

U.S. Return of Partnership Income

For calendar year 2016, or tax year beginning _____, 2016, ending _____, 20 _____.

2016

► Information about Form 1065 and its separate instructions is at www.irs.gov/form1065.

A Principal business activity <u>Rental Property</u>	Type or Print	Name of partnership <u>Elkwood LLC</u>	D Employer identification number <u>32-0489813</u>
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>	E Date business started <u>03-01-2016</u>
C Business code number <u>532290</u>		City or town, state or province, country, and ZIP or foreign postal code <u>Shakopee, MN 55379</u>	F Total assets (see the instructions) <u>\$ 552,072</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.

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

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 general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.

► Jerry Lindeen _____ Date _____
Signature of general partner or limited liability company member manager

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

Paid Preparer Use Only

Print/Type preparer's name: Debora Reimer Preparer's signature: _____ Date: 04-25-2017 Check if self-employed PTIN: P00245979

Firm's name: Arlyce Cleveland Ltd Firm's EIN: 41-1975782

Firm's address: 11943 Lever Street NE
Minneapolis, MN 55449 Phone no.: (763) 786-4626

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?

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

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

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

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

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

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

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?

10 At any time during calendar year 2016, 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.

Schedule B Other Information (continued)

	Yes	No
11 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
12a 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 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		X
c 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		X
13 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"/>		
14 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?		X
15 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 ▶		
16 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
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return. ▶ 0		
18a Did you make any payments in 2016 that would require you to file Form(s) 1099? See instructions		X
b If "Yes," did you or will you file required Form(s) 1099?		
19 Enter the number of Form(s) 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return. ▶		
20 Enter the number of partners that are foreign governments under section 892. ▶		
21 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)?		X
22 Was the partnership a specified domestic entity required to file Form 8938 for the tax year (See the Instructions for Form 8938)?		X

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	(1,990)
	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	3
	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	
	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	3
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	(1,987)
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			(1,987)				

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash				12,154
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
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	
b	Less accumulated depreciation			9,830	450,823
10a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)				84,000
12a	Intangible assets (amortizable only)			3,032	
b	Less accumulated amortization			67	2,965
13	Other assets (attach statement)				
14	Total assets				552,072
Liabilities and Capital					
15	Accounts payable				
16	Mortgages, notes, bonds payable in less than 1 year				
17	Other current liabilities (attach statement)			Statement #31	14,435
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
20	Other liabilities (attach statement)				
21	Partners' capital accounts				28,313
22	Total liabilities and capital				552,072

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	(1,987)	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	(1,987)
5	Add lines 1 through 4	(1,987)			

Schedule M-2 Analysis of Partners' Capital Accounts

1	Balance at beginning of year		6	Distributions:	
2	Capital contributed:	30,300	a	Cash	
a	Cash		b	Property	
b	Property		7	Other decreases (itemize):	
3	Net income (loss) per books	(1,987)	8	Add lines 6 and 7	
4	Other increases (itemize):		9	Balance at end of year. Subtract line 8 from line 5	28,313
5	Add lines 1 through 4	28,313			

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

OMB No. 1545-1186

▶ See instructions.

▶ Attach to Form 1065, Form 1065-B, or Form 1120S.

Name Elkwood LLC Employer identification number 32-0489813

1	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
A	1212 2nd Street NE Saint Cloud, MN 56304	2 Multi-family	229	
B				
C				
D				

Rental Real Estate Income		Properties			
		A	B	C	D
2	Gross rents	2	57,681		
Rental Real Estate Expenses					
3	Advertising	3	138		
4	Auto and travel	4			
5	Cleaning and maintenance	5	8,998		
6	Commissions	6	2,276		
7	Insurance	7	4,006		
8	Legal and other professional fees	8	4,426		
9	Interest	9	9,471		
10	Repairs	10	6,354		
11	Taxes	11	6,165		
12	Utilities	12	7,185		
13	Wages and salaries	13			
14	Depreciation (see instructions)	14	9,830		
15	Other (list) ▶ <u>Amortization</u>		67		
	<u>Statement #8A</u>	15	755		
16	Total expenses for each property. Add lines 3 through 15	16	59,671		
17	Income or (Loss) from each property. Subtract line 16 from line 2	17	(1,990)		

18 a	Total gross rents. Add gross rents from line 2, columns A through H	18a	57,681
b	Total expenses. Add total expenses from line 16, columns A through H	18b	(59,671)
19	Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities	19	
20 a	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)	20a	
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	
	_____	_____	
	_____	_____	
21	Net rental estate income (loss). Combine lines 18a through 20a. Enter the result here and on: • Form 1065 or 1120S: Schedule K, line 2, or • Form 1065-B: Part I, line 4	21	(1,990)

**Information on Partners Owning 50% or
 More of the Partnership**

▶ **Attach to Form 1065. See instructions.**

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)

2016

Department of the Treasury Internal Revenue Service

For calendar year 2016, or tax year beginning ending 2016 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 Ogden
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):
Beginning Ending
Profit 38.7200000 % 38.7200000 %
Loss 38.7200000 % 38.7200000 %
Capital 38.7200000 % 38.7200000 %
K Partner's share of liabilities at year end:
Nonrecourse \$
Qualified nonrecourse financing \$ 197,210
Recourse \$ 5,589

L Partner's capital account analysis:
Beginning capital account \$
Capital contributed during the year \$ 2,053
Current year increase (decrease) \$ (770)
Withdrawals & distributions \$ ()
Ending capital account \$ 1,283

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

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

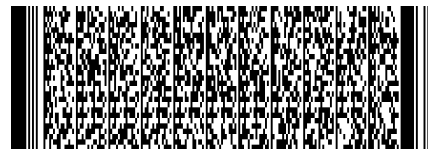
If "Yes," attach statement (see instructions)

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) (771)
3 Other net rental income (loss) 16 Foreign transactions
4 Guaranteed payments
5 Interest income 1
6a Ordinary dividends
6b Qualified dividends
7 Royalties
8 Net short-term capital gain (loss)
9a Net long-term capital gain (loss) 17 Alternative minimum tax (AMT) items
9b Collectibles (28%) gain (loss)
9c Unrecaptured section 1250 gain
10 Net section 1231 gain (loss) 18 Tax-exempt income and nondeductible expenses
11 Other income (loss)
12 Section 179 deduction
13 Other deductions
14 Self-employment earnings (loss)
19 Distributions
20 Other information * STMT

*See attached statement for additional information.

