See the Partner's Instructions			
<b>3. Other net rental income (loss)</b>	See the Partner's Instructions			
Net income	Schedule E, line 28, column (g)	Form 1116, Part I		
Net loss	See the Partner's Instructions			
<b>4. Guaranteed payments</b>	Schedule E, line 28, column (j)			
<b>5. Interest income</b>	Form 1040, line 8a			
<b>6a. Ordinary dividends</b>	Form 1040, line 9a			
<b>6b. Qualified dividends</b>	Form 1040, line 9b			
<b>7. Royalties</b>	Schedule E, line 4	Form 1116, Part I		
<b>8. Net short-term capital gain (loss)</b>	Schedule D, line 5			
<b>9a. Net long-term capital gain (loss)</b>	Schedule D, line 12			
<b>9b. Collectibles (28%) gain (loss)</b>	28% Rate Gain Worksheet, line 4 (Schedule D instructions)			
<b>9c. Unrecaptured section 1250 gain</b>	See the Partner's Instructions			
<b>10. Net section 1231 gain (loss)</b>	See the Partner's Instructions			
<b>11. Other income (loss)</b>	See the Partner's Instructions			
	<b>Code</b>			
<b>A</b> Other portfolio income (loss)	See the Partner's Instructions	Form 1116, Part I		
<b>B</b> Involuntary conversions	See the Partner's Instructions			
<b>C</b> Sec. 1256 contracts & straddles	Form 6781, line 1			
<b>D</b> Mining exploration costs recapture	See Pub. 535			
<b>E</b> Cancellation of debt	Form 1040, line 21 or Form 982			
<b>F</b> Other income (loss)	See the Partner's Instructions			
<b>12. Section 179 deduction</b>	See the Partner's Instructions			
<b>13. Other deductions</b>				
<b>A</b> Cash contributions (50%)	See the Partner's Instructions	Form 1116, Part II		
<b>B</b> Cash contributions (30%)				
<b>C</b> Noncash contributions (50%)				
<b>D</b> Noncash contributions (30%)				
<b>E</b> Capital gain property to a 50% organization (30%)				
<b>F</b> Capital gain property (20%)				
<b>G</b> Contributions (100%)				
<b>H</b> Investment interest expense			Form 4952, line 1	
<b>I</b> Deductions-royalty income			Schedule E, line 19	
<b>J</b> Section 59(e)(2) expenditures			See the Partner's Instructions	
<b>K</b> Deductions-portfolio (2% floor)			Schedule A, line 23	
<b>L</b> Deductions-portfolio (other)			Schedule A, line 28	
<b>M</b> Amounts paid for medical insurance			Schedule A, line 1 or Form 1040, line 29	
<b>N</b> Educational assistance benefits	See the Partner's Instructions			
<b>O</b> Dependent care benefits	Form 2441, line 12			
<b>P</b> Preproductive period expenses	See the Partner's Instructions			
<b>Q</b> Commercial revitalization deduction from rental real estate activities	See Form 8582 instructions			
<b>R</b> Pensions and IRAs	See the Partner's Instructions			
<b>S</b> Reforestation expense deduction	See the Partner's Instructions			
<b>T</b> Domestic production activities information	See Form 8903 instructions			
<b>U</b> Qualified production activities income	Form 8903, line 7b			
<b>V</b> Employer's Form W-2 wages	Form 8903, line 17			
<b>W</b> Other deductions	See the Partner's Instructions			
<b>14. Self-employment earnings (loss)</b>				
<b>Note:</b> If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.				
<b>A</b> Net earnings (loss) from self-employment	Schedule SE, Section A or B			
<b>B</b> Gross farming or fishing income	See the Partner's Instructions			
<b>C</b> Gross non-farm income	See the Partner's Instructions			
<b>15. Credits</b>				
<b>A</b> Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Partner's Instructions	See the Partner's Instructions		
<b>B</b> Low-income housing credit (other) from pre-2008 buildings				
<b>C</b> Low-income housing credit (section 42(j)(5)) from post-2007 buildings				
<b>D</b> Low-income housing credit (other) from post-2007 buildings				
<b>E</b> Qualified rehabilitation expenditures (rental real estate)				
<b>F</b> Other rental real estate credits				
<b>G</b> Other rental credits				
<b>H</b> Undistributed capital gains credit			Form 1040, line 73; check box a	
<b>I</b> Biofuel producer credit				
<b>J</b> Work opportunity credit			See the Partner's Instructions	
<b>K</b> Disabled access credit				
			<b>L</b> Dispositions of property with section 179 deductions	See the Partner's Instructions
	<b>M</b> Recapture of section 179 deduction			
	<b>N</b> Interest expense for corporate partners			
	<b>O</b> Section 453(l)(3) information			
	<b>P</b> Section 453A(c) information			
	<b>Q</b> Section 1260(b) information			
	<b>R</b> Interest allocable to production expenditures			
	<b>S</b> CCF nonqualified withdrawals			
	<b>T</b> Depletion information - oil and gas			
	<b>U</b> Reserved			
	<b>V</b> Unrelated business taxable income			
	<b>W</b> Precontribution gain (loss)			
	<b>X</b> Section 108(i) information			
	<b>Y</b> Net investment income			
	<b>Z</b> Other information			
	<b>17. Alternative minimum tax (AMT) items</b>			
	<b>A</b> Post-1986 depreciation adjustment	See the Partner's Instructions and the Instructions for Form 6251		
	<b>B</b> Adjusted gain or loss			
	<b>C</b> Depletion (other than oil & gas)			
	<b>D</b> Oil, gas, & geothermal-gross income			
	<b>E</b> Oil, gas, & geothermal-deductions			
	<b>F</b> Other AMT items			
	<b>18. Tax-exempt income and nondeductible expenses</b>			
	<b>A</b> Tax-exempt interest income	Form 1040, line 8b		
	<b>B</b> Other tax-exempt income	See the Partner's Instructions		
	<b>C</b> Nondeductible expenses	See the Partner's Instructions		
	<b>19. Distributions</b>			
	<b>A</b> Cash and marketable securities	See the Partner's Instructions		
	<b>B</b> Distribution subject to section 737			
	<b>C</b> Other property			
	<b>20. Other information</b>			
	<b>A</b> Investment income	Form 4952, line 4a		
	<b>B</b> Investment expenses	Form 4952, line 5		
	<b>C</b> Fuel tax credit information	Form 4136		
	<b>D</b> Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions		
	<b>E</b> Basis of energy property	See the Partner's Instructions		
	<b>F</b> Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8		
	<b>G</b> Recapture of low-income housing credit (other)	Form 8611, line 8		
	<b>H</b> Recapture of investment credit	See Form 4255		
	<b>I</b> Recapture of other credits	See the Partner's Instructions		
	<b>J</b> Look-back interest - completed long-term contracts	See Form 8697		
	<b>K</b> Look-back interest - income forecast method	See Form 8866		





# Partner's Adjusted Basis Worksheet

**2017**

Keep for your records.

Partner Number:	TIN: 475-74-4351	Tax year ending: 12-31-2017	Ownership %: 28.700000
Name of Partner: Charlene Tansey			
Name of Partnership: Elkwood LLC			EIN 32-0489813

