SECURITIES AND EXCHANGE COMMISSION

FORM 10-K

Annual report pursuant to section 13 and 15(d)

Filing Date: **1999-03-26** | Period of Report: **1998-12-31**
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FILER

KRUPP INSURED PLUS LTD PARTNERSHIP CIK:**786622**| IRS No.: **042915281** | State of Incorp.:**MA** | Fiscal Year End: **1231** Type: **10-K** | Act: **34** | File No.: **000-15815** | Film No.: **99574576** SIC: **6189** Asset-backed securities	Mailing Address *470 ATLANTIC AVE* *BOSTON MA 02210*	Business Address *470 ATLANTIC AVE* *C/O BERKSHIRE REALTY AFFILIATES* *BOSTON MA 02210* *6174232233*

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended December 31, 1998

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from to

Commission file number 0-15815

Krupp Insured Plus Limited Partnership
(Exact name of registrant as specified in its charter)

Massachusetts	04-2915281
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
One Beacon Street, Boston, Massachusetts	02108
(Address of principal executive offices)	(Zip Code)
(Registrant's telephone number, including area code)	(617) 523-0066

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

Securities registered pursuant to Section 12(g) of the Act: Units of Depositary Receipts representing Units of Limited Partner Interests

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d)of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

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

Aggregate market value of voting securities held by non-affiliates: Not applicable.

Documents incorporated by reference: See Part IV Item 14.

The exhibit index is located on pages 8-11.

PART I

This Form 10-K contains forward-looking statements within the meaning of section 27a of the Securities Act of 1933 and Section 21e of the Securities Exchange Act of 1934. Actual results could differ materially from those projected in the forward looking statements as a result of a number of factors, including those identified herein.

ITEM 1. BUSINESS

On December 20, 1985, The Krupp Corporation and The Krupp Company Limited Partnership-IV (the "General Partners") formed Krupp Insured Plus Limited Partnership (the "Partnership"), a Massachusetts Limited Partnership. The Partnership raised approximately $149 million through a public offering of limited partner interests evidenced by units of depositary receipts ("Units") and used the net proceeds primarily to acquire participating insured mortgages ("PIMs") and mortgage backed securities ("MBS"). The Partnership considers itself to be engaged in the industry segment of investment in mortgages.

The Partnership's investments in PIMs consist of a securitized multi-family first mortgage loan or a sole participation interest in a Department of Housing and Urban Development ("HUD") multi-family insured first mortgage loan, and participation interests in the current revenue stream of the mortgaged property and any increase in the mortgaged property's value above certain specified base levels. The Partnership provided the funds for the first mortgage loan made to the borrower by acquiring either a securitized first mortgage loan ("MBS"), originated under the lending programs of the Fannie Mae or Government National Mortgage Association ("GNMA"), or a sole participation interest in a first mortgage loan originated under the Federal Housing Administration ("FHA") lending program (collectively the "insured mortgages"). The Partnership receives the participation interests in the mortgaged property as additional consideration for providing the funds for the first mortgage loan and accepting a below market interest rate on the insured mortgage. The borrower conveyed the participation interests to the
Partnership through either a subordinated promissory note and mortgage or a shared income and appreciation agreement. Fannie Mae guarantees the principal and interest payments for the Famnie Mae MBS and GNMA guarantees the timely payment of principal and interest for the GNMA MBS. HUD insures the first mortgage loan underlying the GNMA MBS and any first mortgage loan originated under the FHA lending program. The participation interests conveyed to the Partnership by the borrower are neither insured nor guaranteed.

The Partnership also acquired MBS backed by single-family or multi-family mortgage loans issued or originated by GNMA, FHA, Fannie Mae or the Federal Home Loan Mortgage Corporation ("FHLMC"). Fannie Mae and FHLMC guarantee the principal and interest of these Fannie Mae and FHLMC MBS, respectively. GNMA and HUD guarantee the timely payment of principal and interest of GNMA MBS or the HUD first mortgage loan, and HUD insures the pooled first mortgage loans underlying the GNMA MBS.

Although the Partnership will terminate no later than December 31, 2025 the Partnership anticipates realizing the value of the PIMs through repayment well before this date. Therefore, dissolution of the Partnership should occur significantly prior to December 31, 2025, the stated termination date of the Partnership.

The Partnership's investments are not subject to seasonal fluctuations. However, the realization of the participation features of the PIMs are subject to similar risks associated with equity real estate investments, including: reliance on the owner's operating skills, ability to maintain occupancy levels, control operating expenses, maintain the property and provide adequate insurance coverage; adverse changes in general economic conditions, adverse local conditions, and changes in governmental regulations, real estate zoning laws, or tax laws; and other circumstances over which the Partnership may have little or no control.

The requirements for compliance with federal, state and local regulations to date have not adversely effected the Partnership's operations and the Partnership does not presently anticipate adverse effects in the future.

As of December 31, 1998, there were no personnel directly employed by the Partnership.

ITEM 2. PROPERTIES

None.

ITEM 3. LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Partnership is a party or to which any of its investments is the subject.

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

None.

PART II

ITEM 5.MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

There currently is no established trading market for the Units.

The number of investors holding Units as of December 31, 1998 was approximately 6,820. One of the objectives of the Partnership is to provide quarterly distributions of cash flow generated by its investments in mortgages. The Partnership presently anticipates that future operations will continue to generate cash available for distribution. Adjustments may be made to the distribution rate in the future due to the realization and payout of the existing mortgages.

During 1998 and 1997, the Partnership made special distributions consisting primarily of principal proceeds from the Greentree PIM and Pine Hills PIM prepayments, respectively. The Partnership may make special distributions in the future if PIMs prepay or a sufficient amount of cash is available from MBS and PIM principal collections.

The Partnership made the following distributions, in quarterly installments, and special distributions, to its Partners during the two years ended December 31, 1998 and 1997:
<TABLE>

<CAPTION>

	1998 Amount	1998 Per Unit	1997 Amount	1997 Per Unit
Distributions:				
<S>	<C>	<C>	<C>	<C>
Limited Partners	$5,700,075	$.76	$ 5,700,093	$ .76
General Partners	137,665	-	172,798	-
	5,837,740		5,872,891	
Special Distributions:				
Limited Partners	8,400,111	$1.12	4,575,060	$ .61
Total Distributions	$14,237,851		$10,447,951	

</TABLE>

ITEM 6. SELECTED FINANCIAL DATA

The following table sets forth selected financial information regarding the Partnership's financial position and operating results. This information should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the Financial Statements and Supplementary Data, which are included in Item 7 and Item 8, (Appendix A) of this report, respectively.
<TABLE>

<CAPTION>

	1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>
Total revenues	$ 4,823,813	$ 6,078,663	$ 7,216,716	$ 7,097,154	$ 7,688,593
Net income	4,171,014	4,743,768	5,329,348	5,247,543	5,682,819
Net income allocated to:					
Limited Partners	4,045,884	4,601,455	5,169,468	5,090,117	5,512,334
Average Per Unit	.54	.61	.69	.68	.73
General Partners	125,130	142,313	159,880	157,426	170,485
Total assets at December 31	57,367,612	67,795,436	73,273,523	93,784,033	96,561,305
Distributions to:					
Limited Partners	5,700,075	5,700,093	9,000,119	9,000,119	9,554,686
Average per Unit	.76	.76	1.20	1.20	1.28
Special	8,400,111	4,575,060	16,500,218	-	7,950,105
Average per Unit	1.12	.61	2.20	-	1.06
General Partners	137,665	172,798	181,178	187,157	192,551

</TABLE>

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements including those concerning Management's expectations regarding the future financial performance and future events. These forward-looking statements involve significant risk and uncertainties, including those described herein. Actual results may differ materially from those anticipated by such forward-looking statements.