For IRS Use Only



Schedule K-1 Supplemental Information

2016 PG01

Partner's name

Jerry Lindeen

Partner's ID Number

469-86-9242

Name of Partnership

Elkwood LLC

Partnership EIN

32-0489813

Line 20 - Other Information

Statement #99

Code Description

Amount

A Investment income

1

8825

K-1 Rental Real Estate Activity

Information provided to determine participation level in each rental property
(For shareholder's and partner's records only)

2016

Shareholder/Partner Name

Jerry Lindeen

Ownership percentage

38.72

EIN/SSN

469-86-9242

Description	Type	Line 17 Income/Loss	Line 19 4797	Line 20a Pass-thru	Line 21 Net
1212 2nd Street NE Saint Cloud, MN 56304	2 Multi-family	(771)			
Accumulated differences may occur as a result of rounding individual properties.					
Totals		(771)			(771)

Partner's Adjusted Basis Worksheet

2016

Keep for your records.

Partner Number:	TIN: 469-86-9242	Tax year ending: 12-31-2016	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>202,799</u>		
B. Partner's share of partnership liabilities from PRIOR year		B. (<u> </u>)		
C. Increases (Decrease) in share of Partnership Liabilities during this tax period		C. <u>202,799</u>		
1. Adjusted Basis from preceding year				1. <u> 0</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>2,053</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>2,053</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> </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>1</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>1</u>	
4. Increase in Partnership Share of Partnership Liabilities from line C above			4. <u>202,799</u>	
5. Total increases in basis (combine lines 1 through 4)				5. <u>204,853</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> </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>204,853</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>771</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>771</u>	
11. Adjusted Basis of Partnership Interest (Cannot be negative) (Line 9-Line 10) At-Risk Basis				11. <u>204,082</u>
12. At-risk adjustment: (Amount from lines 5)			12. <u>204,853</u>	
13. Enter the amount from lines 6, 7, 8 and 10			13. (<u>771</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>204,082</u>

Allocation of Losses and Deductions

2016

Keep for your records.

Partner Number:	TIN: 469-86-9242	Year Ended: 12-31-2016	Ownership %: 38.720000
Partner Name: Jerry Lindeen			
Partnership Name: Elkwood LLC			EIN 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)		771	771	100.000000	771	
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							
Total deductible losses and deductions			771	771		771	
8a Nondeductible expenses & credit adj							
b Oil and gas depletion							
Total nondeductible losses and deductions							
Totals			771	771		771	

Schedule K-1 (Form 1065)

2016

Department of the Treasury Internal Revenue Service

For calendar year 2016, or tax year beginning ending, 2016, 20

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

See page 2 of form and separate instructions.

Part I Information About the Partnership

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: Ogden. D Check if this is a publicly traded partnership (PTP): []

Part II Information About the Partner

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 [X] General partner or LLC member-manager. H [X] Domestic 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 Beginning and Ending columns for Profit, Loss, and Capital. K Partner's share of liabilities at year end: Nonrecourse \$, Qualified nonrecourse financing \$ 19,762, Recourse \$ 560.

L Partner's capital account analysis: Table with Beginning, Ending, and Ending capital account. [X] Tax basis, [] GAAP, [] Section 704(b) book. M Did the partner contribute property with a built-in gain or loss? [] Yes, [X] No. If "Yes," attach statement (see instructions)

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

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

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items. 1 Ordinary business income (loss). 2 Net rental real estate income (loss) (77). 3 Other net rental income (loss). 4 Guaranteed payments. 5 Interest income. 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). 9c Unrecaptured section 1250 gain. 10 Net section 1231 gain (loss). 11 Other income (loss). 12 Section 179 deduction. 13 Other deductions. 14 Self-employment earnings (loss). 15 Credits. 16 Foreign transactions. 17 Alternative minimum tax (AMT) items. 18 Tax-exempt income and nondeductible expenses. 19 Distributions. 20 Other information.

*See attached statement for additional information.

For IRS Use Only. QR code.

8825

K-1 Rental Real Estate Activity

2016

Information provided to determine participation level in each rental property
(For shareholder's and partner's records only)

Shareholder/Partner Name

Kimberly A Lindeen

Ownership percentage

3.88

EIN/SSN

367-64-2767

Description	Type	Line 17 Income/Loss	Line 19 4797	Line 20a Pass-thru	Line 21 Net
1212 2nd Street NE Saint Cloud, MN 56304	2 Multi-family	(77)			
Accumulated differences may occur as a result of rounding individual properties.					
Totals		(77)			(77)

Partner's Adjusted Basis Worksheet

2016

Keep for your records.

Partner Number:	TIN: 367-64-2767	Tax year ending: 12-31-2016	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>20,322</u>		
B. Partner's share of partnership liabilities from PRIOR year	B.	()		
C. Increases (Decrease) in share of Partnership Liabilities during this tax period	C.	<u>20,322</u>		
1. Adjusted Basis from preceding year			1.	<u>0</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>205</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>205</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.	_____		
c. Other Rental Income (Sch K-1, Line 3c)	c.	_____		
d. Interest, Dividends & Royalties (Sch K-1, Lines 5, 6a & 7)	d.	_____		
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.	_____		
4. Increase in Partnership Share of Partnership Liabilities from line C above	4.	<u>20,322</u>		
5. Total increases in basis (combine lines 1 through 4)	5.	<u>20,527</u>		
6. Distributions to the Partner during the year	6.	_____		
7. Decrease in Partner's Share of Partnership Liabilities from line C above	7.	_____		
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>20,527</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.	<u>77</u>		
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.	<u>77</u>		
11. Adjusted Basis of Partnership Interest (Cannot be negative) (Line 9-Line 10) At-Risk Basis	11.	<u>20,450</u>		
12. At-risk adjustment: (Amount from lines 5)	12.	<u>20,527</u>		
13. Enter the amount from lines 6, 7, 8 and 10	13.	(<u>77</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>20,450</u>		

Allocation of Losses and Deductions

2016

Keep for your records.