A. Partner's share of partnership liabilities (Sch K-1, Item K)		A. <u>123,292</u>		
B. Partner's share of partnership liabilities from PRIOR year		B. ( <u>150,319</u> )		
C. Increases (Decrease) in share of Partnership Liabilities during this tax period		C. <u>(27,027)</u>		
1. Adjusted Basis from preceding year			1. <u>163,770</u>	
2. Capital contributions of property				
a. Gain (if any) recognized this year on contribution of property to partnership	2 a.	<u>                    </u>		
b. Cash contributed during the year	b.	<u>20,357</u>		
c. Adjusted basis of property contributed during the year	c.	<u>                    </u>		
d. Partnership interest acquired other than by cash or property	d.	<u>                    </u>		
Total additional contributions (Total lines 2a-2d)	2.	<u>20,357</u>		
3. Items of Income or Gain for this period				
a. Ordinary Income (Sch K-1, Line 1)	3 a.	<u>                    </u>		
b. Real Estate Rental Income (Sch K-1, Line 2)	b.	<u>2,530</u>		
c. Other Rental Income (Sch K-1, Line 3c)	c.	<u>                    </u>		
d. Interest, Dividends & Royalties (Sch K-1, Lines 5, 6a & 7)	d.	<u>2</u>		
e. Capital Gain (Sch K-1, Lines 8 & 9a)	e.	<u>                    </u>		
f. Other Portfolio Income (Sch K-1, Line 11a)	f.	<u>                    </u>		
g. Section 1231 Gain (Sch K-1, Line 10)	g.	<u>                    </u>		
h. Other Income (Sch K-1, Line 11)	h.	<u>                    </u>		
i. Tax Exempt Income (Sch K-1, Lines 18a & b)	i.	<u>                    </u>		
j. Excess Depletion Adjustment	j.	<u>                    </u>		
k. Increase from Recapture of Business Credits	k.	<u>                    </u>		
i. Gain from 179 disposition (See IRC § 49(a), 50(a), 50(c)(2) & 1371 (d))	i.	<u>                    </u>		
Total items of Income or Gains (Total lines 3a-3l)	3.	<u>2,532</u>		
4. Increase in Partnership Share of Partnership Liabilities from line C above	4.	<u>                    </u>		
5. Total increases in basis (combine lines 1 through 4)	5.	<u>186,659</u>		
6. Distributions to the Partner during the year	6.	<u>                    </u>		
7. Decrease in Partner's Share of Partnership Liabilities from line C above	7.	<u>27,027</u>		
8 a. Decrease for Non-Deductible Expenses/Credit Adjustments	8 a.	<u>                    </u>		
b. Decrease for Depletion	b.	<u>                    </u>		
Total other decreases (lines 8a-8b)	8.	<u>                    </u>		
9. Subtotal - basis after all distributions and other decreases (Line 5 minus lines 6-8)	9.	<u>159,632</u>		
10. Items of Losses and Deductions (Allowed for the current year)				
a. Ordinary Loss (Page 2, Col e, Line 10a)	10 a.	<u>                    </u>		
b. Real Estate Rental Loss (Page 2, Col e, Line 10b)	b.	<u>                    </u>		
c. Other Rental Loss (Page 2, Col e, Line 10c)	c.	<u>                    </u>		
d. Capital Loss (Page 2, Col e, Line 10d)	d.	<u>                    </u>		
e. Other Portfolio Loss (Page 2, Col e, Line 10e)	e.	<u>                    </u>		
f. Section 1231 Loss (Page 2, Col e, Line 10f)	f.	<u>                    </u>		
g. Other Loss (Page 2, Col e, Line 10g)	g.	<u>                    </u>		
h. Charitable Contributions (Page 2, Col e, Line 10h)	h.	<u>                    </u>		
i. Section 179 Expense (Page 2, Col e, Line 10i)	i.	<u>                    </u>		
j. Portfolio Income Expenses (Page 2, Col e, Line 10j)	j.	<u>                    </u>		
k. Other Deductions (Page 2, Col e, Line 10k)	k.	<u>                    </u>		
l. Interest Expense on Investment Debt (Page 2, Col e, Line 10l)	l.	<u>                    </u>		
m. Total Foreign Taxes Paid/Accrued (Page 2, Col e, Line 10m)	m.	<u>                    </u>		
n. Section 59(e) Expenditures (Page 2, Col e, Line 10n)	n.	<u>                    </u>		
o. Other decreases (Page 2, Col e, Line 10o)	o.	<u>                    </u>		
p. Loss from 179 disposition (Page 2, Col e, Line 10p)	p.	<u>                    </u>		
Total items of Losses and Deductions (Total lines 10a-10p)	10.	<u>                    </u>		
11. Adjusted Basis of Partnership Interest (Cannot be negative) (Line 9-Line 10) At-Risk Basis	11.	<u>159,632</u>		
12. At-risk adjustment: (Amount from lines 5)	12.	<u>186,659</u>		
13. Enter the amount from lines 6, 7, 8 and 10	13.	<u>( 27,027 )</u>		
14. Enter any nonrecourse loans, etc.	14.	<u>(                      )</u>		
15. Enter the FMV of partner's personal property not used in the partnership that secures a nonrecourse loan on line 14	15.	<u>                    </u>		
16. Combine lines 12 through 15. If negative, no current year loss can be deducted. See Form 6198	16.	<u>159,632</u>		

## Allocation of Losses and Deductions

**2017**

Keep for your records.

<b>Partner Number:</b>	<b>TIN:</b> 475-74-4351	<b>Year Ended:</b> 12-31-2017	<b>Ownership %:</b> 28.700000
<b>Partner Name:</b> Charlene Tansey			
<b>Partnership Name:</b> Elkwood LLC			<b>EIN</b> 32-0489813

		(a) Beginning of Year Losses and Deductions	(b) Current Year Losses and Deductions	(c) Total Losses and Deductions	(d) %	(e) Allocable Losses and Deductions in Current Year	(f) Disallowed Losses and Deductions (Carryover to Next Year)
10a Ordinary losses from trade or business	(Sch K-1, Line 1)	_____	_____	_____	_____	_____	_____
b Net losses from rental real estate activities	(Sch K-1, Line 2)	_____	_____	_____	_____	_____	_____
c Net losses from other rental activities	(Sch K-1, Line 3)	_____	_____	_____	_____	_____	_____
d Net short-term capital losses	(Sch K-1, Lines 8 & 9a)	_____	_____	_____	_____	_____	_____
d Net long-term capital losses		_____	_____	_____	_____	_____	_____
e Other portfolio losses	(Shc K-1, Line 11a)	_____	_____	_____	_____	_____	_____
f Net losses under Section 1231	(Sch K-1, Line 10)	_____	_____	_____	_____	_____	_____
g Other losses	(Sch K-1, Line 11f)	_____	_____	_____	_____	_____	_____
h Charitable contributions	(Sch K-1, Lines 13a-g)	_____	_____	_____	_____	_____	_____
i Section 179 expense deduction	(Sch K-1, Line 12)	_____	_____	_____	_____	_____	_____
j Portfolio income expenses	(Sch K-1, Lines 13k & l)	_____	_____	_____	_____	_____	_____
k Other deductions	(Sch K-1, Lines 13m-s,w)	_____	_____	_____	_____	_____	_____
l Interest expense on investment debts	(Sch K-1, Line 13h)	_____	_____	_____	_____	_____	_____
m Foreign taxes paid or accrued	(Sch K-1, Lines 16i & m)	_____	_____	_____	_____	_____	_____
n Section 59(e) expenditures	(Sch K-1, Line 13j)	_____	_____	_____	_____	_____	_____
o Other decreases		_____	_____	_____	_____	_____	_____
p Loss from 179 asset		_____	_____	_____	_____	_____	_____
<b>Total deductible losses and deductions</b>		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
8a Nondeductible expenses & credit adj		_____	_____	_____	_____	_____	_____
b Oil and gas depletion		_____	_____	_____	_____	_____	_____
<b>Total nondeductible losses and deductions</b>		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
<b>Totals</b>		_____	_____	_____	_____	_____	_____

# Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form4562](http://www.irs.gov/Form4562) for instructions and the latest information.

Attachment  
Sequence No. **179**

Name(s) shown on return <b>Elkwood LLC</b>	Business or activity to which this form relates <b>1212 2nd Street NE</b>	Identifying number <b>32-0489813</b>
---	--	---

### Part I Election To Expense Certain Property Under Section 179

**Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2018. Add lines 9 and 10, less line 12	13	

**Note:** Don't use Part II or Part III below for listed property. Instead, use Part V.

### Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	17,513

### Part III MACRS Depreciation (Don't include listed property.) (See instructions.)

#### Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2017	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

#### Section B - Assets Placed in Service During 2017 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	

#### Section C - Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	40-year		40 yrs.	MM	S/L	

### Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	<b>Total.</b> Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	17,513
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

**For Paperwork Reduction Act Notice, see separate instructions.**

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost. Includes rows 25-29.

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table with 6 columns for vehicles (a-f) and 6 rows (30-36) for mileage and availability questions.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons (see instructions).

Table with 2 columns (Yes/No) and 5 rows (37-41) for employer questions.

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

Table with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44.

**Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns**  
 ▶ **File a separate application for each return.**

OMB No. 1545-0233

▶ **Go to [www.irs.gov/Form7004](http://www.irs.gov/Form7004) for instructions and the latest information.**

**Print  
or  
Type**

Name <b>Elkwood LLC</b>	Identifying number <b>32-0489813</b>
Number, street, and room or suite no. (If P.O. box, see instructions.) <b>1148 Heritage Dr</b>	
City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)). <b>Shakopee, MN 55379</b>	

**Note:** File request for extension by the due date of the return. See instructions before completing this form.

**Part I Automatic Extension for Certain Business Income Tax, Information, and Other Returns.** See instructions.

1 Enter the form code for the return listed below that this application is for . . . . . **09**

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	<b>01</b>	Form 1120-ND	<b>19</b>
Form 706-GS(T)	<b>02</b>	Form 1120-ND (section 4951 taxes)	<b>20</b>
Form 1041 (bankruptcy estate only)	<b>03</b>	Form 1120-PC	<b>21</b>
Form 1041 (estate other than a bankruptcy estate)	<b>04</b>	Form 1120-POL	<b>22</b>
Form 1041 (trust)	<b>05</b>	Form 1120-REIT	<b>23</b>
Form 1041-N	<b>06</b>	Form 1120-RIC	<b>24</b>
Form 1041-QFT	<b>07</b>	Form 1120S	<b>25</b>
Form 1042	<b>08</b>	Form 1120-SF	<b>26</b>
Form 1065	<b>09</b>	Form 3520-A	<b>27</b>
Form 1065-B	<b>10</b>	Form 8612	<b>28</b>
Form 1066	<b>11</b>	Form 8613	<b>29</b>
Form 1120	<b>12</b>	Form 8725	<b>30</b>
Form 1120-C	<b>34</b>	Form 8804	<b>31</b>
Form 1120-F	<b>15</b>	Form 8831	<b>32</b>
Form 1120-FSC	<b>16</b>	Form 8876	<b>33</b>
Form 1120-H	<b>17</b>	Form 8924	<b>35</b>
Form 1120-L	<b>18</b>	Form 8928	<b>36</b>

**Part II All Filers Must Complete This Part**

- 2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here . . . . . ▶
- 3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here . . . . . ▶   
 If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.
- 4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here . . . ▶
- 5a The application is for calendar year 20 17 , or tax year beginning \_\_\_\_\_, 20\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_
- b **Short tax year.** If this tax year is less than 12 months, check the reason:  Initial return  Final return  
 Change in accounting period  Consolidated return to be filed  Other (see instructions-attach explanation)

6 Tentative total tax . . . . .	<b>6</b>	0
7 <b>Total</b> payments and credits (see instructions) . . . . .	<b>7</b>	0
8 <b>Balance due.</b> Subtract line 7 from line 6 (see instructions) . . . . .	<b>8</b>	0

**For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.**

**IRS e-file Signature Authorization for Form 1065**

▶ Return completed Form 8879-PE to your ERO. (Don't send to the IRS.)