The General Partners of the Partnership have conducted an assessment of the Partnership's core internal and external computer information systems and have taken the further necessary steps to understand the nature and extent of the work required to make its systems Year 2000 ready in those situations in which it is required to do so. The Year 2000 readiness issue concerns the inability of computerized information systems to accurately calculate, store or use a date after 1999. This could result in a system failure or miscalculations causing disruptions of operations. The Year 2000 issue affects virtually all companies and all organizations.

In this regard, the General Partners of the Partnership, along with certain affiliates, began a computer systems project in 1997 to significantly upgrade its existing hardware and software. The General Partners completed the testing and conversion of the financial accounting operating systems in February 1998. As a result, the General Partners have generated operating efficiencies and believe their financial accounting operating systems are Year 2000 ready. The General Partners of the Partnership incurred hardware costs as well as consulting and other expenses related to the infrastructure and facilities enhancements necessary to complete the upgrade and prepare for the Year 2000. There are no other significant internal systems or software that the Partnership is using at the present time.

The General Partners of the Partnership are in the process of evaluating the potential adverse impact that could result from the failure of material third-party service providers (including but not limited to its banks and telecommunications providers) and significant vendors to be Year 2000 ready. The Trust is in the process of surveying these third party providers and assessing their readiness with year 2000. To date, the Partnership is not aware of any problems that would materially impact its results of operations, liquidity or capital resources. However, the Partnership has not yet obtained all written assurances that these providers would be Year 2000, ready.

The Partnership currently does not have a contingency plan in the event of a particular provider or system not being Year 2000 ready. Such plan will be developed if it becomes clear that a provider is not going to achieve its scheduled readiness objectives by June 30, 1999. The inability of one of these providers to complete its Year 2000 resolution process could impact the Partnership. In addition, the Partnership is also subject to external forces that might generally affect industry and commerce, such as utility and transportation company Year 2000 readiness failures and related service interruptions. To date, the Partnership has not incurred any cost associated with being Year 2000 ready. All costs have been incurred by the General Partners and it is estimated that any future Year 2000 readiness costs will be borne by the General Partners.

Liquidity and Capital Resources

At December 31, 1998 the Partnership has liquidity sources consisting of cash and cash equivalents of approximately $3.7 million as well as the cash flow provided by its investments in the PIMs and MBS. The Partnership anticipates that these sources will be adequate to provide the Partnership with sufficient liquidity to meet its obligations as well as to provide distributions to its investors.

The most significant demand on the Partnership's liquidity is distributions paid to investors, approximately $1.5 million each quarter. The Partnership currently has a distribution rate of $.76 per unit, paid in quarterly installments of $.19 per unit. Funds for the investor distributions come from the monthly principal and interest payments received on the PIMs and MBS, the principal prepayments of the PIMs and MBS, interest earned on the Partnership's cash and cash equivalents, and cash reserves. The portion of distributions attributable to the principal collected in those payments reduces the capital resources of the Partnership. As the capital resources of the Partnership decrease, the total cash flows to the Partnership also will decrease and over time will result in periodic adjustments to the distributions paid to investors. The General Partners periodically review the distribution rate to determine whether an adjustment is necessary based on projected future cash flows. Based on current projections, the General Partners believe the Partnership can maintain the current distribution rate for the foreseeable future. In general, the General Partners try to set a distribution rate that provides for level quarterly distributions.

In addition to providing insured or guaranteed monthly principal and basic interest payments, the Partnership's investments in the PIMs also may provide additional income through a participation interest in the underlying properties. However, this payment is neither guaranteed nor insured and depends on the successful operations of the underlying properties.

The borrower on the Greentree PIM defaulted on its first mortgage obligation during the second half of 1997. During the default, the Partnership continued to receive the full principal and basic interest payments due on the PIM because GNMA guaranteed those payments. In March 1998, the GNMA mortgagee exercised its right to prepay the GNMA security because of the continuing default of the first mortgage, and the Partnership received the proceeds of the prepayment in the amount of $8,382,336. In April 1998, the Partnership made a special distribution to the investors from those capital proceeds of $1.12 per unit. Subsequent to the payoff of the GNMA, MBS, the General Partners negotiated a settlement with the borrower to release the Subordinated Promissory Note, and $250,000 was received in July 1998.

The General Partners do not expect any of the other PIMs still held in the Partnership's portfolio to pay off during 1999. Royal Palm Place and Vista Montana operate under long-term restructure programs. As an ongoing result of the Partnership's 1995 agreement to modify the payment terms of the Royal Palm Place PIM, the Partnership will receive basic interest-only payments on the Fannie Mae MBS at the rate of 7.0% per annum during 1999. Thereafter, the interest rate will range from 7.5% to 8.775% per annum through the maturity of the first mortgage loan in 2006. The Partnership also received its scheduled $250,000 principal payment in January 1999.

The Partnership has the option to call certain PIMs by accelerating the maturity date of the loans if they are not prepaid by the tenth year after permanent funding. The Partnership will determine the merits of exercising the call option for each PIM as economic conditions warrant. Such factors as the condition of the asset, local market conditions, interest rates and available financing will have an impact on these decisions.

Assessment of Credit Risk

The Partnership's investments in mortgages are guaranteed or insured by Fannie Mae, GNMA, FHLMC or HUD and therefore the certainty of their cash flows and the risk of material loss of the amounts invested depends on the creditworthiness of these entities.

Fannie Mae is a federally chartered private corporation that guarantees obligations originated under its programs. FHLMC is a federally chartered corporation that guarantees obligations originated under its programs and is wholly-owned by the twelve Federal Home Loan Banks. These obligations are not guaranteed by the U.S. Government or the Federal Home Loan Bank Board. GNMA guarantees the full and timely payment of principal and basic interest on the securities it issues, which represents interest in pooled mortgages insured by HUD. Obligations insured by HUD, an agency of the U.S. Government, are backed by the full faith and credit of the U.S. Government.

Operations

The following discussion relates to the operation of the Partnership during the years ended December 31, 1998, 1997 and 1996.

<TABLE>

<CAPTION>

	(Amounts in thousands)		
	1998	1997	1996
Interest income on PIMs:			
<S>	<C>	<C>	<C>
Basic interest	$ 2,257	$ 3,137	$ 4,644
Participation income	250	543	114
Interest income on MBS	2,048	2,181	2,315
Other interest income	268	218	143
Partnership expenses	(551)	(722)	(791)
Amortization of prepaid fees and expenses	(101)	(613)	(1,096)
Net income	$ 4,171	$ 4,744	$ 5,329

</TABLE>

Net income decreased in 1998 as compared to 1997 and 1997 as compared to 1996 due primarily to a decrease in interest income on PIMs and MBS which were somewhat offset by a decrease in Partnership and amortization expenses.

