

INVESTORS REAL ESTATE TRUST

Form 8-K/A

May 20, 2008

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

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): March 6, 2008

INVESTORS REAL ESTATE TRUST
(Exact name of registrant as specified in its charter)

North Dakota (State or other jurisdiction of incorporation)	0-14851 (Commission File Number)	45-0311232 (IRS Employer Identification No.)
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12 South Main Street
Minot, ND 58701
(Address of principal executive offices,
including zip code)

(701) 837-4738
(Registrant's telephone number, including area code)

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
Soliciting material pursuant to Rule 14a-12 under the Exchange Act
Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Item Completion of Acquisition or Disposition of Assets.

2.01

The undersigned Registrant, in order to provide the financial statements required to be included in the Current Report on Form 8-K filed on March 12, 2008 in connection with the acquisition of certain assets, hereby amends the following items, as set forth in the pages attached hereto.

Item Financial Statements and Exhibits.

9.01

- (a) Financial Statements of Real Estate Acquired. The following financial statements are submitted at the end of this Current Report on Form 8-K/A and are filed herewith and incorporated herein by reference:

Urbandale 3900 106th Street, Urbandale, IA

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2006

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2006

Intertech Building, Fenton, MO

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Years Ended December 31, 2005, 2006 & 2007

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Years Ended December 31, 2005, 2006 & 2007

Edgewood Vista - East Grand Forks, MN

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Edgewood Vista - Billings, MT

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Edgewood Vista - Sioux Falls, SD

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Minneapolis 701 25th Ave Medical - Minneapolis, MN

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Edgewood Vista - Belgrade, MT

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Edgewood Vista - Columbus, NE

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Edgewood Vista - Grand Island, NE

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Edgewood Vista - Norfolk, NE

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Edgewood Vista - Fargo, ND

Independent Auditor's Report

Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007

In acquiring the properties listed above, the Registrant evaluated, among other things, sources of revenue (including, but not limited to, competition in the rental market, comparative rents and occupancy rates) and expenses (including, but not limited to, utility rates, tax rates, maintenance expenses and anticipated capital expenditures). The results of interim periods are not necessarily indicative of the results to be obtained for the full fiscal year. However, management of the Registrant is not aware of any material factors affecting these properties that would cause the reported financial information not to be indicative of their future operating results.

(b) Pro Forma Financial Information. The following proforma financial information is submitted at the end of this Current Report on Form 8-K/A and is furnished herewith and incorporated herein by reference:

Unaudited Pro Forma Consolidated Balance Sheet as of January 31, 2008

Unaudited Pro Forma Consolidated Statement of Operations for the nine months ended January 31, 2008

Unaudited Pro Forma Consolidated Statement of Operations for the twelve months ended April 30, 2007

(c) Exhibits. None.

23. Consent of Independent Public Accounting Firm.

SIGNATURE

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.

INVESTORS REAL ESTATE TRUST
(Registrant)

By: /s/ Timothy P. Mihalick
Timothy P. Mihalick
Senior Vice President &
Chief Operating Officer

Dated: May 20, 2008

INDEX TO FINANCIAL STATEMENTS
AND PRO FORMA FINANCIAL INFORMATION

Urbandale 3900 106th Street, Urbandale, IA	
<u>Independent Auditor's Report</u>	7
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2006</u>	8
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2006</u>	9
Intertech Building, Fenton, MO	
<u>Independent Auditor's Report</u>	11
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2005, 2006 & 2007</u>	12
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2005, 2006 & 2007</u>	13
Edgewood Vista - East Grand Forks, ND	
<u>Independent Auditor's Report</u>	15
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	16
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	17
Edgewood Vista - Billings, MT	
<u>Independent Auditor's Report</u>	19
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	20
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	21
Edgewood Vista - Sioux Falls, SD	
<u>Independent Auditor's Report</u>	23
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	24
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	25
Minneapolis 701 25th Ave Medical - Minneapolis, MN	
<u>Independent Auditor's Report</u>	27
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	28
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	29