▶ Go to [www.irs.gov/Form8879PE](http://www.irs.gov/Form8879PE) for the latest information.

**2017**

Department of the Treasury  
Internal Revenue Service

For calendar year 2017, or tax year beginning \_\_\_\_\_, 2017, and ending \_\_\_\_\_, 20\_\_\_\_\_.

Name of partnership <b>Elkwood LLC</b>	Employer identification number <b>32-0489813</b>
---	---

**Part I Tax Return Information (Whole dollars only)**

<b>1</b>	Gross receipts or sales less returns and allowances (Form 1065, line 1c)	<b>1</b>	
<b>2</b>	Gross profit (Form 1065, line 3)	<b>2</b>	
<b>3</b>	Ordinary business income (loss) (Form 1065, line 22)	<b>3</b>	
<b>4</b>	Net rental real estate income (loss) (Form 1065, Schedule K, line 2)	<b>4</b>	<b>8,814</b>
<b>5</b>	Other net rental income (loss) (Form 1065, Schedule K, line 3c)	<b>5</b>	

**Part II Declaration and Signature Authorization of Partner or Member (Be sure to get a copy of the partnership's return)**

Under penalties of perjury, I declare that I am a partner or member of the above partnership and that I have examined a copy of the partnership's 2017 electronic return of partnership income and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the partnership's electronic return of partnership income. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the partnership's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission and (b) the reason for any delay in processing the return. I have selected a personal identification number (PIN) as my signature for the partnership's electronic return of partnership income.

**Partner or Member's PIN: check one box only**

- I authorize Arlyce Cleveland Ltd to enter my PIN 89813 as my signature  
ERO firm name Don't enter all zeros  
on the partnership's 2017 electronically filed return of partnership income.
- As a partner or member of the partnership, I will enter my PIN as my signature on the partnership's 2017 electronically filed return of partnership income.

Partner or member's signature ▶ \_\_\_\_\_  
Title ▶ Partner Date ▶ \_\_\_\_\_

**Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. 414679 33265  
Don't enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2017 electronically filed return of partnership income for the partnership indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ \_\_\_\_\_ Date ▶ 04-12-2018

**ERO Must Retain This Form - See Instructions  
Don't Submit This Form to the IRS Unless Requested To Do So**

**Federal Supporting Statements**

**2017 PG01**

Name(s) as shown on return

FEIN

Elkwood LLC

32-0489813

Form 1065 - Schedule L - Line 6

Statement #27

Other Current Assets

Description	Beg Of Year	End Of Year
Escrow	2,130	2,211
Related Party	<u>                    </u>	<u>14,116</u>
<b>Total</b>	<b><u>2,130</u></b>	<b><u>16,327</u></b>

Form 1065 - Schedule L - Line 17

**PG01**  
Statement #31

Other Current Liabilities

Description	Beg Of Year	End Of Year
Credit Card	6,669	
Prepaid Rents	1,835	2,428
Security Deposits	5,932	7,000
Rounding	(1)	
Related Party	<u>                    </u>	<u>2,919</u>
<b>Total</b>	<b><u>14,435</u></b>	<b><u>12,347</u></b>

FORM 8825, LINE 15 - OTHER

PG01  
Statement #8A

DESCRIPTION	AMOUNT
Bank services charges	39
Licenses	403
Office Supplies	84
Crim and credit reports	105
Postage	45
Rounding	<u>2</u>
<b>TOTAL</b>	<b><u>678</u></b>



# Schedule M-2/Partners' Capital Reconciliation Worksheet

**Form 1065**

(Keep for your records)

**2017**

Name(s) as shown on return

Tax ID Number

Elkwood LLC

32-0489813

### Analysis of Current-Year Partners' Capital

1 Beginning partners' capital per balance sheet (Schedule L, column b, line 21) . . . . .	1	28,313
2 Book income (loss) (Schedule M-1, line 1, or Schedule M-3, page 1, line 11) . . . . .	2	8,820
3 Capital contributions during the year (Schedule K-1, Item L) . . . . .	3	89,500
4 Other increases (Schedule M-2, line 4) . . . . .	4	_____
5 Distributions (Schedule K, lines 19A and 19B) . . . . .	5	_____
6 Withdrawals and other decreases (Schedule M-2, line 7) . . . . .	6	_____
7 Subtotal (combines lines 1 through 6) . . . . .	7	126,633
8 Ending partners' capital per balance sheet (Schedule L, column d, line 21) . . . . .	8	126,633
<b>9 Difference (line 7 minus line 8) (should be zero) . . . . .</b>	<b>9</b>	<b>_____</b>

### Current-Year Change to Partners' Capital Compared to Current-Year Change to Schedule K, Item L (All Partners)

1 Ending partners' capital (Schedule L, column d, line 21) . . . . .	1	126,633
2 Beginning partners' capital (Schedule L, column b, line 21) . . . . .	2	28,313
3 Change in capital (line 1 minus line 2) . . . . .	3	98,320
4 Ending partners' capital (Schedules K-1, item L) . . . . .	4	126,633
5 Beginning partners' capital (Schedules K-1, item L) . . . . .	5	28,313
6 Difference (line 4 minus line 5) . . . . .	6	98,320

### Current-Year Timing Adjustments from Schedule M-1 Screen (K-1 accounting method other than GAAP)

Subtractions from net income per books (Schedule M-1, lines 5 and 6 - not included on Schedule M-2, line 3)

7 Other income recorded on books not included on Schedule K . . . . .	7	_____
8 Depreciation on Schedule K not included on books . . . . .	8	_____
9 Other Schedule K items not included on books . . . . .	9	_____
10 Total subtractions (lines 7 through 9) . . . . .	10	_____

Additions to net income per books (Schedule M-1, lines 2 and 3 - not included on Schedule M-2, line 3)

11 Income included on Schedule K not recorded on books . . . . .	11	_____
12 Depreciation on books not included on Schedule K . . . . .	12	_____
13 Other items on books not included on Schedule K . . . . .	13	_____
14 Total additions (lines 12 through 13) . . . . .	14	_____

15 Schedule M-1 timing adjustments not included on Schedule M-2, lines 3, 4, and 7 (combine lines 10 and 14) . . . . .	15	_____
--	----	-------

### Current-Year Timing Adjustments from Schedule M-3 Screens (K-1 accounting method other than GAAP)

Permanent or temporary book-to-tax difference amounts entered on the M32, M33, 8916A, and SCH3 screens appear on line 16 and line 17 as opposite of the actual entries. For example, an entry of -100 would appear as 100.

16 Permanent differences . . . . .	16	_____
17 Temporary differences . . . . .	17	_____

18 Schedule M-3 timing adjustments not included on Schedule M-2 (combine lines 16 and 17) . . . . .	18	_____
---	----	-------

19 Capital amount after M-1 timing adjustments (add lines 6 & 15) . . . . .	19	98,320
20 Capital amount after M-3 timing adjustments (add lines 6 & 18) . . . . .	20	_____

<b>21 Net reconciliation difference (line 3 minus Line 19 or 20) . . . . .</b>	<b>21</b>	<b>_____</b>
--	-----------	--------------

# Capital Account Reconciliation

(Keep for your records)

**2017** Page 1

Name(s) as shown on return

Tax ID Number

Elkwood LLC

32-0489813

Partner Name	Beginning Capital Account	Capital Contributed During Year	Partner's Share of Lines 3, 4 and 7 Form 1065, Sch M-2	Withdrawals and Distributions	Ending Capital Account
Jerry Lindeen	1,283	40,872	3,414		45,569
Kimberly A Lindeen	128	7,913	342		8,383
Patrick Tansey	13,451	20,358	2,532		36,341
Charlene Tansey	13,451	20,357	2,532		36,340
<b>TOTALS</b>	<b>28,313</b>	<b>89,500</b>	<b>8,820</b>		<b>126,633</b>

(Keep for your records)

PARTNERSHIP NAME  
Elkwood LLC

EIN  
32-0489813

Description	***-**-9242 Jerry Lindeen	***-**-2767 Kimberly A Lin	***-**-5883 Patrick Tansey	***-**-4351 Charlene Tanse			Total
k2a Net rental real estate income	3,412	342	2,530	2,530			8,814
k5 Interest income. . . . .	2		2	2			6
k17a Post - 1986 depreciation adj			1	1			2

\* Item was disposed  
of during current year.