Basic interest on PIMs decreased in 1998 as compared to 1997 and 1997 as compared to 1996, as a result of repayments of the Greentree PIM in March 1998, the Pine Hills PIM in November of 1997 and the Manadalay Apartments PIM in

November 1996. Interest income on MBS declined approximately $133,000 and $134,000 when comparing 1998 to 1997 and 1997 to 1996, respectively, due to principal collections reducing the outstanding MBS portfolio. Interest income on MBS and basic interest on PIMs will continue to decline as principal collections reduce the outstanding balance of these investments. As the Partnership distributes principal collections on PIMs and MBS through quarterly or special distributions, the invested assets of the Partnership will decline which will result in a continuing decline in basic interest income and interest income on MBS.

Amortization expense decreased as all the prepaid expenses and fees associated with all the remaining PIMs, except Vista Montana have been fully amortized. The Partnership fully amortized the prepaid expenses relating to the Greentree PIM in 1998, the Pine Hills PIM in 1997 and Mandalay Apartments PIM in 1996. Partnership expenses decreased approximately $171,000 in 1998 as compared to 1997 and $69,000 in 1997 versus 1996. The decrease from 1997 to 1998 was primarily due to lower asset management fees of approximately of $95,000 because of a declining asset base and lower expense reimbursements of approximately of $49,000 because the Partnership received a rebate for expense reimbursements related to 1997. The decrease from 1996 to 1997 was primarily due to a result of lower asset management fees caused by a declining asset base.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

See Appendix A to this report.

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

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The Partnership has no directors or executive officers. Information as to the directors and executive officers of The Krupp Corporation, which is a General Partner of the Partnership and is a general partner of The Krupp Company Limited Partnership-IV, the other General Partner of the Partnership, is as follows:

Name and Age	Position with The Krupp Corporation
Douglas Krupp (52)	Co-Chairman, President and Director
George Krupp (54)	Co-Chairman, President and Director
Robert A. Barrows (41)	Vice President and Chief Accounting Officer

Douglas Krupp co-founded and serves as Co-Chairman and Chief Executive Officer of The Berkshire Group, an integrated real estate financial services firm engaged in real estate acquisition and property management, mortgage banking and financial management. The Berkshire Group's interests include ownership of a mortgage company specializing in commercial mortgage financing with a portfolio of approximately $6.0 billion. In addition, The Berkshire Group has a significant ownership interest in Berkshire Realty Company, Inc. (NYSE-BRI), a real estate investment trust specializing in apartment investments. Mr. Krupp has held the position of Co-Chairman since The Berkshire Group was established as The Krupp Companies in 1969 and he has served as the Chief Executive Officer since 1992. Mr. Krupp serves as Chairman of the Board and Director of Berkshire Realty Company, Inc. (NYSE-BRI) and he is also a member of the Board of Trustees at Brigham & Women's Hospital. He is a graduate of Bryant College where he received an honorary Doctor of Science in Business Administration in 1989 and was elected trustee in 1990. Mr. Krupp also serves as Chairman of the Board and Trustee of Krupp Government Income Trust and Krupp Government Income Trust II.

George Krupp is the Co-Founder and Co-Chairman of The Berkshire Group, an integrated real estate financial services firm engaged in real estate acquisition, mortgage banking, investment sponsorship, venture capital investing and financial management. Mr. Krupp has held the position of Co-Chairman since The Berkshire Group was established as The Krupp Companies in 1969. Mr. Krupp has been an instructor of history at the New Jewish High School in Waltham, Massachusetts since September of 1997. Mr. Krupp attended the University of Pennsylvania and Harvard University and holds a Master's Degree in History from Brown University.

Robert A. Barrows is Senior Vice President and Chief Financial Officer of Berkshire Mortgage Finance. Mr. Barrows has held several positions within The Berkshire Group since joining the company in 1983 and is currently responsible for accounting, financial reporting,treasury and management information systems for Berkshire Mortgage Finance. Prior to joining The Berkshire Group, he was an audit supervisor for Coopers & Lybrand L.L.P. in Boston.He received a B.S. degree from Boston College and is a Certified Public Accountant.

ITEM 11. EXECUTIVE COMPENSATION

The Partnership has no directors or executive officers.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of December 31, 1998 no person owned of record or was known by the General Partners to own beneficially more than 5% of the Partnership's 7,500,099 outstanding Units. The only interests held by management or its affiliates consist of its General Partner and Corporate Limited Partner Interests.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information required under this Item is contained in Note F to the Partnership's financial statements presented in Appendix A to this report.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULE AND REPORTS ON FORM 8-K

(a) 1. Financial Statements - see Index to Financial Statements and Schedule included under Item 8, Appendix A, on page F-2 of this report.

2. Financial Statement Schedule - see Index to Financial Statements and Schedule included under Item 8, Appendix A, on page F-2 of this report. All other schedules are omitted as they are not applicable, not required or the information is provided in the Financial Statements or the Notes thereto.

(b) Exhibits:

Number and Description
Under Regulation S-K

The following reflects all applicable Exhibits required under Item 601 of Regulation S-K:

(4) Instruments defining the rights of security holders including indentures:

(4.1) Amended Agreement of Limited Partnership dated as of June 27, 1986 [Exhibit A to Prospectus included in Amendment No. 1 of Registrant's Registration Statement on Form S-11 dated July 2, 1986 (File No. 33-2520)].*

(4.2) Subscription Agreement whereby a subscriber agrees to purchase Units and adopts the provisions of the Amended Agreement of Limited Partnership [Exhibit D to Prospectus included in Amendment No. 1 of Registrant's Registration Statement on Form S-11 dated July 2, 1986 (File No. 33-2520)].*

(4.3) Eighth Amendment and Restatement of Certificate of Limited Partnership filed with the Massachusetts Secretary of State on February 6, 1987 [Exhibit 4.3 to Registrant's Report on Form 10-K for the year ended December 31, 1986 (File No. 33-2520)].*

(10) Material Contracts:

La Costa Apartments

(10.1) Prospectus for GNMA Pool No. 168416 (PL). [Exhibit 19.1 to Registrant's Report on Form 10-Q for the quarter ended March 31, 1987 (File No. 33-2520)].*

(10.2) Shared Income and Appreciation Agreement, dated March 18, 1987 between International Plaza Associates, Ltd., A Florida limited partnership, and DRG Funding Corporation, a Delaware corporation. [Exhibit 19.2 to Registrant's Report on Form 10-Q for the quarter ended March 31, 1987 (File No. 33-2520)].*

(10.3) Multifamily Mortgage, Assignment of Rents and Security Agreement, dated March 18, 1987 between International Plaza Associates, Ltd., a Florida limited partnership, and DRG Funding Corporation, a Delaware corporation. [Exhibit 19.3 to Registrant's Report on Form 10-Q for the quarter ended March 31, 1987 (File No. 33-2520)].*

(10.4) Assignment of Mortgage, dated March 18, 1987, between DRG Funding Corporation, a Delaware corporation, (Mortgagee) and Krupp Insured Plus Limited Partnership, a Massachusetts limited partnership, (Assignee). [Exhibit 19.4 to Registrant's Report on Form 10-Q for the quarter ended March 31, 1987 (File No. 33-2520)].*

Vista Montana

(10.5) Subordinated Promissory Note, dated March 31, 1988, between VM Associates Limited Partnership, an Arizona Limited Partnership and GMAC Mortgage Corporation of PA. [Exhibit 19.7 to Registrant's Report on Form 10-Q for the Quarter Ended March 31, 1988 (File No. 0-15815)].*

