

STATE OF NORTH DAKOTA
SECURITIES DEPARTMENT

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SECURITIES DEPARTMENT
STATE OF NORTH DAKOTA

In the Matter of:)
)
Fundrise Growth eREIT III, LLC; Fundrise)
Income eREIT III, LLC; Fundrise Income)
eREIT 2019, LLC; and Fundrise Growth)
eREIT 2019, LLC; all Delaware limited)
liability companies,)
)
Respondents.)

CONSENT ORDER

THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO:

Fundrise Growth eREIT III, LLC; Fundrise Income eREIT III, LLC; Fundrise Income eREIT 2019, LLC; and Fundrise Growth eREIT 2019, LLC; all Delaware limited liability companies, Respondents.

The North Dakota Securities Commissioner has advised the Respondents that the Commissioner is prepared to commence formal action pursuant to Chapter 10-04 of the North Dakota Century Code and has determined as follows:

1. Each of the Respondent companies, (collectively “the Fundrise Respondents”) was organized in Delaware in 2018 or 2019 and maintains its principal executive office at 11 Dupont Circle NW, 9th Floor, Washington D.C. 20036.
2. The Fundrise Respondents were formed to originate, invest in, and manage a diversified portfolio of commercial real estate properties.
3. The Fundrise Respondents offer shares to qualified United States investors, including investors in North Dakota, on an online investment platform.
4. The Fundrise Respondents’ securities offerings were properly filed with the Securities and Exchange Commission (SEC) under Regulation A – Tier 2 and properly

notice filed with the North Dakota Securities Department. The filings for Fundrise Growth eREIT III, LLC, and Fundrise Income eREIT III, LLC, went effective with the SEC on February 12, 2019, and the filings for Fundrise Income eREIT 2019, LLC; and Fundrise Growth eREIT 2019, LLC, went effective with the SEC on May 22, 2019.

5. Under the North Dakota Securities Act, an issuer of securities, who directly offers for sale and sells its own securities in North Dakota, not utilizing a broker-dealer registered here, nor in an exempt transaction, is required to be registered here. The Fundrise Respondents each commenced sales of its securities in North Dakota as of the effective date with the SEC and prior to applying for issuer-dealer registration in North Dakota. The Fundrise Respondents' applications for registration as an issuer-dealer in North Dakota were not approved until July 30, 2019.

6. During the period in which the Fundrise Respondents were offering for sale and selling their securities to North Dakota residents, while not registered as an issuer-dealer, nor through a registered broker-dealer, nor in an exempt transaction, the offers for sale and sales of their securities were made in violation of N.D.C.C. § 10-04-10.

7. The Fundrise Respondents have cooperated with the Securities Department during its investigation and Respondents' sales of securities to North Dakota residents have caused no known direct consumer harm.

8. Pursuant to N.D.C.C. § 10-04-16, when it shall appear to the Commissioner that any person has engaged in, or is engaging in, or is about to engage in any act or practice which is prohibited by Chapter 10-04 of the North Dakota Century Code, the Securities Commissioner may issue any order and assess civil penalties in an amount not to exceed \$10,000 for each violation. The violations described above are sufficient grounds for the

Commissioner to assess civil penalties against the Fundrise Respondents pursuant to N.D.C.C. § 10-04-16(1).

9. The Fundrise Respondents have a right to a hearing on this matter, but affirmatively waive any right to a hearing and to present arguments to the Commissioner regarding this matter.

10. The Fundrise Respondents agree to resolve this matter with the Securities Commissioner by this Consent Order, and this is evidenced by the Consent to Entry of Order, attached hereto and incorporated herein by reference.

11. The following Order is necessary and appropriate in the public interest for the protection of investors.

NOW, THEREFORE, IT IS ORDERED AND AGREED as follows:

1. Respondent, Fundrise Growth eREIT III, LLC, shall pay a civil penalty of Five Hundred Dollars (\$500.00), made payable to the North Dakota Securities Department, upon entry of this Consent Order.

2. Respondent, Fundrise Income eREIT III, LLC, shall pay a civil penalty of Five Hundred Dollars (\$500.00), made payable to the North Dakota Securities Department, upon entry of this Consent Order.

3. Respondent, Fundrise Income eREIT 2019, LLC, shall pay a civil penalty of Five Hundred Dollars (\$500.00), made payable to the North Dakota Securities Department, upon entry of this Consent Order.

4. Respondent, Fundrise Growth eREIT 2019, LLC, shall pay a civil penalty of Five Hundred Dollars (\$500.00), made payable to the North Dakota Securities Department, upon entry of this Consent Order.

5. This Consent Order is not intended to disqualify the Respondents from the use of any securities exemption under North Dakota law or the U.S. Securities Act of 1933, including but not limited to the exemptions pursuant to SEC Regulation A and Regulation D.

6. This Consent Order shall be effective upon signature of the Commissioner.

IN TESTIMONY WHEREOF, witness my hand and seal this 24 day of

July, 2020.





Karen J. Tyler, Securities Commissioner
North Dakota Securities Department
600 East Boulevard Ave.
State Capitol – Fifth Floor
Bismarck, ND 58505-0510
(701) 328-2910

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**CONSENT TO ENTRY
OF ORDER**

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Respondents, Fundrise Growth eREIT III, LLC; Fundrise Income eREIT III, LLC; Fundrise Income eREIT 2019, LLC; and Fundrise Growth eREIT 2019, LLC, by and through an authorized representative, by signing below, admit the jurisdiction of the North Dakota Securities Department, agree to the entry of this Consent Order, and waive any right to a hearing or to judicial review.

The foregoing Consent Order, which is attached hereto and incorporated herein by reference, constitutes the entire settlement agreement between the Fundrise Respondents and the Securities Commissioner, there being no other promises or agreements, either expressed or implied.

The Fundrise Respondents consent to entry of the foregoing Consent Order by the Securities Commissioner, and do so willingly and voluntarily for the purpose of resolving the issues described in the foregoing Consent Order.

Bjorn J. Hall represents that he or she has been authorized to enter into this Consent Order on behalf of Fundrise Growth eREIT III, LLC; Fundrise Income eREIT III, LLC; Fundrise Income eREIT 2019, LLC; and Fundrise Growth eREIT 2019, LLC.

By: Bjorn J. Hall
Title: General Counsel
Date: 07/10/20