## Depreciation Detail Listing

FORM 8825 - 1212 2nd Street NE Saint Cloud

**For your records only**

**2017**

PAGE 1

Name(s) as shown on return

Social security number/EIN

Elkwood LLC

32-0489813

No.	Description	Date	Cost	Basis Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current
1	Apartment Building	05172016	456,000		100.00			456,000	27.5	SL MM	3.636	9,498	16,582	26,080	16,580
1	LAND	05172016	84,000		100.00				0	NDA					
2	Carpet Replaced	06012016	4,653		100.00			4,653	5	SL HY	20	332	931	1,263	931
3	Closing costs at purc	05172016	3,032		100.00			3,032	30	AMT-AMT	3.3333	67	101	168	101
<b>Totals</b>			<b>547,685</b>					<b>463,685</b>				<b>9,897</b>	<b>17,614</b>	<b>27,511</b>	<b>17,612</b>

Land Amount 84,000  
Net Depreciable Cost 463,685

CY 179 and CY Bonus  
TOTAL CY Depr including 179/bonus

17,614

ST ADJ:

**Next Year's Depreciation Worksheet**

(Keep for your records)

**2017**

Name(s) as shown on return  
Elkwood LLC

Tax ID Number  
32-0489813

Form	Multi-Form	Description	Date	Basis	Method	Life	Deduction
8825	1	Apartment Building	05172016	456,000	SL	27.5	16,582
8825	1	Carpet Replaced	06012016	4,653	SL	5	931
8825	1	Closing costs at purchas	05172016	3,032	AMT	30	101
		TOTAL					17,614

**FOR TAX YEAR 2017**

ELKWOOD LLC

Arlyce Cleveland Ltd  
11943 Lever Street NE  
Minneapolis, MN 55449  
(763)786-4626

**Federal Filing Instructions****2017**

Name as shown on return

Elkwood LLC

Tax ID Number

32-0489813

Date to file by: 09-17-2018

Form to be filed: Form 1065 and supplemental forms and schedules

Sign and date: A general partner or managing member must sign and date the return on the bottom of page 1.

Address to file: Department of the Treasury  
Internal Revenue Service Center  
Ogden, UT 84201-0011

**Form 7004 Filing Instructions****2017**

Name as shown on return

Elkwood LLC

Tax ID Number

32-0489813

Date to file by: 03-15-2018

Form to be filed: Form 7004

Address to file: Department of the Treasury  
Internal Revenue Service Center  
Ogden, UT 84201-0045

Other Instructions: An extension to file does not extend the time to pay your tax. You can also e-file Form 7004 and make payment by authorizing an electronic funds withdrawal from the partnership's checking or savings account.



# Arlyce Cleveland Ltd

11943 Lever Street NE  
Minneapolis, MN 55449  
arlyce@accounting-offices.net  
Phone: (763)786-4626 | Fax: (763)786-0639

April 12, 2018

Jerry Lindeen  
1148 Heritage Dr  
Shakopee, MN 55379

Subject: Preparation of 2017 Tax Returns

Jerry Lindeen:

Thank you for choosing Arlyce Cleveland Ltd to assist with the 2017 taxes for Elkwood LLC. This letter confirms the terms of the engagement and outlines the nature and extent of the services we will provide.

We will prepare 2017 federal and state income tax returns for Elkwood LLC. We will depend on management to provide the information we need to prepare complete and accurate returns. We may ask management to clarify some items but will not audit or otherwise verify the data submitted.

We will perform accounting services only as needed to prepare the tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for management to clarify some of the information submitted. We will inform management of any material errors, fraud, or other illegal acts we discover.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on the behalf of Elkwood LLC, the alternative selected by management.

Our fee is based on the time required at standard billing rates plus out-of-pocket expenses. Invoices are due and payable upon presentation. All accounts not paid within thirty (30) days are subject to interest charges to the extent permitted by state law.

We will return the original records to management at the end of this engagement. Store these records, along with all supporting documents, canceled checks, etc., in a secure location in case these items are needed later to prove accuracy and completeness of a return. We retain copies of your records and our work papers for your engagement for seven years, after which these documents will be destroyed.

Our engagement to prepare the 2017 tax returns will conclude with the delivery of the completed returns to management (if paper-filing) or with the tax matters partner's signature and our subsequent submittal of the tax return (if e-filing). If management has not selected to e-file the returns with our office, management will be solely responsible to file the returns with the appropriate taxing authorities. The tax matters partner should review all tax-return documents carefully before signing them.

To affirm that this letter correctly summarizes the arrangements for this work, sign the enclosed copy of this letter in the space indicated and return it to us in the envelope provided.

Thank you for the opportunity to be of service. For further assistance with your tax needs, contact our office at (763) 786-4626.

Sincerely,

Donna Franklin  
Arlyce Cleveland Ltd

Accepted By:

---

General partner or LLC member manager

---

Date

# Arlyce Cleveland Ltd

11943 Lever Street NE  
Minneapolis, MN 55449  
arlyce@accounting-offices.net  
Phone: (763)786-4626 | Fax: (763)786-0639

April 12, 2018

Elkwood LLC  
1148 Heritage Dr  
Shakopee, MN 55379

Elkwood LLC:

Enclosed is the 2017 Form 1065, U.S. Return of Partnership Income, prepared for Elkwood LLC from the information provided. This return will be e-filed with the IRS once we receive a signed Form 8879-PE, IRS e-file Signature Authorization for Form 1065.

Also enclosed are letters to the partners and their copies of the Schedule K-1, to be distributed to the partners.

Thank you for the opportunity to be of service. For further assistance with your tax needs, contact this office at (763) 786-4626.

Sincerely,

Donna Franklin  
Arlyce Cleveland Ltd

# Arlyce Cleveland Ltd

11943 Lever Street NE  
Minneapolis, MN 55449  
arlyce@accounting-offices.net  
Phone: (763)786-4626 | Fax: (763)786-0639

April 12, 2018

Elkwood LLC  
1148 Heritage Dr  
Shakopee, MN 55379

Elkwood LLC:

Because Minnesota acknowledges the federal extension application for state returns, no additional form is required for an extension of time to file the income tax return. If a payment is required, it must be made by the original due date of the return to avoid penalties and interest.

Thank you for the opportunity to be of service. For further assistance with your tax needs, contact our office at (763) 786-4626.

Sincerely,

Donna Franklin  
Arlyce Cleveland Ltd

# Arlyce Cleveland Ltd

11943 Lever Street NE  
 Minneapolis, MN 55449  
 arlyce@accounting-offices.net  
 Phone: (763)786-4626 | Fax: (763)786-0639

Customer Name	Customer Information	
Elkwood LLC 1148 Heritage Dr Shakopee, MN 55379	Invoice #:	
	Date:	April 12, 2018
	Phone:	
	E-mail:	

Your 2017 tax return was prepared by Donna Franklin.

Description	Fee
<b>Federal And Supplemental Forms</b>	
Form 1065	U.S. Partnership Return of Income, page 1
Form 1065 pg 2	U.S. Partnership Return of Income, page 2
Form 1065 pg 3	U.S. Partnership Return of Income, page 3
Form 1065 pg 4	U.S. Partnership Return of Income, page 4
Form 1065 pg 5	U.S. Partnership Return of Income, page 5
K-1	Partner's Share of Income
K-1	Partner's Share of Income
K-1	Partner's Share of Income
K-1	Partner's Share of Income
K-1 Form 8825	Form 8825 for Partners
K-1 Form 8825	Form 8825 for Partners
K-1 Form 8825	Form 8825 for Partners
K-1 Form 8825	Form 8825 for Partners
Schedule B-1	Schedule B-1 Partners Owning 50% or More
Form 4562	Depreciation and Amortization
Form 7004	Extension of Time to File
Form 8825	Rental Real Estate Income and Expenses
Form 8879 PE	IRS E-File Authorization for 1065
FED DEPR Schedule	Federal Depreciation Schedule
Next Year Depr	Next Year Depreciation Schedule
Wks Adj Basis	Partner's Adjusted Basis Worksheet
Wks Adj Basis	Partner's Adjusted Basis Worksheet
Wks Adj Basis	Partner's Adjusted Basis Worksheet
Wks Adj Basis	Partner's Adjusted Basis Worksheet
Wks Adj Basis	Partner's Adjusted Basis Worksheet
Wks Adj Basis	Partner's Adjusted Basis Worksheet
Wks Adj Basis	Partner's Adjusted Basis Worksheet
Wks Adj Basis	Partner's Adjusted Basis Worksheet
Wks Adj Basis	Partner's Adjusted Basis Worksheet
Wks M-2	Partner's Capital Reconciliation Worksheet
Wks PCAR	Capital Account Reconciliation
Statement Sch L	Schedule L - Sch L Other Current Assets
Statement Sch L	Schedule L - Sch L Other Current Liabilities
Statement 8825	Form 8825 - Other Expenses
Comparison	Tax Year Comparison Sheet
K-K1 Comparison	Comparison of Schedule K to K-1
<b>Minnesota Forms</b>	

MN M3	Partnership Income Tax Return	
MN 3A	Fee and Apportionment Schedule	
MN KPI WK	Schedule KPI, Source Gross Income	
MN KPI	Partner's Share of Income	
MN KPI	Partner's Share of Income	
MN KPI	Partner's Share of Income	
MN KPI	Partner's Share of Income	
MN KPI PG 3	Partner's Share of Income, Page 3	
MN KPI PG 3	Partner's Share of Income, Page 3	
MN KPI PG 3	Partner's Share of Income, Page 3	
MN KPI PG 3	Partner's Share of Income, Page 3	

<b>Total Forms</b>	<b>46</b>	<b>Forms Subtotal</b>	<b>0.00</b>
		<b>Total Balance Due</b>	<b>0.00</b>

Payment due upon receipt. Thank you for your business!