(10.6) Subordinated Multi-family Deed of Trust, dated March 31, 1988, between VM Associates Limited Partnership, an Arizona Limited Partnership, and GMAC Mortgage Corporation of PA [Exhibit 19.8 to Registrant's Report on Form 10-Q for the Quarter Ended March 31, 1988 (File No. 0-15815)].*

(10.7) Assignment of Subordinated Deed of Trust, dated March 31, 1988, between GMAC Mortgage Corporation of PA, and Krupp Insured Plus-II Limited Partnership, a Massachusetts Limited Partnership. [Exhibit 19.9 to Registrant's Report on Form 10-Q for the Quarter Ended March 31, 1988 (File No. 0-15815)].*

(10.8) Assignment of Closing Documents, dated July 12, 1988 by and between Krupp Insured Plus-II Limited Partnership ("KIP-II"), a Massachusetts limited partnership, and Krupp Insured Plus Limited Partnership ("KIP-I"), a Massachusetts limited partnership. [Exhibit 19.10 to Registrant's Report on Form 10-Q for the Quarter Ended June 30, 1988 (File No. 0-15815)].*

(10.9) Deed of Trust, dated March 31, 1988 between VM Associates Limited Partnership, an Arizona limited partnership and Transamerica Title Insurance Company, a California corporation. [Exhibit 19.11 to Registrant's Report on Form 10-Q for the Quarter Ended September 30, 1988 (File No. 0-15815)].*

(10.10) Deed of Trust Note, dated March 31, 1988, between VM Associates Limited Partnership, an Arizona limited partnership and GMAC Mortgage Corporation of PA, a Pennsylvania corporation. [Exhibit 19.12 to Registrant's Report on Form 10-Q for the Quarter Ended September 30, 1988 (File No. 0-15815)].*

(10.11) Assignment of Mortgage and Collateral Documents, dated March 31, 1988 by and between Krupp Insured Plus-II Limited Partnership, a Massachusetts limited partnership and GMAC Mortgage Corporation of PA, a Pennsylvania corporation. [Exhibit 19.13 to Registrant's Report on Form 10-Q for the Quarter Ended September 30, 1988 (File No. 0-15815)].*

(10.12) Servicing Agreement, dated March 31, 1988 by and between Krupp Insured Plus-II Limited Partnership, a Massachusetts limited partnership and GMAC Mortgage Corporation of PA, a Pennsylvania corporation. [Exhibit 19.14 to Registrant's Report on Form 10-Q for the Quarter Ended September 30, 1988 (File No. 0-15815)].*

(10.13) Modification to the First mortgage loan and subordinated Promissory Note, dated June 7, 1993, by and between Krupp Insured Plus-II Limited Partnership and V.M. Associates Limited Partnership.[Exhibit 10.28 to Registrant's Report on Form 10-K for the Year Ended December 31, 1994 (File No. 0-15815)].*

(10.14) Assignment of interest from Krupp Insured Plus Limited Partnership II to Krupp Insured Plus Limited Partnership, dated February 6, 1995.[Exhibit 10.29 to Registrant's Report on Form 10-K for the Year Ended December 31, 1994

(File No. 0-15815)].*

Royal Palm Place

(10.15) Supplement to Prospectus for FNMA Pool No. MB-109057. Exhibit 10.30 to Registrant=s Report on Form 10-K for the year ended December 31, 1995 (File No. 0-15815)].*

(10.16) Subordinated Multifamily Mortgage dated March 20, 1991 between Royal Palm Place, Ltd., a Florida limited partnership (the "Mortgagor") and Krupp Insured Plus-III Limited Partnership (the "Mortgagee"). [Exhibit 19.2 to Registrant's Report on Form 10-Q for the Quarter Ended June 30, 1991 (File No. 0-15815)].*

(10.17) Amended and Restated Subordinated Promissory Note dated December 1, 1995 between Royal Palm Place, Ltd., a Florida limited partnership (the "Mortgagor") and Krupp Insured Plus-III Limited Partnership (the "Holder") [Exhibit 10.32 to Registrant=s Report on Form 10-K for the year ended December 31, 1995(File No.0-15815)].*

(10.18) Modification Agreement dated March 20, 1991 by and between Royal Palm Place, Ltd., a Florida limited partnership and Krupp Insured Plus-III Limited Partnership. [Exhibit 19.4 to Registrant's Report on Form 10-Q for the Quarter Ended June 30, 1991 (File No. 0-15815)].*

(10.19) Participation Agreement dated March 20, 1991 between Krupp Insured Plus-III Limited Partnership and Krupp Insured Plus Limited Partnership. [Exhibit 19.1 to Registrant's Report on Form 10-Q for the Quarter Ended September 30, 1991 (File No. 0-15815)].*

* Incorporated by reference.

(c) Reports on Form 8-K

During the last quarter of the year ended December 31, 1998 the Partnership did not file any reports on Form 8-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on the 5th day of February, 1999.

KRUPP INSURED PLUS LIMITED PARTNERSHIP

By: The Krupp Corporation,
a General Partner

By: /s/ Douglas Krupp
Douglas Krupp, Co-Chairman
(Principal Executive Officer)
and Director of The
Krupp Corporation

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated, on the 5th day of February, 1999.

Signatures	Title(s)
/s/ Douglas Krupp Douglas Krupp	Co-Chairman (Principal Executive Officer), President and Director of The Krupp Corporation, a General Partner of the Registrant.
/s/George Krupp George Krupp	Co-Chairman (Principal Executive Officer) and Director of The Krupp Corporation, a General Partner of the Registrant.

/s/ Robert A. Barrows Robert A. Barrows	Vice President and Chief Accounting Officer of The Krupp Corporation, a General Partner of the Registrant.

APPENDIX A

KRUPP INSURED PLUS LIMITED PARTNERSHIP

FINANCIAL STATEMENTS AND SCHEDULE
ITEM 8 of FORM 10-K

ANNUAL REPORT TO THE SECURITIES AND EXCHANGE COMMISSION
For the Year Ended December 31, 1998

KRUPP INSURED PLUS LIMITED PARTNERSHIP

INDEX TO FINANCIAL STATEMENTS AND SCHEDULES

All schedules are omitted as they are not applicable or not required, or the information is provided in the financial statements or the notes thereto.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Partners of
Krupp Insured Plus Limited Partnership:

In our opinion, the accompanying Financial Statements listed in the index of Page F-2 of this 10K present fairly, in all material respects, the financial position of Krupp Insured Plus Limited Partnership (the "Partnership") at December 31, 1998 and 1997 and the results of its operations and its cash flows for each of the three years in the period ended December 31, 1998 in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion express above.

PricewaterhouseCoopers L.L.P.

