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

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**FORM 8-K**

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

**Date of Report (Date of earliest event reported):** February 15, 2019

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**DIVALL INSURED INCOME PROPERTIES 2, L.P.**

(Exact name of registrant as specified in its charter)

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**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, Missouri 64105**  
(Address of principal executive offices)

**(816) 421-7444**  
(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 (see General Instruction A.2. below):

- 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## **Item 2.02. Results of Operations and Financial Condition**

Attached to this Current Report on Form 8-K (this "Report") as Exhibit 99.1 is a copy of the 2018 Fourth Quarter Newsletter (the "Newsletter") sent by DiVall Insured Income Properties 2, LP (the "Partnership") to its limited partners (the "Limited Partners") on or about February 15, 2019. The Newsletter informs the Limited Partners of certain financial and distribution information and other events relevant to the Partnership for the fourth quarter of 2018, for the year ended December 31, 2018, and for certain events expected to occur in 2019.

## **Item 7.01. Regulation FD Disclosure**

Attached to this Report as Exhibit 99.2 is a copy of a letter sent by the General Partner to the Limited Partners on or about February 15, 2019, in connection with, among other things, the Partnership's annual statement of the Net Unit Value ("NUV") of each Limited Partner Unit ("Unit"), being the Partnership's estimate of the NUV for purposes of the Employee Retirement Income Security Act, as amended ("ERISA"), which letter is incorporated by reference in its entirety into this report.

In order for qualified plans to report account values as required by ERISA, the Partnership provides an estimated NUV on an annual basis. As of December 31, 2018, the annual statement of NUV for our Limited Partners subject to ERISA was estimated to approximate \$380 per Unit. The estimated NUV was determined by the use of independent third-party appraised valuations conducted in November 2018. The annual statement of estimated NUV as provided to Limited Partners subject to ERISA, and as provided to certain other plan investors, is only an estimate and may not reflect the actual NUV. It should be noted that ERISA plan fiduciaries and IRA custodians may use estimated NUV valuations obtained from other sources, such as prices paid for the Units in secondary markets, and that such estimated Unit valuations may be lower than those estimated by the General Partner. As with any valuation methodology, the independent third-party appraised valuation methodology is based upon a number of estimates and assumptions that may not be accurate or complete. Different parties with different assumptions and estimates could derive a different estimated NUV. Accordingly, with respect to the estimated NUV, the Partnership can give no assurance that:

- an investor would be able to resell his or her Units at this estimated NUV;
- an investor would ultimately realize distributions per Unit equal to the Partnership's estimated NUV per Unit upon the liquidation of all of the Partnership's assets and settlement of its liabilities;
- the Units would trade at the estimated NUV in a secondary market; or
- the methodology used to estimate the Partnership's NUV would be acceptable under ERISA for compliance with their respective reporting requirements.

As provided in General Instruction B.2 to Form 8-K, the information furnished pursuant to Item 2.02. and Item 7.01 of this Report and the information contained in Exhibit 99.1 and Exhibit 99.2 shall not be deemed to be "filed" for the 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, as amended (the "Securities Act"), if such subsequent filing specifically references this Report. In addition, the furnishing of information in this Report is not intended to, and does not, constitute a determination or admission by the Partnership that the information is material or complete.

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## Forward-Looking Statements

This Current Report on Form 8-K and the information contained in Exhibit 99.1 and Exhibit 99.2 incorporated herein contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. 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: changes in general economic conditions, changes in commercial real estate conditions and markets, inability of the General Partner to find a suitable purchaser for any marketed properties, inability to agree on an acceptable purchase price or contract terms, inability of current tenants to meet financial obligations, inability to obtain new tenants upon the expiration of existing leases, and the potential need to fund tenant improvements or other capital expenditures out of operating cash flow.

All forward-looking statements contained in Exhibit 99.1 and Exhibit 99.2 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 publicly to update, revise or correct any forward-looking statement for any reason.