1065

Partnership  
Diagnostic Summary

2017

Name  
Elkwood LLC

Employer Identification #  
32-0489813

**Demographics**

**Mailing Address:** 1148 Heritage Dr  
Shakopee, MN 55379

**Phone:**

**Resident State:** MN

**Diagnostics**

**Preparer:** Donna Franklin

**Invoice:**

**Date:** 04-12-2018

Return Information

Item on Return	2017 Federal	2016 Federal (If available)
Total Assets	556,221	552,072
Number of Partners	4	4
Gross Receipts/Sales		
Total Income		
Total Deductions		
Ordinary Income		
Total Equity	126,633	28,313

State/City Information

<u>State/City</u>	<u>Gross Income</u>	<u>Taxable Income</u>	<u>Composite Tax</u>	<u>Other Tax</u>	<u>Refund/ (Balance Due)</u>
MN3	640,852	640,852			

**1065 TAX RETURN COMPARISON  
2015 / 2016 / 2017**

**2017**

Name(s) as shown on return  
Elkwood LLC

Identifying number  
32-0489813

	2015 FEDERAL	2016 FEDERAL	2017 FEDERAL	DIFFERENCE BETWEEN 2016 & 2017
<b>Income</b>				
Net receipts . . . . .				
Cost of goods sold . . . . .				
Gross profit . . . . .				
Ordinary income (loss) from other partnerships, estates, trusts . . . . .				
Net farm profit (loss) . . . . .				
Net gain/loss from 4797 . . . . .				
Other income . . . . .				
<b>Total income</b> . . . . .				
<b>Deductions</b>				
Salaries and wages . . . . .				
Guaranteed payments to partners . . . . .				
Repairs and maintenance . . . . .				
Bad debts . . . . .				
Rents . . . . .				
Taxes and licenses . . . . .				
Interest . . . . .				
Depreciation from Form 4562 . . . . .				
Depreciation claimed elsewhere . . . . .				
Net depreciation . . . . .				
Depletion . . . . .				
Pension, profit-sharing . . . . .				
Employee benefits . . . . .				
Other deductions . . . . .				
<b>Total deductions</b> . . . . .				
<b>Ordinary business income(loss)</b> . . . . .				
<b>SCHEDULE K - Partner's Share Items</b>				
<b>Income</b>				
Ordinary business income (loss) . . . . .				
Net rental real estate income (loss) . . . . .		( 1,990 )	8,814	10,804
Other net rental income (loss) . . . . .				
Guaranteed Payments . . . . .				
Interest income . . . . .		3	6	3
Ordinary dividends . . . . .				
Qualified dividends . . . . .				
Royalties . . . . .				
Net short-term capital gain (loss) . . . . .				
Net long-term capital gain (loss) . . . . .				
Collectibles (28%) gain (loss) . . . . .				
Unrecaptured section 1250 gain . . . . .				
Net section 1231 gain (loss) . . . . .				
Other income (loss) . . . . .				
<b>Deductions</b>				
Section 179 deduction . . . . .				
Contributions . . . . .				
Investment interest expense . . . . .				
Section 59(e)(2) expenditures . . . . .				
Other deductions . . . . .				

**2015                      2016                      2017                      DIFFERENCE**



**1065 TAX RETURN COMPARISON  
2015/ 2016 / 2017**

**2017**

Page 2

Name(s) as shown on return  
Elkwood LLC

Identifying number  
32-0489813

	<b>2015 FEDERAL</b>	<b>2016 FEDERAL</b>	<b>2017 FEDERAL</b>	<b>DIFFERENCE BETWEEN 2016 &amp; 2017</b>
<b>Self-Employment</b>				
Net earnings (loss) from self-employment				
Gross farming or fishing income . . . . .				
Gross nonfarm income . . . . .				
<b>Credits</b>				
Low-income housing credit (section 42(j)(5)) . . . . .				
Low-income housing credit (other) . . . . .				
Qualified rehabilitation expenditures (rental real estate) . . . . .				
Other rental real estate credits . . . . .				
Other rental credits . . . . .				
Other credits . . . . .				
<b>Foreign Transactions</b>				
Gross income from all sources . . . . .				
Gross income sourced at partner level . . . . .				
Foreign gross income sourced at partnership				
Passive . . . . .				
General categories . . . . .				
Other limitation . . . . .				
Deductions allocated and apportioned at partner level				
Interest expense . . . . .				
Other . . . . .				
Ded allocated / apportioned at ptr level to foreign source inc.				
Passive . . . . .				
General categories . . . . .				
Other limitation . . . . .				
Total foreign taxes paid or accrued . . . . .				
Reduction in taxes available for credit . . . . .				
<b>Alternative Minimum Tax (AMT) items</b>				
Post-1986 depreciation adjustment . . . . .			2	2
Adjusted gain or loss . . . . .				
Depletion . . . . .				
Oil, gas, and geothermal properties - gross income				
Oil, gas, and geothermal properties - deductions				
Other AMT items . . . . .				
<b>Other information</b>				
Tax-exempt interest income . . . . .				
Other tax-exempt income . . . . .				
Nondeductible expenses . . . . .				
Distribution of cash and marketable securities				
Distributions of other property . . . . .				
Investment income . . . . .		3	6	3
Investment expenses . . . . .				

<b>RESIDENT STATE</b>	<b>MN</b>	<b>MN</b>	
Taxable income . . . . .	330,008	640,852	310,844
Total tax . . . . .			
Overpayment . . . . .			
Balance due . . . . .			

**2015                      2016                      2017                      DIFFERENCE**

Arlyce Cleveland Ltd  
11943 Lever Street NE  
Minneapolis, MN 55449

ELKWOOD LLC  
1148 HERITAGE DR  
SHAKOPEE, MN 55379



# 2017 M3, Partnership Return

Tax year beginning 01-01, 2017, ending 12-31-2017

Partnership's Name <b>ELKWOOD LLC</b>	Federal ID Number <b>32-0489813</b>	Minnesota Tax ID Number <b>4599485</b>
Doing Business as		Former name, if changed since 2016 return:

Mailing Address 1148 HERITAGE DR  Check if new address

City <b>SHAKOPEE</b>	State <b>MN</b>	Zip Code <b>55379</b>	Number of Schedules KPI and KPC: <b>4</b>	Number of Partners: <b>4</b>
-------------------------	--------------------	--------------------------	--	---------------------------------

Check if:  Initial Return  Composite Income Tax  More than 80% of Income is from Farming  LLC  Out of Business (see inst.)  Installment Sale of Pass-through Assets or Interests

**Round amounts to nearest whole dollar**

- |  |      |         |                         |
|--|------|---------|-------------------------|
| 1 Minimum fee from line 9 of M3A (see M3A inst., page 6)   | 1 ■  | _____ 0 | (enclose M3A)           |
| 2 Composite income tax for nonresident individual partners   | 2 ■  | _____ 0 | (enclose Schedules KPI) |
| 3 Minnesota income tax withheld for nonresident individual partners. If you received a Form AWC from a partner, check box: <input type="checkbox"/>  | 3 ■  | _____   | (enclose Forms AWC)     |
| 4 Add lines 1 through 3  | 4 ■  | _____ 0 |                         |
| 5 Employer Transit Pass Credit not passed through to partners, limited to the amount of the minimum fee on line 1 (enclose Schedule ETP)   | 5 ■  | _____   |                         |
| 6 Subtract line 5 from line 4  | 6 ■  | _____ 0 |                         |
| 7 Enterprise Zone Credit not passed through to partners  | 7 ■  | _____   |                         |
| 8 Estimated tax and/or extension payments made for 2017  | 8 ■  | _____   |                         |
| 9 Add lines 7 through 8  | 9 ■  | _____ 0 |                         |
| 10 Tax due. If line 6 is more than line 9, subtract line 9 from line 6   | 10 ■ | _____ 0 |                         |
| 11 Penalty (see instructions, page 4)  | 11 ■ | _____ 0 |                         |
| 12 Interest (see instructions, page 4)   | 12 ■ | _____ 0 |                         |
| 13 Additional charge for underpayment of estimated tax (enclose Schedule EST)  | 13 ■ | _____ 0 |                         |
| 14 <b>AMOUNT DUE.</b> If you entered an amount on line 10, add lines 10 through 13.<br>Check payment method: <input type="checkbox"/> Electronic (see inst., pg. 2), or <input type="checkbox"/> Check (see inst. pg. 2) | 14 ■ | _____ 0 |                         |

Continued next page



<b>Partnership's Name</b> ELKWOOD LLC	<b>Federal ID Number</b> 32-0489813	<b>Minnesota Tax ID Number</b> 4599485
--	--	---

- 15 Overpayment. If line 9 is more than the sum of lines 6 and 13, subtract line 6 and line 13 from line 9. If line 9 is less than the sum of lines 6 and 13 (see instructions, page 4) . . . . . 15 ■ 0
- 16 Amount of line 15 to be credited to your 2018 estimated tax . . . . . 16 ■ 0
- 17 **REFUND.** Subtract line 16 from line 15 . . . . . 17 ■ 0
- 18 To have your refund direct deposited, enter the following. Otherwise, you will receive a check.  
You must use an account not associated with any foreign banks.