Boston, Massachusetts
February __, 1999

<TABLE>

<CAPTION>

KRUPP INSURED PLUS LIMITED PARTNERSHIP

BALANCE SHEETS

December 31, 1998 and 1997

ASSETS

	1998	1997
Participating Insured Mortgages		
<S>	<C>	<C>
("PIMs") (Notes B, C and H)	$ 29,074,105	$ 37,769,835
Mortgage-Backed Securities and insured mortgage ("MBS") (Notes B, D and H)	23,880,438	25,897,592
Total mortgage investments	52,954,543	63,667,427
Cash and cash equivalents (Notes B and H)	3,653,130	3,100,615
Interest receivable and other assets	367,780	534,178
Prepaid acquisition fees and expenses, net of accumulated amortization of $590,032 and $522,080, respectively (Note B)	254,220	322,172
Prepaid participation servicing fees, net of accumulated amortization of $193,113 and $160,008, respectively (Note B)	137,939	171,044
Total assets	$ 57,367,612	$ 67,795,436
LIABILITIES AND PARTNERS' EQUITY		
Liabilities	$ 20,198	$ 21,117
Partners' equity (deficit) (Notes A and E):		
Limited Partners (7,500,099 Limited Partner interests outstanding)	56,720,679	66,774,981
General Partners	(237,028)	(224,493)
Accumulated Comprehensive Income (Note B)	863,763	1,223,831
Total Partners' equity	57,347,414	67,774,319
Total liabilities and Partners' equity	$ 57,367,612	$ 67,795,436

</TABLE>

The accompanying notes are an integral part of the financial statements.

<TABLE>

<CAPTION>

KRUPP INSURED PLUS LIMITED PARTNERSHIP

STATEMENTS OF INCOME & COMPREHENSIVE INCOME

For the Years Ended December 31, 1998, 1997 and 1996

	1998	1997	1996
Revenues:			
Interest income - PIMs			
<S>	<C>	<C>	<C>
Basic interest	$2,257,069	$3,136,659	$4,644,184
Participation Income	250,000	542,650	114,331
Interest income - MBS	2,048,263	2,181,378	2,315,136
Other interest income	268,481	217,976	143,065
Total revenues	4,823,813	6,078,663	7,216,716
Expenses:			
Asset management fee to an affiliate (Note F)	407,132	502,332	626,375
Expense reimbursements to affiliates (Note F)	27,413	76,727	73,323
Amortization of prepaid expenses and fees (Note B)	101,057	612,631	1,095,679
General and administrative expenses	117,197	143,205	91,991
Total expenses	652,799	1,334,895	1,887,368
Net income (Note G)	4,171,014	4,743,768	5,329,348
Other Comprehensive Income:			
Net change in unrealized gain/(loss) on MBS	(360,068)	223,447	(162,357)
Total Comprehensive Income	$ 3,810,946	$4,967,215	$5,166,991
Allocation of net income (Notes E and 6):			
Limited Partners	$ 4,045,884	$4,601,455	$5,169,468
Average net income per Limited Partner interest (7,500,099 Limited Partner interests outstanding)	$ .54	$ .61	$ .69
General Partners	$ 125,130	$ 142,313	$ 159,880

</TABLE>

The accompanying notes are an integral part of the financial statements.

<TABLE>

<CAPTION>

KRUPP INSURED PLUS LIMITED PARTNERSHIP

STATEMENTS OF CHANGES IN PARTNERS' EQUITY

For the Years Ended December 31, 1998, 1997 and 1996

	Limited Partners	General Partners	Accumulated Comprehensive Income	Total Partners' Equity
<S>	<C>	<C>	<C>	<C>
Balance at December 31, 1995	$ 92,779,548	$(172,710)	$ 1,162,741	$ 93,769,579
Net income	5,169,468	159,880	-	5,329,348
Quarterly distributions	(9,000,119)	(181,178)	-	(9,181,297)
Special distributions	(16,500,218)	-	-	(16,500,218)
Change in Unrealized loss on MBS	-	-	(162,357)	(162,357)
Balance at December 31, 1996	72,448,679	(194,008)	1,000,384	73,255,055
Net income	4,601,455	142,313	-	4,743,768
Quarterly distributions	(5,700,093)	(172,798)	-	(5,872,891)
Special distributions	(4,575,060)	-	-	(4,575,060)
Change in unrealized gain on MBS	-	-	223,447	223,447
Balance at December 31,1997	66,774,981	(224,493)	1,223,831	67,774,319
Net income	4,045,884	125,130	-	4,171,014
Quarterly distributions(Note E)	(5,700,075)	(137,665)	-	(5,837,740)
Special distribution (Note E)	(8,400,111)	-	-	(8,400,111)
Change in unrealized gain on MBS	-	-	(360,068)	(360,068)
Balance at December 31,1998	$56,720,679	$(237,028)	$ 863,763	$57,347,414

</TABLE>

The accompanying notes are an integral part of the financial statements.

<TABLE>

<CAPTION>

KRUPP INSURED PLUS LIMITED PARTNERSHIP

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 1998, 1997 and 1996

	1998	1997	1996
Operating activities:			
<S>	<C>	<C>	<C>
Net income	$ 4,171,014	$ 4,743,768	$ 5,329,348
Adjustments to reconcile net income to net cash provided by operating activities:			
Amortization of prepaid fees and expenses	101,057	612,631	1,095,679
Prepayment penalty/shared appreciation interest	(250,000)	(252,260)	-
Changes in assets and liabilities:			
Decrease (increase) in interest receivable and other assets	166,398	(16,702)	354,466
Increase (decrease) in liabilities	(919)	2,649	4,014
Net cash provided by operating activities	4,187,550	5,090,086	6,783,507
Investing activities:			
Principal collections and prepayments on PIMs including prepayment penalty of $250,000 in 1998 and shared appreciation interest of $252,260 in 1997.	8,945,730	5,228,215	16,543,345
Principal collections on MBS	1,657,086	1,473,068	1,717,268

Net cash provided by investing activities	10,602,816	6,701,283	18,260,613
Financing activities:			
Quarterly distributions	(5,837,740)	(5,872,891)	(9,181,297)
Special distribution	(8,400,111)	(4,575,060)	(16,500,218)
Net cash used for financing activities	(14,237,851)	(10,447,951)	(25,681,515)
Net increase (decrease) in cash and cash equivalents 552,515	1,343,418	(637,395)	
Cash and cash equivalents, beginning of period 3,100,615	1,757,197	2,394,592	
Cash and cash equivalents, end of period	$ 3,653,130	$ 3,100,615	$ 1,757,197

</TABLE>

The accompanying notes are an integral part of the financial statements.

KRUPP INSURED PLUS LIMITED PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

A. Organization

Krupp Insured Plus Limited Partnership (the "Partnership") is a Massachusetts Limited Partnership. The Partnership was organized for the purpose of investing in commercial and multi-family loans and mortgage-backed securities. The General Partners of the Partnership are The Krupp Corporation and The Krupp Company Limited Partnership-IV and the Corporate Limited Partner is Krupp Depositary Corporation. The Partnership terminates on December 31, 2025, unless terminated earlier upon the occurrence of certain events as set forth in the Partnership Agreement.

The Partnership commenced the public offering of Units on July 7, 1986 and completed its public offering having sold 7,499,999 Units for $149,489,830 net of purchase volume discounts of $510,150 as of January 27, 1987. In addition, Krupp Depositary owns 100 Units.

B. Significant Accounting Policies

The Partnership uses the following accounting policies for financial reporting purposes which differ in certain respects from those used for federal income tax purposes (Note G):

MBS

The Partnership, in accordance with Financial Accounting Standards Board=s Statement 115, "Accounting for Certain Investments in Debt and Equity Securities" (AFAS 115@), classifies its MBS portfolio as available-for-sale. As such the Partnership carries its MBS at fair market value and reflects any unrealized gains (losses) as a separate component of Partners' Equity. The Partnership amortizes purchase premiums or discounts over the life of the underlying mortgages using the effective interest method.