Partner Number:	TIN: 367-64-2767	Year Ended: 12-31-2016	Ownership %: 3.880000
Partner Name: Kimberly A Lindeen			
Partnership Name: Elkwood LLC			EIN 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)		77	77	100.000000	77	
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	(Sch 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							
Total deductible losses and deductions			77	77		77	
8a Nondeductible expenses & credit adj							
b Oil and gas depletion							
Total nondeductible losses and deductions							
Totals			77	77		77	

Schedule K-1 (Form 1065)

2016

Department of the Treasury Internal Revenue Service

For calendar year 2016, or tax year beginning ending 2016 20

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

See page 2 of form and separate instructions.

Part I Information About the Partnership

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

Part II Information About the Partner

Part II Information About the Partner. E Partner's identifying number 474-76-5883. F Partner's name, address, city, state, and ZIP code Patrick Tansey 9675 Winslow Chase Maple Grove, MN 55311. G General partner or LLC member-manager. H Domestic 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): Beginning Ending Profit 28.7000000 % 28.7000000 % Loss 28.7000000 % 28.7000000 % Capital 28.7000000 % 28.7000000 %. K Partner's share of liabilities at year end: Nonrecourse \$ Qualified nonrecourse financing \$ 146,176 Recourse \$ 4,143.

L Partner's capital account analysis: Beginning capital account \$ Capital contributed during the year \$ 14,021 Current year increase (decrease) \$ (570) Withdrawals & distributions \$ () Ending capital account \$ 13,451. Tax basis GAAP Section 704(b) book Other (explain). M Did the partner contribute property with a built-in gain or loss? Yes No. If "Yes," attach statement (see instructions)

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

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) (571). 3 Other net rental income (loss) 16 Foreign transactions. 4 Guaranteed payments. 5 Interest income 1. 6a Ordinary dividends. 6b Qualified dividends. 7 Royalties. 8 Net short-term capital gain (loss). 9a Net long-term capital gain (loss) 17 Alternative minimum tax (AMT) items. 9b Collectibles (28%) gain (loss). 9c Unrecaptured section 1250 gain. 10 Net section 1231 gain (loss) 18 Tax-exempt income and nondeductible expenses. 11 Other income (loss). 12 Section 179 deduction. 13 Other deductions. 14 Self-employment earnings (loss). 19 Distributions. 20 Other information * STMT.

*See attached statement for additional information.

For IRS Use Only. QR code.

Schedule K-1 Supplemental Information

2016 PG01

Partner's name

Patrick Tansey

Partner's ID Number

474-76-5883

Name of Partnership

Elkwood LLC

Partnership EIN

32-0489813

Line 20 - Other Information

Statement #99

Code Description

Amount

A Investment income

1

8825

K-1 Rental Real Estate Activity

2016

Information provided to determine participation level in each rental property
(For shareholder's and partner's records only)

Shareholder/Partner Name

Ownership percentage

EIN/SSN

Patrick Tansey

28.7

474-76-5883

Description	Type	Line 17 Income/Loss	Line 19 4797	Line 20a Pass-thru	Line 21 Net
1212 2nd Street NE Saint Cloud, MN 56304	2 Multi-family	(571)			
Totals		(571)			(571)

Accumulated differences may occur as a result of rounding individual properties.

Partner's Adjusted Basis Worksheet

2016

Keep for your records.

Partner Number:	TIN: 474-76-5883	Tax year ending: 12-31-2016	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>150,319</u>		
B. Partner's share of partnership liabilities from PRIOR year		B. (<u> </u>)		
C. Increases (Decrease) in share of Partnership Liabilities during this tax period		C. <u>150,319</u>		
1. Adjusted Basis from preceding year			1. <u> </u>	0
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>14,021</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>14,021</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> </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>1</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>1</u>	
4. Increase in Partnership Share of Partnership Liabilities from line C above			4. <u>150,319</u>	
5. Total increases in basis (combine lines 1 through 4)				5. <u>164,341</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> </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>164,341</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>571</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>571</u>	
11. Adjusted Basis of Partnership Interest (Cannot be negative) (Line 9-Line 10) At-Risk Basis				11. <u>163,770</u>
12. At-risk adjustment: (Amount from lines 5)			12. <u>164,341</u>	
13. Enter the amount from lines 6, 7, 8 and 10			13. (<u>571</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>163,770</u>

Allocation of Losses and Deductions

2016

Keep for your records.

Partner Number:	TIN: 474-76-5883	Year Ended: 12-31-2016	Ownership %: 28.700000
Partner Name: Patrick Tansey			
Partnership Name: Elkwood LLC			EIN 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)		571	571	100.000000	571	
c Net losses from other rental activities	(Sch K-1, Line 3)						
d Net short-term capital losses	(Sch K-1, Lines 8 & 9a)						
e Other portfolio losses	(Sch 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							
Total deductible losses and deductions			571	571		571	
8a Nondeductible expenses & credit adj							
b Oil and gas depletion							
Total nondeductible losses and deductions							
Totals			571	571		571	

Schedule K-1 (Form 1065)

2016

Department of the Treasury Internal Revenue Service

For calendar year 2016, or tax year beginning ending 2016 20

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

See page 2 of form and separate instructions.

Part I Information About the Partnership

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

Part II Information About the Partner

Part II Information About the Partner. E Partner's identifying number 475-74-4351. F Partner's name, address, city, state, and ZIP code Charlene Tansey 9675 Winslow Chase Maple Grove, MN 55311. G General partner or LLC member-manager. H Domestic 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): Beginning Ending Profit 28.7000000 % 28.7000000 % Loss 28.7000000 % 28.7000000 % Capital 28.7000000 % 28.7000000 %. K Partner's share of liabilities at year end: Nonrecourse \$ Qualified nonrecourse financing \$ 146,176 Recourse \$ 4,143.