## Item 9.01 Financial Statements and Exhibits

### (d) Exhibits

The following exhibits are included with this Report:

- 99.1 [Fourth Quarter 2018 Newsletter of the Partnership.](#)
  - 99.2 [Letter to Limited Partners of DiVall Insured Income Properties 2, LP from the General Partner, distributed on or about February 15, 2019.](#)
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**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, LP**  
(Registrant)

Date: February 15, 2019

By: */s/ Lynette L. DeRose*  
\_\_\_\_\_  
Lynette L. DeRose  
Chief Financial Officer

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## DiVall Insured Income Properties 2, L.P. Quarterly News

### PROPERTY UNCERTAINTIES RESOLVED

The New Year has begun with good news for three properties that caused uncertainties last year for the portfolio of DiVall Insured Income Properties 2 L.P. (the "Partnership"):

**Applebee's:** The Applebee's franchisee has been in Chapter 11 bankruptcy since May 2018. In January 2019 the franchisee filed with the court to "accept" our lease without modification. Although the Partnership was pressured to modify the lease as a condition of "acceptance" (including reduced fixed rents and the elimination of percentage rent participation in growing sales), the Partnership endured the pressure and did not modify the lease terms.

**Wendy's Destroyed By Fire (3013 Peach Orchard Road, Augusta, GA):** The very expensive code requirements in Columbia County has added unanticipated permitting delays and unique compliance requirements for the project. Construction has commenced, and the new Wendy's design prototype should be open by mid-May 2019. The tenant had hoped for a March 2019 opening. Although we had negotiated for a continuation of fixed rent throughout the closed period, the Partnership is projected to lose significant percentage rents from this tenant in 2018 (approximately \$62,000) and 2019 (approximately \$60,000).

**Brakes4Less (Martinez, GA):** This former Wendy's store is also in Columbia County and has been subjected to costly code upgrades for existing utilities; building renovations and expansions, as well as extensive landscaping demands. The tenant now expects to invest in excess of \$275,000. The Partnership agreed to contribute \$60,000 through abated rent in Year 1 in exchange for waiving the inspection period and an extension of the original ten-year term to eleven years. The tenant has waived all contingencies, all permits have been approved by the city and county, and renovation is underway. Due to abated rent, (in lieu of a one-time cash contribution to tenant), rent will not commence for distribution until 2020.

The resolution of the above uncertainties is expected to again stabilize the Partnership with all properties leased.

### EXPECTED 2019 DISTRIBUTIONS

The Partnership invested significantly in updating decades old environmental, survey and title costs during 2018 in connection with testing the sale market. These costs will not need to be duplicated again even for a future portfolio sale.

Accordingly, we expect to distribute \$800,000 (\$17.28 per unit) from 2019 operations as compared to \$650,000 (\$14.04 per unit) from 2018 operations.

### STABILIZED DISTRIBUTIONS PROJECTED FOR 2020

The full impact of eliminating the uncertainties for the three properties noted above including reconstruction, renovation, expiration of abated rent and restoration of sales subject to percentage rents (without any individual property sales) should result in approximately an additional \$3.00 per unit annual distribution or an 80 basis point increase in yield on our \$380 NUV.

### Q4 2018 DISTRIBUTION

As budgeted, **\$500,000 (\$10.80 per unit)** will be distributed for the fourth quarter of 2018 on or about February 15, 2019, representing the percentage rents noted below.

### EARLIER PERCENTAGE RENT DISTRIBUTION

Unlike prior years when we paid the annual percentage rent distribution with the first quarter distribution in May, we plan to pay the 2018 percentage rent distribution on or about February 15, 2019 instead of May 15, 2019. Although we will receive about \$62,000 less percentage rent in 2018 on the Wendy's destroyed by fire (compared to 2017 for this store), we still expect to distribute \$500,000 (\$10.80 per unit) from available percentage rents.

### Access to Additional Financial Information

For further quarterly 2018 unaudited financial information, see the Partnership's interim financial reports filed as part of the Partnership's Form 10-Q. A copy of this filing and other public reports can be viewed and printed free of charge at the Partnership's website at [www.divallproperties.com](http://www.divallproperties.com) or at the SEC's website at [www.sec.gov](http://www.sec.gov). The Partnership's 2017 Annual Report on Form 10-K was filed with the SEC on March 23, 2018, which also can be accessed via the websites listed.