Effective January 1, 1998, the Partnership adpoted , Statement of Financial Accounting Standards No. 130, 'Reporting Comprehensive Income' (FAS 130), was issued establishing standards for reporting and displaying comprehensive income and its components effective January 1, 1998. FAS 130 requires comprehensive income and its components, as recognized under accounting standards, to be displayed in a financial statement with the same prominence as other financial statements, if material. Accordingly, unrealized gains (losses) on the Partnership's available-for sale securities have been included in other comprehensive income.

The Federal Housing Administration PIM is carried at amortized cost unless the General Partner of the Partnership believes there is an impairment in value, in which case a valuation allowance would be established in accordance with Financial Accounting Standards No. 114, AAccounting by Creditors for impairment of a Loan,@ and Financial Accounting Standard No. 118, AAccounting by Creditors for Impairment of a Loan - Income Recognition and Disclosures.@

PIMs

The Partnership accounts for its MBS portion of a PIM in accordance with FAS 115 under the classification of held to maturity. The Partnership carries the Government National Mortgage Association (AGNMA@) or Fannie Mae MBS at amortized cost.

Continued

B. Significant Accounting Policies, Continued

Basic interest on PIMs is recognized at the stated rate of the Department of Housing and Urban Development ("HUD") insured mortgage (less the servicer's fee) or the stated coupon rate of the GNMA or Fannie Mae MBS. The Partnership recognizes interest related to the participation features as earned and when it deems these amounts as collectible.

Cash and Cash Equivalents

The Partnership includes all short-term investments with maturities of three months or less from the date of acquisition in cash and cash equivalents. The Partnership invests its cash primarily in commercial paper and money market funds with a commercial bank and has not experienced any loss to date on its invested cash.

Prepaid Fees and Expenses

Prepaid fees and expenses represent prepaid acquisition fees and expenses and prepaid participation servicing fees paid for the acquisition and servicing of PIMs. The Partnership amortizes the prepaid acquisition fees and expenses using a method that approximates the effective interest method over a period of ten to twelve years, which represents the actual maturity or anticipated repayment of the underlying mortgage.

The Partnership amortizes the prepaid participation servicing fees using a method that approximates the effective interest method over a ten year period beginning from the acquisition of the GNMA or Fannie Mae MBS or final endorsement of the FHA loan.

Income Taxes

The Partnership is not liable for federal or state income taxes because Partnership income is allocated to the partners for income tax purposes. If the Partnership's tax returns are examined by the Internal Revenue Service or state taxing authority and such an examination results in a change in Partnership taxable income, such change will be reported to the partners.

Estimates and Assumptions

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and liabilities and revenues and expenses during the period. Actual results could differ from those estimates.

C. PIMs

At December 31, 1998, the Partnership has investments in three PIMs. The Partnership's PIMs consist of a GNMA and a Fannie Mae MBS representing the securitized first mortgage loan on the underlying property, and a sole participation interest in a first mortgage loan originated under the FHA lending program on the underlying property (collectively the "insured mortgages"), and participation interests in the revenue stream and appreciation of the underlying properties above specified base levels. The borrower conveys these participation features to the Partnership generally through a subordinated promissory note and mortgage (the "Agreement").

Continued

C. PIMs, continued

The Partnership receives guaranteed monthly payments of principal and basic interest on the GNMA and Fannie Mae MBS and HUD insures the FHA mortgage loan and the mortgage loan underlying the GNMA MBS. The Partnership may receive income related to its participation interests in the underlying property, however, these amounts are neither insured nor guaranteed.

Generally, the participation features consist of the following: (i) "Minimum Additional Interest" which is at the rate of .5% per annum calculated on the unpaid principal balance of the first mortgage on the underlying property, (ii) "Shared Income Interest" which is 25% to 30% of the monthly gross rental income generated by the underlying property in excess of a specified base, but only to the extent that it exceeds the amount of Minimum Additional Interest earned during such month or 25% of distributable surplush cash, (iii) "Shared Appreciation Interest" which is 25% to 30% of any increase in the value of the underlying property in excess of a specified base or 25% of the net sales proceeds. Payment of participation income from the operations of the property is limited to 50% of net revenue or surplus cash as defined by Fannie Mae or HUD, respectively. The aggregate amount of Minimum Additional Interest, Shared Income Interest and Shared Appreciation Interest payable by the underlying borrower on the maturity date generally cannot exceed 50% of any increase in value of the property. However, generally any net proceeds from a sale or refinancing of the property will be available to satisfy any accrued but unpaid Shared Income or Minimum Additional Interest.

Shared Appreciation Interest is payable when one of the following occurs: (1) the sale of the underlying property to an unrelated third party on a date which is later than five years from the date of the Agreement, (2) the maturity date or accelerated maturity date of the Agreement, or (3) prepayment of amounts due under the Agreement and the insured mortgage.

The borrower may prepay the first mortgage loan subject to a 9% prepayment penalty in years six through nine, a 1% prepayment penalty in year ten and no prepayment penalty thereafter.

Under the Agreement, the Partnership, upon giving twelve months written notice, can accelerate the maturity date of the Agreement to a date not earlier than ten years from the date of the Agreement for (a) the payment of all participation income due under the Agreement as of the accelerated maturity date, or (b) the payment of all participation income due under the Agreement plus all amounts due on the first mortgage note on the property.

The borrower on the Greentree PIM defaulted on the first mortgage obligation , but the Partnership continued to receive its full principal and basic interest payments because GNMA guaranteed those payments. In March 1998, in 1997 GNMA mortgagee exercised its right to prepay the GNMA MBS due to the continuing default of the underlying first mortgage loan. The Partnership received proceeds from the prepayment of the GNMA MBS in the amount of $8,382,336. On April 16, 1998, the Partnership made a special distribution to the investors from the capital proceeds of $1.12 per Limited Partner interest. Subsequent to the payoff of the GNMA MBS, the General Partners negotiated a settlement with the borrower to release the Subordinated Promissory Note, and $250,000 was received in July 1998.

In November of 1997, the borrower of the Pine Hills Apartments PIM prepaid the insured mortgage. The borrower also paid $290,390 and $252,260, representing

Continued

C. PIMs, Continued

participation interest income and Shared Appreciation Interest, respectively. The Partnership made a special distribution of $.61 per Unit to investors from the proceeds of the repayment.

At December 31, 1998 and 1997 there were no loans within the Partnership's portfolio that were delinquent as to principal or interest.