L Partner's capital account analysis: Beginning capital account \$ Capital contributed during the year \$ 14,021 Current year increase (decrease) \$ (570) Withdrawals & distributions \$ () Ending capital account \$ 13,451. Tax basis GAAP Section 704(b) book Other (explain). M Did the partner contribute property with a built-in gain or loss? Yes No. If "Yes," attach statement (see instructions)

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

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

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) (571). 3 Other net rental income (loss) 16 Foreign transactions. 4 Guaranteed payments. 5 Interest income 1. 6a Ordinary dividends. 6b Qualified dividends. 7 Royalties. 8 Net short-term capital gain (loss). 9a Net long-term capital gain (loss) 17 Alternative minimum tax (AMT) items. 9b Collectibles (28%) gain (loss). 9c Unrecaptured section 1250 gain. 10 Net section 1231 gain (loss) 18 Tax-exempt income and nondeductible expenses. 11 Other income (loss). 12 Section 179 deduction. 13 Other deductions. 14 Self-employment earnings (loss). 19 Distributions. 20 Other information * STMT.

*See attached statement for additional information.

For IRS Use Only. Barcode area.

Schedule K-1 Supplemental Information

2016 PG01

Partner's name

Charlene Tansey

Partner's ID Number

475-74-4351

Name of Partnership

Elkwood LLC

Partnership EIN

32-0489813

Line 20 - Other Information

Statement #99

Code Description

Amount

A Investment income

1

8825

K-1 Rental Real Estate Activity

Information provided to determine participation level in each rental property
(For shareholder's and partner's records only)

2016

Shareholder/Partner Name

Charlene Tansey

Ownership percentage

28.7

EIN/SSN

475-74-4351

Description	Type	Line 17 Income/Loss	Line 19 4797	Line 20a Pass-thru	Line 21 Net
1212 2nd Street NE Saint Cloud, MN 56304	2 Multi-family	(571)			

Accumulated differences may occur as a result of rounding individual properties.

Totals	(571)			(571)
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Partner's Adjusted Basis Worksheet

2016

Keep for your records.

Partner Number:	TIN: 475-74-4351	Tax year ending: 12-31-2016	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>150,319</u>		
B. Partner's share of partnership liabilities from PRIOR year		B. (<u> </u>)		
C. Increases (Decrease) in share of Partnership Liabilities during this tax period		C. <u>150,319</u>		
1. Adjusted Basis from preceding year			1. <u> </u>	0
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>14,021</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>14,021</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> </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>1</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>1</u>	
4. Increase in Partnership Share of Partnership Liabilities from line C above			4. <u>150,319</u>	
5. Total increases in basis (combine lines 1 through 4)				5. <u>164,341</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> </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>164,341</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>571</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>571</u>	
11. Adjusted Basis of Partnership Interest (Cannot be negative) (Line 9-Line 10) At-Risk Basis				11. <u>163,770</u>
12. At-risk adjustment: (Amount from lines 5)			12. <u>164,341</u>	
13. Enter the amount from lines 6, 7, 8 and 10			13. (<u>571</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>163,770</u>

Allocation of Losses and Deductions

2016

Keep for your records.

Partner Number:	TIN: 475-74-4351	Year Ended: 12-31-2016	Ownership %: 28.700000
Partner Name: Charlene Tansey			
Partnership Name: Elkwood LLC			EIN 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)		571	571	100.000000	571	
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							
Total deductible losses and deductions			571	571		571	
8a Nondeductible expenses & credit adj							
b Oil and gas depletion							
Total nondeductible losses and deductions							
Totals			571	571		571	

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to your tax return.**
▶ **Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.**

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

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 smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2015 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 2017. 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	0
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

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 2016	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 2016 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	05-2016					
b 5-year property						
c 7-year property		4,653	7	HY	S/L	332
d 10-year property						
e 15-year property				25 yrs.		S/L
g 25-year property				27.5 yrs.	MM	S/L
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
		456,000	30.0	MM	S/L	9,498

Section C - Assets Placed in Service During 2016 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	Total. 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	9,830
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? 24b If "Yes," is the evidence written? 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) 26 Property used more than 50% in a qualified business use: 27 Property used 50% or less in a qualified business use: 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1

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 (a-f) for Vehicle 1 through Vehicle 6. Rows 30-36 include: 30 Total business/investment miles driven during the year (don't include commuting miles), 31 Total commuting miles driven during the year, 32 Total other personal (noncommuting) miles driven, 33 Total miles driven during the year. Add lines 30 through 32, 34 Was the vehicle available for personal use during off-duty hours?, 35 Was the vehicle used primarily by a more than 5% owner or related person?, 36 Is another vehicle available for personal use?

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).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)

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-f): (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Row 42: Closing costs at p 05-17-2016, 3,032, AMT, 30, 67. Row 43: Amortization of costs that began before your 2016 tax year, 43. Row 44: Total. Add amounts in column (f). See the instructions for where to report, 44, 67.

Federal Supporting Statements

2016 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	<u> </u>	<u> 2,130</u>
Total	<u><u> </u></u>	<u><u> 2,130</u></u>

Form 1065 - Schedule L - Line 17

PG01
Statement #31

Other Current Liabilities

Description	Beg Of Year	End Of Year
Credit Card	<u> </u>	<u> 6,669</u>
Prepaid Rents	<u> </u>	<u> 1,835</u>
Security Deposits	<u> </u>	<u> 5,932</u>
Rounding	<u> </u>	<u> (1)</u>
Total	<u><u> </u></u>	<u><u> 14,435</u></u>

FORM 8825, LINE 15 - OTHER

PG01
Statement #8A

DESCRIPTION	AMOUNT
Bank services charges	26
Licenses	403
Office Supplies	325
Rounding	<u> 1</u>
TOTAL	<u><u> 755</u></u>

K-K1 Comparison Worksheet

2016

(Keep for your records)

PARTNERSHIP NAME

EIN

Elkwood LLC

32-0489813

Description	***--**-9242 Jerry Lindeen	***--**-2767 Kimberly A Lin	***--**-5883 Patrick Tansey	***--**-4351 Charlene Tanse			Total
k2a Net rental real estate income	(771)	(77)	(571)	(571)			(1,990)
k5 Interest income.	1		1	1			3

