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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 3, 2016

DIVALL INSURED INCOME PROPERTIES 2, L.P.

(Exact name of registrant as specified in its charter)

Wisconsin
(State or Other Jurisdiction
of Incorporation)

000-17686
(Commission
File Number)

39-1606834
(IRS Employer
Identification Number)

**1100 Main Street, Suite 1830
Kansas City, MO 64105**
(Address of principal executive offices)

816-421-7774
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01. Regulation FD Disclosure

The information provided in Item 8.01 of this Current Report on Form 8-K is incorporated herein by reference.

The information being furnished pursuant to Item 8.01 in this Current Report on Form 8-K and the information contained in Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (as amended, the “Exchange Act”) or otherwise subject to the liabilities of that section. Such information may only be incorporated by reference in another filing under the Exchange Act or the Securities Act of 1933 if such subsequent filing specifically references this Current Report on Form 8-K. In addition, the furnishing of information in this Current Report on Form 8-K is not intended to, and does not, constitute a determination or admission by the Partnership that the information is material or complete.

Item 8.01. Other Events

On November 3, 2016, DiVall Insured Income Properties 2, L.P. (the “Partnership”) received notice of an unsolicited mini-tender offer from CMG Partners, LLC (“CMG”) to purchase units of the Partnership (the “Units”) from limited partners of the Partnership (the “Limited Partners”) at a price of \$286.00 per Unit, less transfer fees of \$100 per investor and less any distributions paid or payable after October 21, 2016. The Partnership expresses no opinion and is remaining neutral towards CMG’s tender offer. The Partnership has drafted a letter to the Limited Partners dated November 8, 2016 providing further information regarding the tender offer by CMG.

A copy of the letter to the Limited Partners dated November 8, 2016 is attached to this Current Report on Form 8-K as Exhibit 99.1, which is incorporated herein by this reference.

A copy of the letter to the Limited Partners is also posted on the Partnership’s website, which can be accessed at <http://www.divallproperties.com/newsletter.php>.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 Letter to Limited Partners.

Forward-Looking Statements

This Current Report on Form 8-K and the information contained in Exhibit 99.1 incorporated herein may contain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include statements describing the objectives, projections, estimates or future predictions of the Partnership’s operations. These statements may be identified by the use of forward-looking terminology such as “anticipates,” “believes,” “could,” “estimate,” “expect,” “will,” or other variations on these terms. The Partnership cautions that by their nature forward-looking statements involve risk or uncertainty and that actual results may differ materially from those expressed in any forward-looking statements as a result of such risks and uncertainties, including but not limited to: future economic and market conditions; changes in the commercial real estate markets, and uncertainties related to tenant operations.

All forward-looking statements contained in Exhibit 99.1 incorporated herein are expressly qualified in their entirety by this cautionary notice. The reader should not place undue reliance on such forward-looking statements, since the statements speak only as of the date that they are made and the Partnership has no obligation and does not undertake any obligation to publicly update, revise or correct any forward-looking statement for any reason.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DiVall Insured Income Properties 2, L.P.

By: The Provo Group, Inc., General Partner

Date: November 8, 2016

By: /s/ Bruce A. Provo

Bruce A. Provo, President, Chief Executive Officer and
Chief Financial Officer

November 8, 2016

**RE: DiVall Insured Income Properties 2, L.P.
Third Party Tender Offer**

Ladies and Gentlemen:

On or about October 21, 2016, CMG Partners, LLC and its affiliates (collectively, the "Bidder") distributed an Agreement of Assignment and Transfer to limited partners ("Limited Partners") of DiVall Insured Income Properties 2, L.P. (the "Partnership"), for the purpose of making a third-party tender offer for up to 4.9% of the outstanding limited partnership units of the Partnership, including those already owned by the Bidder ("Units"), at a purchase price equal to \$286 per Unit less transfer fees of \$100 per investor and less any distributions paid or payable by the Partnership after October 21, 2016 (the "Offer"). A copy of the Offer was first delivered to the Partnership on November 3, 2016. Because the Offer seeks a maximum of 4.9% of the outstanding Units, the Bidder did not file a Schedule TO with the Securities and Exchange Commission ("SEC").

Pursuant to Rule 14e-2 under the Securities and Exchange Act of 1934 (as amended, the "Exchange Act"), the Partnership is obligated to take a position with respect to the Offer. To that end, in accordance with Rule 14e-2(a)(2) under the Exchange Act, the Partnership expresses no opinion and is remaining neutral toward the Offer because the decision to accept the Offer is purely an economic decision that will depend on each Limited Partner's particular circumstance. Therefore, it would be inappropriate for the Partnership to substitute its judgment for that of the Limited Partners. However, the Partnership believes it is important that its Limited Partners understand the following information when considering selling Units to the Bidder or any other unsolicited offer.