The Partnership's PIMs consist of the following at December 31, 1998 and 1997:

<TABLE>

<CAPTION>

PIMs	Original Face Amount	Interest Rates (a)	Maturity Dates	Monthly Payment	Investment Basis at December 31, 1998	1997
GNMA						
La Costa Apts. Miami Fl.	$11,050,000	7.5%	4/15/22	$ 74,500	$ 9,890,213	$ 10,035,381
Greentree Apts. Hoover, Al.	9,096,270	8.0%	11/15/22	64,600	-	8,399,488
FHA						
Vista Montana Apts. Val Vista Lakes, Az.	13,814,400 (b)	7.375%	12/1/33	86,000	13,483,058	13,565,709
Fannie Mae						
Royal Palm Place Kendall, Fl.	6,021,258 (c)	7.0% (d)	4/1/06	-	5,700,834	5,769,257
	$39,981,928				$29,074,105 (e)	$37,769,835

</TABLE>

(a) Represents only the stated interest rate of the GNMA or FNMA MBS or the stated interest rate of the FHA mortgage loan less the servicing fee. In addition, the Partnership may receive participation income,consisting of (i) Minimum Additional Interest based on a percentage of the unpaid principal balance of the first mortgage on the property,(ii) Shared Income Interest based on a percentage of monthly gross income generated by the underlying property in excess of a specified base amount (but only to the extent it exceeds the amount of Minimum Additional Interest received during such month) and (iii) Shared Appreciation Interest based on a percentage of any increase in the value of the underlying property in excess of a specified Base Value. Minimum Additional Interest is at a rate of .5% per annum calculated on the unpaid principal balance of the first mortgage note. Shared Income Interest is generally based on 25% of the monthly gross rental income generated by the underlying property in excess of a specified base, but only to the extent it exceeds the amount of Minimum Additional Interest earned during the month. Shared Appreciation Interest is generally based on 25% of any increase in the value of the project over the Base Value.

(b) On November 30, 1993, the Partnership entered into an agreement with the underlying borrower of the FHA PIM for a permanent interest rate reduction from 8.875% per annum to 7.375% per annum, retroactive to January 1, 1992. In exchange for the interest rate reduction, the Partnership received an increase in Shared Appreciation Income from 25% in excess of the base amount of $15,410,000 to 25% of the net sales

Continued

C. PIMs, Continued

proceeds over the outstanding indebtedness at the time of sale. In the event of a refinancing, Shared Appreciation Income is 25% of the appraised value over the outstanding indebtedness at the time of refinancing. In addition, Shared Income Interest increased from 25% of rental income in excess of the base amount of $175,000 to 25% of all distributable surplus cash.

(c) The total PIM on the underlying property is $22,000,000 of which 73% or $15,978,742 is held by Krupp Insured Plus III Limited Partnership.

(d) During December 1995, the Partnership agreed to a modification of the Royal Palm PIM. The Partnership received a reissued Federal National Mortgage Association ("FNMA") mortgage-backed security ("MBS") and increased its participation percentage in income and appreciation from 25% to 30%. The Partnership will receive interest only payments on the FNMA MBS at interest rates ranging from 6.25% to 8.775% per annum through maturity. The Partnership will receive its pro-rata share of annual principal payments totaling $250,000 due each year in January for the next two years.

(e) The aggregate cost of PIMs for federal income tax purposes is $29,074,105.

A reconciliation of the carrying value of Mortgages for each of the three years in the period ended December 31, 1998 is as follows:

<TABLE>

<CAPTION>

<S>	1998 <C>	1997 <C>	1996 <C>
Balance at beginning of period	$37,769,835	$42,745,790	$ 59,289,135
Deductions during period:			
Prepayment and principal collections	(8,695,730)	(4,975,955)	(16,543,345)
Balance at end of period	$29,074,105	$37,769,835	$ 42,745,790

</TABLE>

The underlying mortgages of the PIMs are collateralized by multi-family apartment complexes located in three states. The apartment complexes range in size from 336 to 377 units.

D. MBS

At December 31, 1998, the Partnership's MBS portfolio had an amortized cost of $14,725,729 and gross unrealized gains of $863,763. At December 31, 1997, the Partnership=s MBS portfolio had an amortized cost of $24,673,761 and gross unrealized gains of $1,223,831. The MBS portfolio has maturities ranging from 2004 to 2033. At December 31, 1998 and 1997, the Partnership's insured mortgage had an amortized cost of $9,154,709, and $9,192,003, respectively.

E. Partners' Equity

Profits and losses from Partnership operations and Distributable Cash Flow are allocated 97% to the Unitholders and Corporate Limited Partner (the "Limited Partners") and 3% to the General Partners.

Upon the occurrence of a capital transaction, as defined in the Partnership Agreement, net cash proceeds will be distributed first, to the Limited Partners until they have received a return of their total invested capital, second, to the General Partners until they have received a return of their total invested capital,

Continued

E. Partners' Equity, continued

third, 99% to the Limited Partners and 1% to the General Partners until the Limited Partners receive an amount equal to any deficiency in the 10% cumulative return on their invested capital that exists through fiscal years prior to the date of the capital transaction, fourth, to the class of General Partners until they have received an amount equal to 4% of all amounts of cash distributed under all capital transactions and fifth, 96% to the Limited Partners and 4% to the General Partners.

Profits arising from a capital transaction will be allocated in the same manner as related cash distributions. Losses from a capital transaction will be allocated 97% to the Limited Partners and 3% to the General Partners.

During 1998, 1997 and 1996, the Partnership made quarterly distributions totaling $.76, $.76 and $1.20 per Unit, respectively. The Partnership made special distributions of $1.12, $.61 and $2.20 per Unit in 1998, 1997 and 1996 respectively.

As of December 31, 1998, the following cumulative partner contributions and allocations have been made since inception of the Partnership:

<TABLE>

<CAPTION>

<S>	Unitholders <C>	Corporate Limited Partner <C>	General Partners <C>	Unrealized gain on MBS <C>	Total <C>
Capital contributions	$149,489,830	$ 2,000	$ 3,000	$ _	$149,494,830
Syndication Costs	(7,906,604)	-	-	-	(7,906,604)
Quarterly distributions	(111,836,046)	(1,535)	(2,639,988)		(114,477,569)
Special Distributions	(50,624,974)	(675)	-	-	(50,625,649)
Net income 77,597,639	1,044	2,399,960		79,998,643	
Unrealized gains on MBS	-	-	-	863,763	863,763
Balance at December 31, 1998	$ 56,719,845	$ 834	$ (237,028)	$ 863,763	$ 57,347,414

</TABLE>

F. Related Party Transactions

Under the terms of the Partnership Agreement, the General Partners receive an Asset Management Fee equal to .75% per annum of the value of the Partnership's total invested assets payable quarterly. The General Partners may also receive an incentive management fee in an amount equal to .3% per annum on the Partnership's Total Invested Assets providing the Unitholders receive a specified non-cumulative annual return on their Invested Capital. Total fees payable to the General Partners for asset management and incentive management fees shall not exceed 10% of distributable cash flow over the life of the Partnership.

Continued

F. Related Party Transactions, continued

Additionally, the Partnership reimburses affiliates of the General Partners for certain expenses incurred in connection with maintaining the books and records of the Partnership and the preparation and mailing of financial reports, tax information and other communications to investors.

G. Federal Income Taxes

The reconciliation of the net income reported in the accompanying statement of income with the net income reported in the Partnership's 1998 federal income tax return is as follows:

Net income from statement of operations		$4,171,014
Less:	Book to tax difference for amortization of prepaid expenses and fees	(505,285)
Net income for federal income tax purposes		$3,665,729

The allocation of the 1998 net income for federal income tax purposes is as follows:

	Portfolio Income
Unitholders	$3,563,209
Corporate Limited Partner	48
General Partners	102,472
	$3,665,729

For the years ended December 31, 1998, 1997 and 1996 the average per unit net income to the Unitholders for federal income tax purposes was $.48, $.64 and $.71, respectively.