Capital Account Reconciliation

(Keep for your records)

2016 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		2,053	(770)		1,283
Kimberly A Lindeen		205	(77)		128
Patrick Tansey		14,021	(570)		13,451
Charlene Tansey		14,021	(570)		13,451
TOTALS		<u>30,300</u>	<u>(1,987)</u>		<u>28,313</u>

Schedule M-2/Partners' Capital Reconciliation Worksheet

Form 1065

(Keep for your records)

2016

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	
2 Book income (loss) (Schedule M-1, line 1, or Schedule M-3, page 1, line 11)	2	(1,987)
3 Capital contributions during the year (Schedule K-1, Item L)	3	30,300
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	28,313
8 Ending partners' capital per balance sheet (Schedule L, column d, line 21)	8	28,313
9 Difference (line 7 minus line 8) (should be zero)	9	

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

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	28,313
---	----	--------

20 Capital amount after M-3 timing adjustments (add lines 6 & 18)	20	
---	----	--

21 Net reconciliation difference (line 3 minus Line 19 or 20)	21	
--	-----------	--

* Item was disposed
of during current year.

Depreciation Detail Listing

FORM 8825 - 1212 2nd Street NE Saint Cloud

For your records only

2016

PAGE 1

Name(s) as shown on return

Social security number/EIN

Elkwood LLC

32-0489813

No.	Description	Date	Cost	Salvage	Business percentage	Section 179	Depreciation Basis	Life	Method	Rate	Current depr.	Accumulated Depreciation	Prior expense	Bonus depreciation	AMT Current
1	Apartment Building	05172016	456,000		100.00		456,000	30	SL MM	2.083	9,498	9,498			9,498
1	LAND	05172016	84,000		100.00		0		NDA						
2	Carpet Replaced	06012016	4,653		100.00		4,653	7	SL HY	7.143	332	332			332
3	Closing costs at purc	05172016	3,032		100.00		3,032	30	AMT-AMT	2.2222	67	67			67
Totals			547,685				463,685				9,897	9,897			9,897

Land Amount 84,000
Net Depreciable Cost 463,685

ST ADJ:

Next Year's Depreciation Worksheet

(Keep for your records)

2016

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	30	15,200
8825	1	Carpet Replaced	06012016	4,653	SL	7	665
8825	1	Closing costs at purchas	05172016	3,032	AMT	30	101
		TOTAL					15,966

Preparer Note

2016 PG01

Name(s) as shown on return

Your Social Security Number

Elkwood LLC

32-0489813

THE TAXPAYER MAKES THE FOLLOWING ELECTIONS RELATED TO
BONUS DEPRECIATION FOR THE 2016 TAX YEAR.

I ELECT OUT OF ALL BONUS DEPRECIATION FOR ALL CLASSES OF PROPERTY.

FOR TAX YEAR 2016

ELKWOOD LLC

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

Arlyce Cleveland Ltd

11943 Lever Street NE
Minneapolis, MN 55449

Phone: (763)786-4626 | Fax: (763)786-0639

April 25, 2017

Elkwood LLC
1148 Heritage Dr
Shakopee, MN 55379

Elkwood LLC:

Enclosed is the 2016 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.

Enclosed is the 2016 Minnesota income tax return, prepared for Elkwood LLC from the information provided. This return will be e-filed with the Minnesota taxing authority.

The partnership's Minnesota income tax return reflects neither a refund nor a balance due.

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, please contact this office at (763)786-4626.

Sincerely,

Debora Reimer
Arlyce Cleveland Ltd

1065

**Partnership
Diagnostic Summary**

2016

Name
Elkwood LLC

Employer Identification #
32-0489813

Demographics

Mailing Address: 1148 Heritage Dr
Shakopee, MN 55379

Phone:

Resident State: MN

Diagnostics

Preparer: Debora Reimer

Invoice:

Date: 04-25-2017

Return Information

Item on Return	2016 Federal	2015 Federal (If available)
Total Assets	552,072	
Number of Partners	4	
Gross Receipts/Sales		
Total Income		
Total Deductions		
Ordinary Income		
Total Equity	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	330,008	330,008			

**1065 TAX RETURN COMPARISON
2014 / 2015 / 2016**

2016

Name(s) as shown on return
Elkwood LLC

Identifying number
32-0489813

	2014 FEDERAL	2015 FEDERAL	2016 FEDERAL	DIFFERENCE BETWEEN 2015 & 2016
Income				
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				
Total income				
Deductions				
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				
Total deductions				
Ordinary business income(loss)				
SCHEDULE K - Partner's Share Items				
Income				
Ordinary business income (loss)				
Net rental real estate income (loss)			(1,990)	(1,990)
Other net rental income (loss)				
Guaranteed Payments				
Interest income			3	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)				
Deductions				
Section 179 deduction				
Contributions				
Investment interest expense				
Section 59(e)(2) expenditures				
Other deductions				
	2014	2015	2016	DIFFERENCE

1065 TAX RETURN COMPARISON
2014/ 2015 / 2016

2016

Page 2

Name(s) as shown on return
 Elkwood LLC

Identifying number
 32-0489813

	2014 FEDERAL	2015 FEDERAL	2016 FEDERAL	DIFFERENCE BETWEEN 2015 & 2016
Self-Employment				
Net earnings (loss) from self-employment				
Gross farming or fishing income				
Gross nonfarm income				
Credits				
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				
Foreign Transactions				
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				
Alternative Minimum Tax (AMT) items				
Post-1986 depreciation adjustment				
Adjusted gain or loss				
Depletion				
Oil, gas, and geothermal properties - gross income				
Oil, gas, and geothermal properties - deductions				
Other AMT items				
Other information				
Tax-exempt interest income				
Other tax-exempt income				
Nondeductible expenses				
Distribution of cash and marketable securities				
Distributions of other property				
Investment income			3	3
Investment expenses				

RESIDENT STATE		MN	
Taxable income		330,008	330,008
Total tax			
Overpayment			
Balance due			

2014 2015 2016 DIFFERENCE

Partnership Return 2016

Tax year beginning 01-01, 2016, ending 12-31-2016

Print or Type

Partnership's Name ELKWOOD LLC		Federal ID Number 32-0489813	Minnesota Tax ID Number 4599485
Doing Business as		Former name, if changed since 2015 return:	
Mailing Address 1148 HERITAGE DR			
City SHAKOPEE		State MN	Zip Code 55379
Number of Schedules KPI and KPC: 4		Number of Partners: 4	
Check if: <input checked="" type="checkbox"/> Initial Return <input type="checkbox"/> Composite Income Tax <input type="checkbox"/> More than 80% of Income is from Farming <input checked="" type="checkbox"/> LLC <input type="checkbox"/> Out of Business (see inst.)			