**Account type:**                      **Routing number**                      **Account number** (use an account not associated with any foreign banks)

**Checking**    **Savings**                        

Signature of General Partner	Date 04-12-18	Daytime Phone	<input checked="" type="checkbox"/> I authorize the MN Dept. of Revenue to discuss this tax return with the person below.	<input type="checkbox"/> I do not want my paid preparer to file my return electronically.
Print Name of General Partner	Email Address for Correspondence, if Desired	This email address belongs to:		
		<input type="checkbox"/> Employee	<input type="checkbox"/> Paid Preparer	<input type="checkbox"/> Other:
Paid Preparer's Signature if Other than Partner	Date 04-12-18	Daytime Phone 763-786-4626	Preparer's PTIN P01243894	

**Include a complete copy of federal Form 1065, Schedules K and K-1, and other federal schedules.**  
Mail to: Minnesota Partnership Tax, Mail Station 1760, St. Paul, MN 55145-1760



## 2017 M3A, Apportionment and Minimum Fee

All partnerships must complete M3A to determine its Minnesota source income and minimum fee. See M3A instructions beginning on page 6.

	A In Minn.	B Total	C Factors (A ÷ B) <i>(carry to 5 decimal places)</i>
<b>Property</b>			
1 a Average value of inventory . . . . . 1a ■	0		
b Average value of buildings, machinery and other tangible property owned . . . 1b ■	460653		
c Average value of land owned . . . . . 1c ■	84000		
Total average value of tangible property owned at original cost <i>(add lines 1a-1c)</i> . . . 1 ■	544653		
2 Capitalized rents paid by partnership <i>(gross rents paid x 8)</i> . . . . . 2 ■	0		
3 Add lines 1 and 2 . . . . . 3 ■	544653		
<b>Payroll</b>			
4 Total payroll, including guaranteed payments to partners . . . . . 4 ■	0		
<b>Sales</b>			
5 Sales <i>(including rents received)</i> . . . . . 5 ■	96199	96199	1.00000
<b>Minimum Fee Calculation</b>			
6 Total of lines 3, 4 and 5 in column A . . . . . 6 ■	640852		
7 Adjustments <i>(see instructions, page 7)</i> . . . . . 7 ■			<i>(Identify pass-through entity and enclose schedule.)</i>
<b>Schedule KPC MUST be included.</b>			
8 Combine lines 6 and 7 . . . . . 8 ■	640852		
9 Minimum fee <i>(determine using the amount on line 8 and the table below)</i> . . . . . 9 ■	0		<i>Enter this amount on line 1 of your Form M3.</i>

<b>Minimum Fee Table</b>	
If line 8 of M3A is:	your minimum fee* is:
Less than \$970,000 . . . . .	\$0
\$970,000 to \$1,959,999 . . . . .	\$200
\$1,960,000 to \$9,769,999 . . . . .	\$590
\$9,770,000 to \$19,539,999 . . . . .	\$1,960
\$19,540,000 to \$39,079,999 . . . . .	\$3,910
\$39,080,000 or More . . . . .	\$9,770

**\*The following partnerships do not have to pay a minimum fee:**

- Farm partnerships with more than 80 percent of income from farming

If you are exempt from the minimum fee, enter zero on line 9 above and on line 1 of Form M3.



# 2017 KPI, Partner's Share of Income, Credits and Modifications

**Partnership:** Complete and provide Schedule KPI to each nonresident individual, estate or trust partner and any Minnesota individual, estate or trust partner who has adjustments to income. For corporate and partnership partners, use Schedule KPC instead.

Tax year beginning \_\_\_\_\_, 2017 and ending \_\_\_\_\_

Amended KPI:

Partner's Federal ID or SSN Number	FEIN/SSN of partner ultimately taxed (see inst)	Partnership's Federal ID Number	Partnership's Minnesota Tax ID		
469-86-9242		32-0489813	4599485		
Partner's Name		Partnership's Name			
JERRY LINDEEN		ELKWOOD LLC			
Mailing Address		Mailing Address			
1148 HERITAGE DRIVE E		1148 HERITAGE DR			
City	State	ZIP Code	City	State	ZIP Code
SHAKOPEE	MN	55379	SHAKOPEE	MN	55379
Entity of Partner (check one box):			Partner's distributive share:	38.72	%
<input checked="" type="checkbox"/> Individual <input type="checkbox"/> Trust <input type="checkbox"/> Estate					

Calculate lines 1-19 the same for all resident and nonresident partners. Calculate lines 20-36 for nonresident partners only. Round amounts to the nearest whole dollar.

**Individual, Estate and Trust Partners**

**Form M1 filers, include on:**

- 1 Interest income from non-Minnesota state and municipal bonds . . . . . **1** ■ \_\_\_\_\_ M1M, line 4
- 2 State income tax deducted in arriving at ordinary or net rental income . . . **2** ■ \_\_\_\_\_ M1M, line 7
- 3 Expenses deducted attributable to income not taxed by Minnesota (other than interest or mutual fund dividends from U. S. bonds) . . . . . **3** ■ \_\_\_\_\_ M1M, line 9
- 4 If the partnership elected section 179 expensing, enter the partner's flow-through section 179 expensing for Minnesota purposes . . . . . **4** ■ \_\_\_\_\_ M1M, see line 6 inst
- 5 100% of partner's distributive share of federal bonus depreciation . . . . . **5** ■ \_\_\_\_\_ M1M, see line 5 inst
- 6 Fines, fees and penalties deducted federally as a trade or business expense . . . . . **6** ■ \_\_\_\_\_ M1M, line 10
- 7a Partner's Pro rata gross profit from installment sales of pass-through businesses (see instructions) . . . . . **7a** ■ \_\_\_\_\_ M1AR, line 1
- 7b Partner's pro rata installment sale income from pass-through businesses (see instructions) . . . . . **7b** ■ \_\_\_\_\_ M1AR, line 2
- 8 Addition due to federal changes not adopted by Minnesota  . . . **8a** ■ \_\_\_\_\_
- . . . **8b** ■ \_\_\_\_\_
- 9 Interest from U.S. government bond obligations, minus any expenses deducted on the federal return that are attributable to this income . . . . . **9** ■ \_\_\_\_\_ M1M, line 18
- 10 Subtraction due to federal changes not adopted by Minnesota  . . **10a** ■ \_\_\_\_\_
- . . **10b** ■ \_\_\_\_\_
- 11 Credit for increasing research activities . . . . . **11** ■ \_\_\_\_\_ M1C, line 3





Partner's Name JERRY LINDEEN	Partner's Federal ID Number or Social Security Number 469-86-9242
Partnership's Name ELKWOOD LLC	Partnership's Federal ID Number 32-0489813

- 12 Greater Minnesota Internship Credit . . . . . 12 ■ \_\_\_\_\_ M1B, line 3
- 13 Credit for historic structure rehabilitation and enter NPS project number:  . . . . . 13 ■ \_\_\_\_\_ M1B, line 2
- 14 Employer Transit Pass Credit . . . . . 14 ■ \_\_\_\_\_ M1C, line 4
- 15 Enterprise Zone Credit . . . . . 15 ■ \_\_\_\_\_ M1B, line 4

**Relating to Alternative Minimum Tax**

- 16 Intangible drilling costs . . . . . 16 ■ \_\_\_\_\_ *Use lines 16-19 to compute M1MT, lines 6 and 7. See M1MT instructions for details.*
- 17 Gross income from oil, gas and geothermal properties . . . . . 17 ■ \_\_\_\_\_
- 18 Deductions allocable to oil, gas and geothermal properties . . . . . 18 ■ \_\_\_\_\_
- 19 Depletion . . . . . 19 ■ \_\_\_\_\_