The basis of the Partnership's assets for financial reporting purposes is less than its tax basis by approximately $290,000 and $442,000 at December 31, 1998 and 1997, respectively. The basis of the Partnership's liabilities for financial reporting purposes are the same for its tax basis at December 31, 1998 and 1997, respectively.

H. Fair Value Disclosures of Financial Instruments

The Partnership used the following methods and assumptions to estimate the fair value of each class of financial instruments:

Cash and Cash Equivalents

The carrying amount approximates fair value because of the short maturity of those instruments.

Continued

H. Fair Value Disclosures of Financial Instruments, continued

MBS

The Partnership estimated the fair value of MBS based on quoted market prices while it estimates the fair value of insured mortgages based on quoted prizes of MBS with similar interest rates. Insured mortgage loans are valued in a manner consistent with PIMS as defined below:

PIMs

There is no active trading market for these investments, so management estimates the fair value of the PIMs using quoted market prices of MBS having the same stated coupon rate. Management does not include any participation income in the Partnership=s estimated fair value arising from the properties, because Management does not believe it can predict the time of realization of the feature with any certainty. Based on the estimated fair value determined using these methods and assumptions, the Partnership's investments in PIMs had gross unrealized gains approximately $680,000 at December 31, 1998, and unrealized gains and losses of approximately $133,000 and $22,000 at December 31, 1997 respectively.

At December 31, 1998 and 1997, the Partnership estimates fair the value of its financial instruments as follows:

<TABLE>

<CAPTION>

	(Rounded to $1,000) 1998		1997	
	Fair Value	Carrying Value	Fair Value	Carrying Value
<S>	<C>	<C>	<C>	<C>
Cash and cash equivalents	$ 3,653	$3,653	$3,101	$3,101

MBS	23,880	23,880	25,898	25,898
PIMs	29,754	29,074	37,881	37,769
	$57,287	$56,607	$66,880	$66,768

</TABLE>

Unaudited
Distributable Cash Flow and Net Cash Proceeds from Capital Transactions

Shown below is the calculation of Distributable Cash Flow and Net Cash Proceeds from Capital Transactions, as defined by Section 17 of the Partnership Agreement, and the source of cash distributions for the year ended December 31, 1998 and the period from inception through December 31, 1998. The General Partners provide certain of the information below to meet requirements of the Partnership Agreement and because they believe that it is an appropriate supplemental measure of operating performance. However, Distributable Cash Flow and Net Cash Proceeds from Capital Transactions should not be considered by the reader as a substitute to net income as an indicator of the Partnership's operating performance or to cash flows as a measure of liquidity.

<TABLE>
<CAPTION>

(Amounts in thousands, except per Unit amounts)

<S>	Year Ended 12/31/98 <C>	Inception Through 12/31/98 <C>
Distributable Cash Flow:		
Income for tax purposes	$ 3,666	$ 81,159
Items not requiring or (not providing) the use of operating funds:		
Amortization of prepaid fees and expenses	606	7,017
Shared appreciation income	(250)	(502)
Amortization of MBS premiums	-	284
Acquisition expenses paid from offering proceeds charged to operations	-	1,098
Gain on sale of MBS	-	(114)
Total Distributable Cash Flow ("DCF")	$ 4,022	$ 88,942
Limited Partners Share of DCF	$ 3,901	$ 86,273
Limited Partners Share of DCF per Unit	$ .52	$ 11.50 (c)
General Partners Share of DCF	$ 121	$ 2,669
Net Proceeds from Capital Transactions:		
Insurance claim proceeds, prepayment proceeds and PIM principal collections including shared appreciation income	$ 8,945	$ 77,148
Principal collections on MBS	1,657	43,634
Insurance claim proceeds and principal collections on PIMs and MBS reinvested in PIMs and MBS	-	(40,775)
Gain on sale of MBS	-	114
Total Net Proceeds from Capital Transactions	$ 10,602	$ 80,121
Cash available for distribution (DCF plus Net Proceeds from Capital Transactions)	$ 14,624	$169,063
Distributions: (includes special distributions)		
Limited Partners	$ 14,100 (a)	$163,888 (b)
Limited Partners Average per Unit	$ 1.88 (a)	$ 21.85 (b)(c)
General Partners	$ 121 (a)	$ 2,669 (b)
Total Distributions	$ 14,221	$166,557

</TABLE>

(a) Represents all distributions paid in 1998 except the February 1998 distribution and includes an estimate of the distribution to be paid in February 1999.
(b) Includes an estimate of the distribution to be paid in February 1999.
(c) Limited Partners average per Unit return of capital as of February 1999 is $10.35 [$21.85 - $11.50]. Return of capital represents that portion of distributions which is not funded from DCF such as proceeds from the sale of assets and substantially all of the principal collections received from MBS and PIMs.

<TABLE> <S> <C>

<ARTICLE> 5
<LEGEND>
The schedule contains summary financial information extracted from the balance sheet and statement of income and is qualified in its entirety by reference to such financial statements.
</LEGEND>
<CIK> 0000786622
<NAME> Krupp Insured Plus LTD Partnership

<S> <C>
<PERIOD-TYPE> 12-MOS
<FISCAL-YEAR-END> Dec-31-1998
<PERIOD-END> Dec-31-1998
<CASH> 3,653,130
<SECURITIES> 52,954,543<F1>
<RECEIVABLES> 367,780
<ALLOWANCES> 0
<INVENTORY> 0
<CURRENT-ASSETS> 392,159<F2>
<PP&E> 0
<DEPRECIATION> 0
<TOTAL-ASSETS> 57,367,612
<CURRENT-LIABILITIES> 20,198
<BONDS> 0
<PREFERRED-MANDATORY> 0
<PREFERRED> 0
<COMMON> 56,483,615<F3>
<OTHER-SE> 863,763<F4>
<TOTAL-LIABILITY-AND-EQUITY> 57,367,612
<SALES> 0
<TOTAL-REVENUES> 4,823,813<F5>
<CGS> 0
<TOTAL-COSTS> 0
<OTHER-EXPENSES> 652,799<F6>
<LOSS-PROVISION> 0
<INTEREST-EXPENSE> 0
<INCOME-PRETAX> 4,171,014
<INCOME-TAX> 0
<INCOME-CONTINUING> 4,171,014
<DISCONTINUED> 0
<EXTRAORDINARY> 0
<CHANGES> 0
<NET-INCOME> 4,171,014
<EPS-PRIMARY> 0<F7>
<EPS-DILUTED> 0<F7>

<FN>
<F1>Includes Participating Insured Mortgages ("PIMs") of $29,074,105 and Mortgage-Backed Securities ("MBS") of $23,880,438.
<F2>Includes prepaid acquisition fees and expenses of $844,252 net of accumulated amortization of $590,032 and prepaid participation servicing fees of $331,052 net of accumulated amortization of $193,113.
<F3>Represents total equity of General Partners and Limited Partners. General Partners deficit of ($237,028) and Limited Partners equity of $56,720,679.
<F4>Unrealized gains on MBS.
<F5>Represents interest income on investments in mortgages and cash.
<F6>Includes $101,057 of amortization of prepaid fees and expenses.
<F7>Net income allocated $125,130 to the General Partners and $4,045,884 to the Limited Partners. Average net income per Limited Partner interest is $.54 on 7,500,099 Limited Partner interests outstanding.
</FN>

</TABLE>