Tax and Credits

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 2016	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 5)	12	0	
13	Additional charge for underpayment of estimated tax (enclose Schedule EST)	13	0	
14	AMOUNT DUE. If you entered an amount on line 10, add lines 10 through 13. Check payment method: <input type="checkbox"/> Electronic (see inst., pg. 2), or <input type="checkbox"/> Check(see inst. pg. 2)	14	0	

Refund or Amount Due

Continued next page

Partnership Return 2016 (continued)

Partnership's Name ELKWOOD LLC	Federal ID Number 32-0489813	Minnesota Tax ID Number 4599485
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Refund or Amount Due

- 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 5) **15** 0
- 16 Amount of line 15 to be credited to your 2017 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

Signatures

Signature of General Partner		Date 04-25-17	Daytime Phone	<input checked="" type="checkbox"/> I authorize the MN Dept. of Revenue to discuss this tax return with the person below..
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 04-25-17	Daytime Phone 763-786-4626	Preparer's PTIN P00245979

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

Apportionment and Minimum Fee 2016

All partnerships must complete M3A to determine its Minnesota source income and minimum fee. See M3A instructions beginning on page 6. Enclose a copy of your balance sheet.

	A In Minn.	B Total	C Factors (A ÷ B) <i>(carry to 5 decimal places)</i>
Property			
Property and Payroll	1 a Average value of inventory 1a	0	
	b Average value of buildings, machinery and other tangible property owned 1b	230327	
	c Average value of land owned 1c	42000	
	Total average value of tangible property owned at original cost (add lines 1a-1c) 1	272327	
	2 Capitalized rents paid by partnership (gross rents paid x 8) 2	0	
	3 Add lines 1 and 2 3	272327	
Payroll			
4 Total payroll, including guaranteed payments to partners 4	0		

Sales/ Apportionment	Sales			
	5 Sales (including rents received) 5	57681	57681	1.00000

Minimum Fee	Minimum Fee Calculation			
	6 Total of lines 3, 4 and 5 in column A 6	330008		
	7 Adjustments (see instructions, page 7) 7			<i>(Identify pass-through entity and enclose schedule.)</i>
	Schedule KPC MUST be included.			
8 Combine lines 6 and 7 8	330008			
9 Minimum fee (determine using the amount on line 8 and the table below) 9	0		Enter this amount on line 1 of your Form M3.	

If line 8 of M3A is:	your minimum fee* is:
Less than \$970,000	\$0
\$970,000 to \$1,939,999	\$200
\$1,940,000 to \$9,689,999	\$580
\$9,690,000 to \$19,379,999	\$1,940
\$19,380,000 to \$38,769,999	\$3,880
\$38,770,000 or More	\$9,690

* 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.

Partner's Share of Income, Credits and Modifications 2016 (continued)

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

All Partners (continued)	13 Employer Transit Pass Credit	13 ■ _____	M1C, line 4
	14 Enterprise Zone Credit	14 ■ _____	M1B, line 4
	Relating to Alternative Minimum Tax		
	15 Intangible drilling costs	15 ■ _____	Use lines 15-18 to compute M1MT, lines 6 and 7.
	16 Gross income from oil, gas and geothermal properties	16 ■ _____	See M1MT instructions for details.
	17 Deductions allocable to oil, gas and geothermal properties	17 ■ _____	
	18 Depletion	18 ■ _____	
	Minnesota Portion of Amounts From Federal Schedule K-1 (1065)		
	19 Minnesota source gross income	19 ■ _____	info only (see inst.)
	20 Ordinary Minnesota source income (loss) from trade or business activities	20 ■ _____	M1NR, line 6, col B
Nonresident Partners	21 Income (loss) from Minnesota rental real estate	21 ■ _____	M1NR, line 6, col B
	22 Other net income (loss) from Minnesota rental activities	22 ■ _____	M1NR, line 6, col B
	23 Guaranteed payments	23 ■ _____	M1NR, line 6, col B
	24 Interest income	24 ■ _____	M1NR, line 2, col B
	25 Ordinary dividends	25 ■ _____	M1NR, line 2, col B
	26 Royalties	26 ■ _____	M1NR, line 6, col B
	27 Net Minnesota short-term capital gain (loss)	27 ■ _____	M1NR, line 4, col B
	28 Net Minnesota long-term capital gain (loss)	28 ■ _____	M1NR, line 4, col B
	29 Section 1231 Minnesota net gain (loss)	29 ■ _____	M1NR, line 4 or 8, col B
	30 Other Minnesota income (loss). (Describe type of income or include separate sheet: _____)	30 ■ _____	M1NR, line 8, col B
	31 Section 179 expense deduction apportionable to Minnesota	31 ■ _____	M1NR inst, line 6, col B
	32 Partnership's Minnesota apportionment factor (line 5, column C of M3A)	32 ■ _____	information only

Continued next page



Partner's Share of Income, Credits and Modifications 2016

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.

Filing Information

Tax year beginning _____, 2016 and ending _____

Amended KPI:

Table with 4 columns: Partner's Federal ID or SSN Number, FEIN/SSN of partner ultimately taxed, Partnership's Federal ID Number, Partnership's Minnesota Tax ID. Rows include Partner's Name, Mailing Address, and City/State/Zip Code.

Entity of Partner (check one box): Individual Trust Estate Partner's distributive share: %

Calculate lines 1-18 the same for all resident and nonresident partners. Calculate lines 19-35 for nonresident partners only. Round amounts to the nearest whole dollar.