**Minnesota Portion of Amounts From Federal Schedule K-1 (1065)**

- 20 Minnesota source gross income . . . . . 20 ■ \_\_\_\_\_ *info only (see inst.)*
- 21 Ordinary Minnesota source income (loss) from trade or business activities . . . . . 21 ■ \_\_\_\_\_ M1NR, line 6, col B
- 22 Income (loss) from Minnesota rental real estate . . . . . 22 ■ \_\_\_\_\_ M1NR, line 6, col B
- 23 Other net income (loss) from Minnesota rental activities . . . . . 23 ■ \_\_\_\_\_ M1NR, line 6, col B
- 24 Guaranteed payments . . . . . 24 ■ \_\_\_\_\_ M1NR, line 6, col B
- 25 Interest income . . . . . 25 ■ \_\_\_\_\_ M1NR, line 2, col B
- 26 Ordinary dividends . . . . . 26 ■ \_\_\_\_\_ M1NR, line 2, col B
- 27 Royalties . . . . . 27 ■ \_\_\_\_\_ M1NR, line 6, col B
- 28 Net Minnesota short-term capital gain (loss) . . . . . 28 ■ \_\_\_\_\_ M1NR, line 4, col B
- 29 Net Minnesota long-term capital gain (loss) . . . . . 29 ■ \_\_\_\_\_ M1NR, line 4, col B
- 30 Section 1231 Minnesota net gain (loss) . . . . . 30 ■ \_\_\_\_\_ M1NR, line 4 or 8, col B
- 31 Other Minnesota income (loss). (Describe type of income or include separate sheet: \_\_\_\_\_) . . . . . 31 ■ \_\_\_\_\_ M1NR, line 8, col B
- 32 Section 179 expense deduction apportionable to Minnesota . . . . . 32 ■ \_\_\_\_\_ M1NR inst, line 6, col B

*Continued next page*



<b>Partner's Name</b> JERRY LINDEEN	<b>Partner's Federal ID Number or Social Security Number</b> 469-86-9242
<b>Partnership's Name</b> ELKWOOD LLC	<b>Partnership's Federal ID Number</b> 32-0489813

33 Partnership's Minnesota apportionment factor  
(line 5, column C of M3A) . . . . . 33 ■ 1.00000 *information only*

**Nonresident Individual Partners Only:  
Composite Income Tax or Nonresident Withholding**

34 Minnesota source distributive income (see instructions) . . . . . 34 ■ \_\_\_\_\_ *If an amount is on line 36 below, include line 34 on*

35 Minnesota composite income tax paid by partnership.  
If the partner elected composite income tax, check this box:  . . . . . 35 ■ \_\_\_\_\_ *M1W, line 7, col. B. composite income tax*

36 Minnesota income tax withheld for nonresident individual partner not electing to file composite income tax. If the partner completed and signed a Form AWC, check this box:  . . . . . 36 ■ \_\_\_\_\_ *M1W, line 7, col C*

**Partnership:** Include this schedule and copies of federal Schedules K and K-1 with your Form M3.

**Partner:** Include this schedule with your Form M1 (individuals) or Form M2 (estates and trusts).









Partner's Name KIMBERLY A LINDEEN	Partner's Federal ID Number or Social Security Number 367-64-2767
Partnership's Name ELKWOOD LLC	Partnership's Federal ID Number 32-0489813

- 12 Greater Minnesota Internship Credit . . . . . 12 ■ \_\_\_\_\_ M1B, line 3
- 13 Credit for historic structure rehabilitation and enter NPS project number:  . . . . . 13 ■ \_\_\_\_\_ M1B, line 2
- 14 Employer Transit Pass Credit . . . . . 14 ■ \_\_\_\_\_ M1C, line 4
- 15 Enterprise Zone Credit . . . . . 15 ■ \_\_\_\_\_ M1B, line 4

**Relating to Alternative Minimum Tax**

- 16 Intangible drilling costs . . . . . 16 ■ \_\_\_\_\_ *Use lines 16-19 to compute M1MT, lines 6 and 7. See M1MT instructions for details.*
- 17 Gross income from oil, gas and geothermal properties . . . . . 17 ■ \_\_\_\_\_
- 18 Deductions allocable to oil, gas and geothermal properties . . . . . 18 ■ \_\_\_\_\_
- 19 Depletion . . . . . 19 ■ \_\_\_\_\_

**Minnesota Portion of Amounts From Federal Schedule K-1 (1065)**

- 20 Minnesota source gross income . . . . . 20 ■ \_\_\_\_\_ *info only (see inst.)*
- 21 Ordinary Minnesota source income (loss) from trade or business activities . . . . . 21 ■ \_\_\_\_\_ M1NR, line 6, col B
- 22 Income (loss) from Minnesota rental real estate . . . . . 22 ■ \_\_\_\_\_ M1NR, line 6, col B
- 23 Other net income (loss) from Minnesota rental activities . . . . . 23 ■ \_\_\_\_\_ M1NR, line 6, col B
- 24 Guaranteed payments . . . . . 24 ■ \_\_\_\_\_ M1NR, line 6, col B
- 25 Interest income . . . . . 25 ■ \_\_\_\_\_ M1NR, line 2, col B
- 26 Ordinary dividends . . . . . 26 ■ \_\_\_\_\_ M1NR, line 2, col B
- 27 Royalties . . . . . 27 ■ \_\_\_\_\_ M1NR, line 6, col B
- 28 Net Minnesota short-term capital gain (loss) . . . . . 28 ■ \_\_\_\_\_ M1NR, line 4, col B
- 29 Net Minnesota long-term capital gain (loss) . . . . . 29 ■ \_\_\_\_\_ M1NR, line 4, col B
- 30 Section 1231 Minnesota net gain (loss) . . . . . 30 ■ \_\_\_\_\_ M1NR, line 4 or 8, col B
- 31 Other Minnesota income (loss). (Describe type of income or include separate sheet: \_\_\_\_\_) . . . . . 31 ■ \_\_\_\_\_ M1NR, line 8, col B
- 32 Section 179 expense deduction apportionable to Minnesota . . . . . 32 ■ \_\_\_\_\_ M1NR inst, line 6, col B

*Continued next page*



<b>Partner's Name</b> KIMBERLY A LINDEEN	<b>Partner's Federal ID Number or Social Security Number</b> 367-64-2767
<b>Partnership's Name</b> ELKWOOD LLC	<b>Partnership's Federal ID Number</b> 32-0489813

33 Partnership's Minnesota apportionment factor  
(line 5, column C of M3A) . . . . . 33 ■ 1.00000 *information only*

**Nonresident Individual Partners Only:  
Composite Income Tax or Nonresident Withholding**

34 Minnesota source distributive income (see instructions) . . . . . 34 ■ \_\_\_\_\_ *If an amount is on line 36 below, include line 34 on M1W, line 7, col. B.*

35 Minnesota composite income tax paid by partnership.  
If the partner elected composite income tax, check this box:  . . . . . 35 ■ \_\_\_\_\_ *composite income tax*

36 Minnesota income tax withheld for nonresident individual partner not electing to file composite income tax. If the partner completed and signed a Form AWC, check this box:  . . . . . 36 ■ \_\_\_\_\_ *M1W, line 7, col C*

**Partnership:** Include this schedule and copies of federal Schedules K and K-1 with your Form M3.

**Partner:** Include this schedule with your Form M1 (individuals) or Form M2 (estates and trusts).







Partner's Name <b>PATRICK TANSEY</b>	Partner's Federal ID Number or Social Security Number <b>474-76-5883</b>
Partnership's Name <b>ELKWOOD LLC</b>	Partnership's Federal ID Number <b>32-0489813</b>

12 Greater Minnesota Internship Credit . . . . .	12 ■ _____	M1B, line 3
13 Credit for historic structure rehabilitation and enter NPS project number: <input type="text"/>	13 ■ _____	M1B, line 2
14 Employer Transit Pass Credit . . . . .	14 ■ _____	M1C, line 4
15 Enterprise Zone Credit . . . . .	15 ■ _____	M1B, line 4
<b>Relating to Alternative Minimum Tax</b>		
16 Intangible drilling costs . . . . .	16 ■ _____	<i>Use lines 16-19 to compute M1MT, lines 6 and 7. See M1MT instructions for details.</i>
17 Gross income from oil, gas and geothermal properties . . . . .	17 ■ _____	
18 Deductions allocable to oil, gas and geothermal properties . . . . .	18 ■ _____	
19 Depletion . . . . .	19 ■ _____	
<b>Minnesota Portion of Amounts From Federal Schedule K-1 (1065)</b>		
20 Minnesota source gross income . . . . .	20 ■ _____	<i>info only (see inst.)</i>
21 Ordinary Minnesota source income (loss) from trade or business activities . . . . .	21 ■ _____	M1NR, line 6, col B
22 Income (loss) from Minnesota rental real estate . . . . .	22 ■ _____	M1NR, line 6, col B
23 Other net income (loss) from Minnesota rental activities . . . . .	23 ■ _____	M1NR, line 6, col B
24 Guaranteed payments . . . . .	24 ■ _____	M1NR, line 6, col B
25 Interest income . . . . .	25 ■ _____	M1NR, line 2, col B
26 Ordinary dividends . . . . .	26 ■ _____	M1NR, line 2, col B
27 Royalties . . . . .	27 ■ _____	M1NR, line 6, col B
28 Net Minnesota short-term capital gain (loss) . . . . .	28 ■ _____	M1NR, line 4, col B
29 Net Minnesota long-term capital gain (loss) . . . . .	29 ■ _____	M1NR, line 4, col B
30 Section 1231 Minnesota net gain (loss) . . . . .	30 ■ _____	M1NR, line 4 or 8, col B
31 Other Minnesota income (loss). (Describe type of income or include separate sheet: _____)	31 ■ _____	M1NR, line 8, col B
32 Section 179 expense deduction apportionable to Minnesota . . . . .	32 ■ _____	M1NR inst, line 6, col B