### FORWARD LOOKING STATEMENTS

*Forward-looking statements may differ materially from actual results. Investors are cautioned not to place undue reliance on forward-looking statements, such as "intends," "plan," "anticipates," "believes," "could," "should," "estimate," "expect," "projects," "aim," or other variations on these terms, which reflect the Partnership's management's view only as of February 15, 2019, the date this newsletter was sent for printing and mail assembly. The Partnership undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results. Factors that could cause actual results to differ materially from any forward-looking statements made in this newsletter include changes in general economic conditions, changes in real estate conditions and markets, inability of the General Partner to find a suitable purchaser for any marketed properties, inability to agree on an acceptable purchase price or contract terms, inability of current tenants to meet financial obligations, inability to obtain new tenants upon the expiration of existing leases, and the potential need to fund tenant improvements or other capital expenditures out of operating cash flow.*

## INSIDE THIS ISSUE

**2** Questions & Answers

**2** Contact Information

#### QUESTIONS & ANSWERS

- ❖ *When can I expect to receive my next distribution mailing?*  
Your distribution correspondence for the First Quarter of 2019 is scheduled to be mailed on or about May 15, 2019.
- ❖ *When will the Partnership mail the 2018 K-1's?*  
We plan to mail the 2018 K-1's during the first week of March, 2019.
- ❖ *What was the estimated December 31, 2018 Net Unit Value ("NUV")?*  
Management has estimated the December 31, 2018 Net Unit Value of each interest of the Partnership to approximate \$380. Please note that the estimated year-end NUV should be adjusted (reduced) for any subsequent property sale(s) or applicable impairment write-downs during the following year. As with any valuation methodology, the independent third-party appraisal valuation methodology was based upon a number of estimates and assumptions that may not be accurate or complete. Different parties with different assumptions and estimates could derive a different estimated NUV. Accordingly, with respect to the estimated NUV, the Partnership can give no assurance that:
- an investor would be able to resell his or her Units at this estimated NUV;
  - an investor would ultimately realize distributions per Unit equal to the Partnership's estimated NUV per Unit upon the liquidation of all of the Partnership's assets and settlement of its liabilities;
  - the Units would trade at the estimated NUV in a secondary market; or
  - the methodology used to estimate the Partnership's NUV would be acceptable under ERISA for compliance with its reporting requirements.
- ❖ *How can I obtain hard copies of Quarterly and Annual Reports or other SEC filings?*  
Please visit the Investor Relations page at the Partnership website at [www.divallproperties.com](http://www.divallproperties.com) or the SEC website at [www.sec.gov](http://www.sec.gov) to print a copy of the report(s) or contact Investor Relations.
- ❖ *What is the meaning of the word "Insured" in the name of this investment?*  
In the offering materials from the late 1980's, sponsored by the former general partners, there was a representation (but no "guarantee") that the Partnership would seek to insure rents from vacant properties. Although, there was some initial availability of very restrictive and limited (one year) insurance, that availability vanished in the early 1990's. In other words, the former general partners were "fast and loose" with professing the concept of "Insured" and the next and final partnership they sold did not use the term in the investment's name.

#### CONTACT INVESTOR RELATIONS TO UPDATE PERSONAL INFORMATION (ADDRESS, TELEPHONE, ETC.):

<b>MAIL:</b>	DiVall Investor Relations c/o Phoenix American Financial Services, Inc. 2401 Kerner Blvd. San Rafael, CA 94901	<b>PHONE:</b> 1-800-547-7686 <b>FAX:</b> 1-415-485-4553
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(Please mail or fax a signed letter stating your new address and telephone number. Updates cannot be accepted over the telephone or via voicemail messages.)



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9828 South Western Avenue  
Evergreen Park, Illinois 60805

Phone (708) 857-5760  
Fax (708) 422-2310

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TPG CEO, Inc.  
Rescue Services

TPG Financial, Inc.  
Owner Representation

TPG Management, Inc.  
Asset Management

TPG Systems, Inc.  
Managed Financial and  
Accounting Systems

TPG, Inc.  
Administrative Services

TPG Sanibel Holiday, L.C.  
Virtual Resort Services

TPG Capital, Inc.  
Investments

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Kansas City, Missouri Office  
(816) 421-7444

Sanibel, Florida Office  
(239) 472-6565

December 31, 2018

**Re: DiVall Insured Income Properties 2, L.P.  
(the "Partnership")**

Dear Limited Partner:

Each limited partner who has a qualified plan is subject to annual reporting requirements under the Employee Retirement Income Security Act of 1974 (ERISA).

To assist you in filing this information for your investment in DiVall Insured Income Properties 2 Limited Partnership, we have estimated the **Net Unit Value** of each interest of the Partnership to approximate \$380 at December 31, 2018.

Because no formal market exists for the Partnership's interest, actual sales prices of interests may vary. In addition, there is no assurance that these values will be obtained upon the future sale of the Partnership's assets.

If you have any questions or need additional assistance, please contact Investor Relations at 800-547-7686.

Sincerely,  
**The Provo Group, Inc., General Partner**

By:   
Bruce A. Provo, its President