

**UNITED STATES OF AMERICA**  
**Before The**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20801**

**In the Matter of**

**DF GROWTH REIT II, LLC,**

**Respondent.**

**JOINT MOTION OF THE DIVISION OF ENFORCEMENT**  
**AND RESPONDENT DF GROWTH REIT II, LLC TO STAY PROCEEDINGS**  
**PENDING COMMISSION'S CONSIDERATION OF SETTLEMENT OFFER**

August 12, 2022

Leslie A. Hakala  
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10653 West Pico Boulevard  
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*Co-Counsel for Respondent DF Growth REIT II*

Pursuant to Rule 161(c)(2) of the Securities and Exchange Commission’s Rules of Practice [17 C.F.R. § 201.161(c)(2)], Respondent DF Growth REIT II, LLC (“Respondent”), by counsel, and the Division of Enforcement (“Division”) hereby jointly and respectfully move this Court to stay these administrative proceedings, based upon an agreement in principle between the parties on all major terms to settle this matter currently pending before this Court.

Under Rule 161(c)(2)(i):

If the Commission staff and ... [the] respondent file a joint motion notifying the hearing officer that they have agreed in principle to a settlement on all major terms, then the hearing officer shall stay the proceeding as to the settling respondent[] ... pending completion of Commission consideration of the settlement offer.” [17 C.F.R. § 201.161(c)(2)(i)].

Rule 161(c)(2)(i) goes on to specify that “[a]ny such stay will be contingent upon” two things: (1) that the settling respondent submits to the Commission staff, within fifteen business days of the say, a signed settlement offer that conforms with the requirements set forth in Rule 240 [17 C.F.R. § 201.240], and (2) that within twenty business days of receipt of the signed offer, the staff submit the settlement offer and accompanying recommendation to the Commission for consideration.

In support of this motion, the Division and Respondent jointly state:

1. On March 16, 2022, the Commission issued an Order Temporarily Suspending Exemption Pursuant to Section 3(b) of the Securities Act of 1933 and Rule 258 of Regulation A thereunder, Statement of Reasons for Entry of Order, and Notice of Opportunity for Hearing.

2. On March 31, 2022, the Commission issued an order directing that an administrative hearing be held in the above-captioned matter. On April 12, 2022, the hearing officer previously assigned to this matter set the hearing to begin on June 6, 2022, in San Diego, CA.

3. On May 13, 2022, Respondent filed an unopposed motion requesting a continuance of the previously ordered procedural dates. That motion was granted on May 16, 2022, the same day that this proceeding was reassigned to this Court (the Honorable Carol Fox Foelak, presiding).

4. On May 26, 2022, this Court held a telephonic prehearing conference. During that prehearing conference, this Court generally adopted the case schedule that was proposed by the parties on May 13, 2022. The Court postponed the previously scheduled hearing to a date in July to be proposed after the parties conferred.

5. On June 3, 2022, the Division filed a Motion for Summary Disposition. On June 21, 2022, Respondent filed an opposition and informed the Court that it had terminated its own Regulation A offering on June 17, 2022, arguing that the proceeding was moot, that no hearing was required, and requested that the Court dismiss the Rule 258 administrative proceeding. On June 28, 2022, the Division filed a reply to Respondent's opposition. On August 1, 2022, the Court denied Respondent's June 21, 2022 motion, ruled that the proceeding was not moot, and provided Respondent until August 15, 2022 to file a substantive response to the Division's Motion for Summary Disposition.

6. On August 10, 2022, Respondent submitted to the Staff an Offer of Settlement, which conformed with the requirements set forth in Rule 240. Following further correspondence, the Division and Respondent believe they have reached an agreement in principle to a settlement on all major terms of this proceeding.

7. Respondent anticipates submitting a signed offer of settlement that complies with the requirements of Rule 240 [17 C.F.R. § 201.240] to the Commission staff within fifteen business days of a stay granted by this Court.

8. The Division, in turn, anticipates submitting to the Commission Respondent's

signed settlement offer, and an accompanying recommendation, within twenty business days of the day the Division receives the executed offer from Respondent.

9. For the foregoing reasons, the Division and Respondent respectfully request that this Court grant the parties' joint motion to stay this proceeding and all associated deadlines pursuant to Rule 161(c)(2) of the Commission's Rules of Practice. [17 C.F.R. § 201.161(c)(2)].

Respectfully submitted:

DATED: August 12, 2022

DATED: August 12, 2022

By: Kam, Stephen Digitally signed by Kam, Stephen  
Date: 2022.08.12 14:30:14 -0700'  
Stephen T. Kam  
Securities and Exchange Commission  
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*Counsel for the Division of Enforcement*

By: Leslie A. Hakala  
Leslie A. Hakala (Aug 12, 2022 15:47 PDT)  
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*Co-Counsel for Respondent  
DF Growth REIT II, LLC*

**In the Matter of DF Growth REIT II, LLC**

Administrative Proceeding File No. 3-20801

**CERTIFICATE OF SERVICE**

Pursuant to Commission Rule of Practice 151 (17 C.F.R. 201.151), I certify that the attached:

**JOINT MOTION OF THE DIVISION OF ENFORCEMENT  
AND RESPONDENT DF GROWTH REIT II, LLC TO STAY PROCEEDINGS  
PENDING COMMISSION'S CONSIDERATION OF SETTLEMENT OFFER**

was served on August 12, 2022, upon the following parties as follows:

The Honorable Carol Fox Foelak (By electronic email only)  
Administrative Law Judge  
U.S. Securities and Exchange Commission  
100 F. Street, N.E.  
Washington, D.C. 20549  
[alj@sec.gov](mailto:alj@sec.gov)

Jennifer C. Barry (By electronic email only)  
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*Counsel for the Division of Enforcement*

Dated: August 12, 2022

*Leslie A. Hakala*

[Leslie A. Hakala \(Aug 12, 2022 15:47 PDT\)](#)

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