1. Third-Party Sales:

The Partnership is not affiliated in any way with the Bidder and the money that may be tendered for Units tendered in the Offer will not come from, or through, the Partnership. Once the Partnership receives sufficient evidence of a sale from both the seller and buyer directing the Partnership to transfer the Units, the Units are transferred to the buyer upon the approval of the General Partner, The Provo Group, Inc. ("TPG"). The Partnership will not be responsible for making sure any seller is paid. However, under the IRS Safe Harbor rules, in one year TPG can only approve the transfers of Units sold up to 2% of the total number of Partnership Units outstanding (46,280.30). We have already approved transfers aggregating approximately 1.96% of the outstanding Units in 2016. Accordingly, the Partnership does not have the ability to approve the transfer of any additional Units until the year 2017, except for Units sold and transferred through a Qualified Matching Service (see item 4 below).

With any unsolicited offer, it is important to thoroughly evaluate the terms and conditions. The fine print may be difficult to understand. For example, one area that could lead to confusion is who is entitled to receive (or get credit for) any distributions that occur before the sale is completed and any Unit is transferred to the Bidder.

The SEC has information for investors pertaining to mini-tender offers and has issued warnings about mini-tender offers. One SEC notice states: "Some bidders make mini-tender offers at below-market prices, hoping that they will catch investors off guard if the investors do not compare the offer price to the current market price." Information from the SEC on min-tender offers can be found at www.sec.gov/answers/miniten.htm and <https://www.sec.gov/investor/pubs/minitend.htm>.

2. Purchase Price of Offer:

The Offer is based on a purchase price equal to \$286 per Unit, less transfer fees of \$100 per investor. The Bidder's purchase price is also subject to downward adjustment in the event of any distributions paid or payable by the Partnership after October 21, 2016. As we understand the Offer, distributions paid or payable after October 21, 2016 will reduce the \$286 per Unit purchase price.

Comparative transfer price information is available upon request to our Investor Relations Department. The Partnership's records indicate that Units have recently traded in a range from \$320 to \$335 per Unit. The Partnership, however, makes no representation that these prices are fair or reasonable.

3. Current Cash Yield on Net Unit Value:

Since the Partnership's capital raise of approximately \$46 million in the early 1990's, the Partnership has distributed approximately \$75 million to investors, from both operations and strategic sales. The General Partner anticipates (but does not guarantee) that, assuming the continuation of the Partnership, the Partnership's portfolio of properties will continue to generate net distributable income in line with historical performance for at least the next five (5) years. We expect cash distributions to total \$21.40 per Unit in 2016 or a 6.3% cash yield on the internal December 31, 2015 Net Unit Value \$340 per Unit.

Since the Partnership's assets are depreciable real property, some of the distributable net income may be tax sheltered, leading to a slightly higher "after tax" rate of return.

In today's generally low interest rate environment, these returns compare favorably to alternative investments of similar risk profiles into which Limited Partners could re-invest their after-tax sale proceeds from a sale of their Units.

4. Qualified Matching Service:

Within the last several years, the Partnership instituted a "Qualified Matching Service" as defined in Section 1.7704-1(g) of the Treasury Regulations promulgated under Section 7704 of the Internal Revenue Code of 1986, which facilitates the transfer of up to 10% of the total interest in the Partnership's capital or profits provided certain requirements are met. This Qualified Matching Service provides for some liquidity, outside of a tender offer scenario, through which Units may be bought and sold.

5. Termination Scheduled for 2020:

The Partnership is currently scheduled to liquidate in 2020, although it is possible this liquidation deadline may be extended if the Limited Partners vote to amend the Limited Partnership Agreement of the Partnership. It is also possible that the Partnership would elect to sell its assets and liquidate prior to 2020.

In the event you have questions or require additional information, please feel free to contact DiVall Investor Relations at the address or number(s) below:

MAIL: DiVall Investor Relations
C/O Phoenix American Financial Services, Inc.
2401 Kerner Blvd.
San Rafael, CA 94901

PHONE: 1-(800)-547-7686

FAX: 1-(415)-485-4553

Sincerely,

The Provo Group Inc., As General Partner of
DiVall Insured Income Properties 2, LP

By: /s/ Bruce A. Provo
Bruce A. Provo, President