All Individual, Estate and Trust Partners

Individual, Estate and Trust Partners

Form M1 Filers: Include on:

- 1 Interest income from non-Minnesota state and municipal bonds
2 State income tax deducted in arriving at ordinary or net rental income
3 Expenses deducted attributable to income not taxed by Minnesota
4 If the partnership elected section 179 expensing, enter the partner's flow-through section 179 expensing for Minnesota purposes.
5 100% of partner's distributive share of federal bonus depreciation
6 Fines, fees and penalties deducted federally as a trade or business expense
7 This line intentionally left blank
8 Interest from U.S. government bond obligations, minus any expenses deducted on the federal return that are attributable to this income
9 This line intentionally left blank
10 Credit for increasing research activities
11 Greater Minnesota Internship Credit
12 Credit for historic structure rehabilitation and enter NPS project number.



Partner's Share of Income, Credits and Modifications 2016 (continued)

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

All Partners (continued)	13 Employer Transit Pass Credit	13 ■ _____	M1C, line 4
	14 Enterprise Zone Credit	14 ■ _____	M1B, line 4
	Relating to Alternative Minimum Tax		
	15 Intangible drilling costs	15 ■ _____	Use lines 15-18 to compute M1MT, lines 6 and 7.
	16 Gross income from oil, gas and geothermal properties	16 ■ _____	See M1MT instructions for details.
	17 Deductions allocable to oil, gas and geothermal properties	17 ■ _____	
	18 Depletion	18 ■ _____	
	Minnesota Portion of Amounts From Federal Schedule K-1 (1065)		
	19 Minnesota source gross income	19 ■ _____	info only (see inst.)
	20 Ordinary Minnesota source income (loss) from trade or business activities	20 ■ _____	M1NR, line 6, col B
Nonresident Partners	21 Income (loss) from Minnesota rental real estate	21 ■ _____	M1NR, line 6, col B
	22 Other net income (loss) from Minnesota rental activities	22 ■ _____	M1NR, line 6, col B
	23 Guaranteed payments	23 ■ _____	M1NR, line 6, col B
	24 Interest income	24 ■ _____	M1NR, line 2, col B
	25 Ordinary dividends	25 ■ _____	M1NR, line 2, col B
	26 Royalties	26 ■ _____	M1NR, line 6, col B
	27 Net Minnesota short-term capital gain (loss)	27 ■ _____	M1NR, line 4, col B
	28 Net Minnesota long-term capital gain (loss)	28 ■ _____	M1NR, line 4, col B
	29 Section 1231 Minnesota net gain (loss)	29 ■ _____	M1NR, line 4 or 8, col B
	30 Other Minnesota income (loss). (Describe type of income or include separate sheet: _____)	30 ■ _____	M1NR, line 8, col B
	31 Section 179 expense deduction apportionable to Minnesota	31 ■ _____	M1NR inst, line 6, col B
	32 Partnership's Minnesota apportionment factor (line 5, column C of M3A)	32 ■ _____	information only

Continued next page



Partner's Share of Income, Credits and Modifications 2016

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.

Filing Information

Tax year beginning _____, 2016 and ending _____

Amended KPI:

Table with 4 columns: Partner's Federal ID or SSN Number, FEIN/SSN of partner ultimately taxed, Partnership's Federal ID Number, Partnership's Minnesota Tax ID, Partner's Name, Partnership's Name, Mailing Address, City, State, Zip Code.

Entity of Partner (check one box): [X] Individual [] Trust [] Estate Partner's distributive share: 28.70%

Calculate lines 1-18 the same for all resident and nonresident partners. Calculate lines 19-35 for nonresident partners only. Round amounts to the nearest whole dollar.

All Individual, Estate and Trust Partners

Individual, Estate and Trust Partners

Form M1 Filers: Include on:

- 1 Interest income from non-Minnesota state and municipal bonds
2 State income tax deducted in arriving at ordinary or net rental income
3 Expenses deducted attributable to income not taxed by Minnesota
4 If the partnership elected section 179 expensing, enter the partner's flow-through section 179 expensing for Minnesota purposes.
5 100% of partner's distributive share of federal bonus depreciation
6 Fines, fees and penalties deducted federally as a trade or business expense
7 This line intentionally left blank
8 Interest from U.S. government bond obligations, minus any expenses deducted on the federal return that are attributable to this income
9 This line intentionally left blank
10 Credit for increasing research activities
11 Greater Minnesota Internship Credit
12 Credit for historic structure rehabilitation and enter NPS project number.



Partner's Share of Income, Credits and Modifications 2016 (continued)

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

All Partners (continued)	13 Employer Transit Pass Credit	13 ■ _____	M1C, line 4
	14 Enterprise Zone Credit	14 ■ _____	M1B, line 4
	Relating to Alternative Minimum Tax		
	15 Intangible drilling costs	15 ■ _____	Use lines 15-18 to compute M1MT, lines 6 and 7.
	16 Gross income from oil, gas and geothermal properties	16 ■ _____	See M1MT instructions for details.
	17 Deductions allocable to oil, gas and geothermal properties	17 ■ _____	
	18 Depletion	18 ■ _____	
	Minnesota Portion of Amounts From Federal Schedule K-1 (1065)		
	19 Minnesota source gross income	19 ■ _____	info only (see inst.)
	20 Ordinary Minnesota source income (loss) from trade or business activities	20 ■ _____	M1NR, line 6, col B
Nonresident Partners	21 Income (loss) from Minnesota rental real estate	21 ■ _____	M1NR, line 6, col B
	22 Other net income (loss) from Minnesota rental activities	22 ■ _____	M1NR, line 6, col B
	23 Guaranteed payments	23 ■ _____	M1NR, line 6, col B
	24 Interest income	24 ■ _____	M1NR, line 2, col B
	25 Ordinary dividends	25 ■ _____	M1NR, line 2, col B
	26 Royalties	26 ■ _____	M1NR, line 6, col B
	27 Net Minnesota short-term capital gain (loss)	27 ■ _____	M1NR, line 4, col B
	28 Net Minnesota long-term capital gain (loss)	28 ■ _____	M1NR, line 4, col B
	29 Section 1231 Minnesota net gain (loss)	29 ■ _____	M1NR, line 4 or 8, col B
	30 Other Minnesota income (loss). (Describe type of income or include separate sheet: _____)	30 ■ _____	M1NR, line 8, col B
	31 Section 179 expense deduction apportionable to Minnesota	31 ■ _____	M1NR inst, line 6, col B
	32 Partnership's Minnesota apportionment factor (line 5, column C of M3A)	32 ■ _____	information only

Continued next page



Partner's Share of Income, Credits and Modifications 2016

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.