Continued next page



<b>Partner's Name</b> PATRICK TANSEY	<b>Partner's Federal ID Number or Social Security Number</b> 474-76-5883
<b>Partnership's Name</b> ELKWOOD LLC	<b>Partnership's Federal ID Number</b> 32-0489813

33 Partnership's Minnesota apportionment factor  
(line 5, column C of M3A) . . . . . 33 ■ 1.00000 information only

**Nonresident Individual Partners Only:  
Composite Income Tax or Nonresident Withholding**

34 Minnesota source distributive income (see instructions) . . . . . 34 ■ \_\_\_\_\_ If an amount is on line 36 below, include line 34 on

35 Minnesota composite income tax paid by partnership.  
If the partner elected composite income tax, check this box:  . . . . . 35 ■ \_\_\_\_\_ M1W, line 7, col. B.  
composite income tax

36 Minnesota income tax withheld for nonresident individual partner not electing to file composite income tax. If the partner completed and signed a Form AWC, check this box:  . . . . . 36 ■ \_\_\_\_\_ M1W, line 7, col C

**Partnership:** Include this schedule and copies of federal Schedules K and K-1 with your Form M3.

**Partner:** Include this schedule with your Form M1 (individuals) or Form M2 (estates and trusts).



# 2017 KPI, Partner's Share of Income, Credits and Modifications

**Partnership:** Complete and provide Schedule KPI to each nonresident individual, estate or trust partner and any Minnesota individual, estate or trust partner who has adjustments to income. For corporate and partnership partners, use Schedule KPC instead.

Tax year beginning \_\_\_\_\_, 2017 and ending \_\_\_\_\_

Amended KPI:

Partner's Federal ID or SSN Number	FEIN/SSN of partner ultimately taxed (see inst)	Partnership's Federal ID Number	Partnership's Minnesota Tax ID		
475-74-4351		32-0489813	4599485		
Partner's Name		Partnership's Name			
CHARLENE TANSEY		ELKWOOD LLC			
Mailing Address		Mailing Address			
9675 WINSLOW CHASE		1148 HERITAGE DR			
City	State	ZIP Code	City	State	ZIP Code
MAPLE GROVE	MN	55311	SHAKOPEE	MN	55379
Entity of Partner (check one box): <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Trust <input type="checkbox"/> Estate			Partner's distributive share: 28.70 %		

Calculate lines 1-19 the same for all resident and nonresident partners. Calculate lines 20-36 for nonresident partners only. Round amounts to the nearest whole dollar.

**Individual, Estate and Trust Partners**

**Form M1 filers, include on:**

- 1 Interest income from non-Minnesota state and municipal bonds . . . . . 1 ■ \_\_\_\_\_ M1M, line 4
- 2 State income tax deducted in arriving at ordinary or net rental income . . . 2 ■ \_\_\_\_\_ M1M, line 7
- 3 Expenses deducted attributable to income not taxed by Minnesota (other than interest or mutual fund dividends from U. S. bonds) . . . . . 3 ■ \_\_\_\_\_ M1M, line 9
- 4 If the partnership elected section 179 expensing, enter the partner's flow-through section 179 expensing for Minnesota purposes . . . . . 4 ■ \_\_\_\_\_ M1M, see line 6 inst
- 5 100% of partner's distributive share of federal bonus depreciation . . . . . 5 ■ \_\_\_\_\_ M1M, see line 5 inst
- 6 Fines, fees and penalties deducted federally as a trade or business expense . . . . . 6 ■ \_\_\_\_\_ M1M, line 10
- 7a Partner's Pro rata gross profit from installment sales of pass-through businesses (see instructions) . . . . . 7a ■ \_\_\_\_\_ M1AR, line 1
- 7b Partner's pro rata installment sale income from pass-through businesses (see instructions) . . . . . 7b ■ \_\_\_\_\_ M1AR, line 2
- 8 Addition due to federal changes not adopted by Minnesota  . . . 8a ■ \_\_\_\_\_
- . . . 8b ■ \_\_\_\_\_
- 9 Interest from U.S. government bond obligations, minus any expenses deducted on the federal return that are attributable to this income . . . . . 9 ■ \_\_\_\_\_ M1M, line 18
- 10 Subtraction due to federal changes not adopted by Minnesota  . . 10a ■ \_\_\_\_\_
- . . 10b ■ \_\_\_\_\_
- 11 Credit for increasing research activities . . . . . 11 ■ \_\_\_\_\_ M1C, line 3

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Partner's Name CHARLENE TANSEY	Partner's Federal ID Number or Social Security Number 475-74-4351
Partnership's Name ELKWOOD LLC	Partnership's Federal ID Number 32-0489813

12 Greater Minnesota Internship Credit . . . . .	12 ■ _____	M1B, line 3
13 Credit for historic structure rehabilitation and enter NPS project number: <input type="text"/>	13 ■ _____	M1B, line 2
14 Employer Transit Pass Credit . . . . .	14 ■ _____	M1C, line 4
15 Enterprise Zone Credit . . . . .	15 ■ _____	M1B, line 4
<b>Relating to Alternative Minimum Tax</b>		
16 Intangible drilling costs . . . . .	16 ■ _____	<i>Use lines 16-19 to compute M1MT, lines 6 and 7. See M1MT instructions for details.</i>
17 Gross income from oil, gas and geothermal properties . . . . .	17 ■ _____	
18 Deductions allocable to oil, gas and geothermal properties . . . . .	18 ■ _____	
19 Depletion . . . . .	19 ■ _____	
<b>Minnesota Portion of Amounts From Federal Schedule K-1 (1065)</b>		
20 Minnesota source gross income . . . . .	20 ■ _____	<i>info only (see inst.)</i>
21 Ordinary Minnesota source income (loss) from trade or business activities . . . . .	21 ■ _____	M1NR, line 6, col B
22 Income (loss) from Minnesota rental real estate . . . . .	22 ■ _____	M1NR, line 6, col B
23 Other net income (loss) from Minnesota rental activities . . . . .	23 ■ _____	M1NR, line 6, col B
24 Guaranteed payments . . . . .	24 ■ _____	M1NR, line 6, col B
25 Interest income . . . . .	25 ■ _____	M1NR, line 2, col B
26 Ordinary dividends . . . . .	26 ■ _____	M1NR, line 2, col B
27 Royalties . . . . .	27 ■ _____	M1NR, line 6, col B
28 Net Minnesota short-term capital gain (loss) . . . . .	28 ■ _____	M1NR, line 4, col B
29 Net Minnesota long-term capital gain (loss) . . . . .	29 ■ _____	M1NR, line 4, col B
30 Section 1231 Minnesota net gain (loss) . . . . .	30 ■ _____	M1NR, line 4 or 8, col B
31 Other Minnesota income (loss). (Describe type of income or include separate sheet: _____)	31 ■ _____	M1NR, line 8, col B
32 Section 179 expense deduction apportionable to Minnesota . . . . .	32 ■ _____	M1NR inst, line 6, col B

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<b>Partner's Name</b> CHARLENE TANSEY	<b>Partner's Federal ID Number or Social Security Number</b> 475-74-4351
<b>Partnership's Name</b> ELKWOOD LLC	<b>Partnership's Federal ID Number</b> 32-0489813

33 Partnership's Minnesota apportionment factor  
(line 5, column C of M3A) . . . . . 33 ■ 1.00000 *information only*

**Nonresident Individual Partners Only:  
Composite Income Tax or Nonresident Withholding**

34 Minnesota source distributive income (see instructions) . . . . . 34 ■ \_\_\_\_\_ *If an amount is on line 36 below, include line 34 on M1W, line 7, col. B.*

35 Minnesota composite income tax paid by partnership.  
If the partner elected composite income tax, check this box:  . . . . . 35 ■ \_\_\_\_\_ *composite income tax*

36 Minnesota income tax withheld for nonresident individual partner not electing to file composite income tax. If the partner completed and signed a Form AWC, check this box:  . . . . . 36 ■ \_\_\_\_\_ *M1W, line 7, col C*

**Partnership:** Include this schedule and copies of federal Schedules K and K-1 with your Form M3.

**Partner:** Include this schedule with your Form M1 (individuals) or Form M2 (estates and trusts).



(Keep for your records)

Partnership Name As Shown on Return

Your social security number

ELKWOOD LLC

32-0489813

**Minnesota Source Gross Income:**

Form 1065, Line 8	
Form 8825, Line 18a	96199
Form 8825, Line 19	
Form 8825, Line 20	
Form 1065, Sch K, Line 3a	
Form 1065, Sch K, Line 5	6
Form 1065, Sch K, Line 6a	
Form 1065, Sch K, Line 7	
Form 1065, Sch K, Line 8	
Form 1065, Sch K, Line 9a	
Form 1065, Sch K, Line 10	
Form 1065, Sch K, Line 11	
Total Gross Income	96205
MN Apportionment % from Form M3A	1.00000
MN Source Gross Income	96205

To get each nonresident partner's share of MN source gross income multiply the number above by the partner's distributive share percentage.