Filing Information

Tax year beginning _____, 2016 and ending _____

Amended KPI:

Table with 4 columns: Partner's Federal ID or SSN Number, FEIN/SSN of partner ultimately taxed, Partnership's Federal ID Number, Partnership's Minnesota Tax ID. Rows include Partner's Name, Mailing Address, and City/State/Zip Code.

Entity of Partner (check one box): Individual Trust Estate Partner's distributive share: %

Calculate lines 1-18 the same for all resident and nonresident partners. Calculate lines 19-35 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
2 State income tax deducted in arriving at ordinary or net rental income
3 Expenses deducted attributable to income not taxed by Minnesota
4 If the partnership elected section 179 expensing, enter the partner's flow-through section 179 expensing for Minnesota purposes.
5 100% of partner's distributive share of federal bonus depreciation
6 Fines, fees and penalties deducted federally as a trade or business expense
7 This line intentionally left blank
8 Interest from U.S. government bond obligations, minus any expenses deducted on the federal return that are attributable to this income
9 This line intentionally left blank
10 Credit for increasing research activities
11 Greater Minnesota Internship Credit
12 Credit for historic structure rehabilitation and enter NPS project number.

All Individual, Estate and Trust Partners



Partner's Share of Income, Credits and Modifications 2016 (continued)

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

All Partners (continued)	13 Employer Transit Pass Credit	13 ■ _____	M1C, line 4
	14 Enterprise Zone Credit	14 ■ _____	M1B, line 4
	Relating to Alternative Minimum Tax		
	15 Intangible drilling costs	15 ■ _____	Use lines 15-18 to compute M1MT, lines 6 and 7.
	16 Gross income from oil, gas and geothermal properties	16 ■ _____	See M1MT instructions for details.
	17 Deductions allocable to oil, gas and geothermal properties	17 ■ _____	
	18 Depletion	18 ■ _____	
	Minnesota Portion of Amounts From Federal Schedule K-1 (1065)		
	19 Minnesota source gross income	19 ■ _____	info only (see inst.)
	20 Ordinary Minnesota source income (loss) from trade or business activities	20 ■ _____	M1NR, line 6, col B
Nonresident Partners	21 Income (loss) from Minnesota rental real estate	21 ■ _____	M1NR, line 6, col B
	22 Other net income (loss) from Minnesota rental activities	22 ■ _____	M1NR, line 6, col B
	23 Guaranteed payments	23 ■ _____	M1NR, line 6, col B
	24 Interest income	24 ■ _____	M1NR, line 2, col B
	25 Ordinary dividends	25 ■ _____	M1NR, line 2, col B
	26 Royalties	26 ■ _____	M1NR, line 6, col B
	27 Net Minnesota short-term capital gain (loss)	27 ■ _____	M1NR, line 4, col B
	28 Net Minnesota long-term capital gain (loss)	28 ■ _____	M1NR, line 4, col B
	29 Section 1231 Minnesota net gain (loss)	29 ■ _____	M1NR, line 4 or 8, col B
	30 Other Minnesota income (loss). (Describe type of income or include separate sheet: _____)	30 ■ _____	M1NR, line 8, col B
	31 Section 179 expense deduction apportionable to Minnesota	31 ■ _____	M1NR inst, line 6, col B
	32 Partnership's Minnesota apportionment factor (line 5, column C of M3A)	32 ■ _____	information only

Continued next page

Partner's Share of Income, Credits and Modifications 2016 (continued)

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

Nonresident Partners

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

**Form M1 Filers:
Include on:**

- 33 Minnesota source distributive income (see instructions) 33 ■ _____ *If an amount is on line 35 below, include line 33 on M1W, line 7, col. B.*
- 34 Minnesota composite income tax paid by partnership.
If the partner elected composite income tax, check this box: 34 ■ _____ *composite income tax*
- 35 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: 35 ■ _____ *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 Share of Income, Credits and Modifications 2016 (continued)

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

Nonresident Partners

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

**Form M1 Filers:
Include on:**

- 33 Minnesota source distributive income (see instructions) 33 ■ _____ *If an amount is on line 35 below, include line 33 on M1W, line 7, col. B.*
- 34 Minnesota composite income tax paid by partnership.
If the partner elected composite income tax, check this box: 34 ■ _____ *composite income tax*
- 35 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: 35 ■ _____ *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 Share of Income, Credits and Modifications 2016 (continued)

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

Nonresident Partners

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

**Form M1 Filers:
Include on:**

- 33 Minnesota source distributive income (see instructions) 33 ■ _____ *If an amount is on line 35 below, include line 33 on M1W, line 7, col. B.*
- 34 Minnesota composite income tax paid by partnership.
If the partner elected composite income tax, check this box: 34 ■ _____ *composite income tax*
- 35 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: 35 ■ _____ *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 Share of Income, Credits and Modifications 2016 (continued)

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

Nonresident Partners

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

**Form M1 Filers:
Include on:**

- 33 Minnesota source distributive income (see instructions) 33 ■ _____ *If an amount is on line 35 below, include line 33 on M1W, line 7, col. B.*
- 34 Minnesota composite income tax paid by partnership.
If the partner elected composite income tax, check this box: 34 ■ _____ *composite income tax*
- 35 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: 35 ■ _____ *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	57681
Form 8825, Line 19	_____
Form 8825, Line 20	_____
Form 1065, Sch K, Line 3a	_____
Form 1065, Sch K, Line 5	3
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	_____
	57684
Total Gross Income	57684
	1.00000
MN Apportionment % from Form M3A	1.00000
	57684
MN Source Gross Income	57684

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