Edgewood Vista - Belgrade, MT	
<u>Independent Auditor's Report</u>	31
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	32
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	33
Edgewood Vista – Columbus, NE	
<u>Independent Auditor's Report</u>	35
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	36
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	37
Edgewood Vista - Grand Island, NE	
<u>Independent Auditor's Report</u>	39
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	40
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	41
Edgewood Vista - Norfolk, NE	
<u>Independent Auditor's Report</u>	43
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	44
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	45
Edgewood Vista - Fargo, ND	
<u>Independent Auditor's Report</u>	47
<u>Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	48
<u>Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2007</u>	49
<u>Unaudited Pro Forma Consolidated Balance Sheet as of January 31, 2008</u>	51
<u>Unaudited Pro Forma Consolidated Statement of Operations for the Nine Months Ended January 31, 2008</u>	53
<u>Unaudited Pro Forma Consolidated Statement of Operations for the Twelve Months Ended April 30, 2007</u>	55

Independent Auditor's Report

To the Board of Trustees of Investors Real Estate Trust

We have audited the accompanying Historical Summary of Gross Income and Direct Operating Expenses of Urbandale 3900 106th Street ("Historical Summary") for the year ended December 31, 2006. This Historical Summary is the responsibility of the management. Our responsibility is to express an opinion on the Historical Summary based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Historical Summary is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Historical Summary. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Historical Summary. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Historical Summary was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission as described in Note 2, and is not intended to be a complete presentation of Urbandale 3900 106th Street revenue and expenses.

In our opinion, the Historical Summary referred to above presents fairly, in all material respects, the gross income and direct operating expenses described in Note 2 of Urbandale 3900 106th Street for the year ended December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

/S/ Brady Martz & Associates, P.C.

Brady, Martz, and Associates, P.C.

Minot, North Dakota, USA

May 14, 2008

Urbandale 3900 106th Street Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2006

	12/31/06
GROSS INCOME	
Rental Revenue and Tenant Reimbursements	\$ 1,309,942
DIRECT OPERATING EXPENSES	
Utilities Expense	\$ 78,289
Maintenance Expense	186,274
Property Management	43,737
Real Estate Taxes	202,331
Total Direct Operating Expenses	\$ 510,631
EXCESS OF GROSS INCOME OVER DIRECT OPERATING EXPENSES	\$ 799,311

See Notes to Historical Summary of Gross Income and Direct Operating Expenses.

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Urbandale 3900 106th Street Notes to Historical Summary of Gross Income and Direct Operating Expenses for the Year Ended December 31, 2006

Note 1. Nature of Business

The Urbandale 3900 106th Street, a one-story multi-tenant warehouse building and one-story fleet garage building, which contains approximately 528,353 rentable square feet, is located at 3900 106th Street, Urbandale, Iowa. The property was acquired on June 20, 2007. The Historical Summary of Gross Income and Direct Operating Expenses includes information related to the operations of Urbandale 3900 106th Street for the year ended December 31, 2006, as recorded by the property's previous owner, subject to the exclusions described below.

Note 2. Basis of Presentation

IRET, Inc., purchased Urbandale 3900 106th Street on June 20, 2007. The historical summary has been prepared for the purpose of complying with Regulation S-X, Rule 3-14 of the Securities and Exchange Commission ("SEC"), which requires certain information with respect to real estate operations acquired to be included with certain filings with the SEC. This historical summary includes the historical gross income and direct operating expenses of Urbandale 3900 106th Street, exclusive of the following expenses, which may not be comparable to the corresponding amounts reflected in proposed future operations:

- (a) depreciation of property and equipment
- (b) interest expense
- (c) insurance expense

Because insurance expense has not been included as operating expenses in the historical summary, revenue reported as tenant reimbursements in the historical summary has also been adjusted to exclude amounts equal to management fees and insurance expenses.

Note 3. Summary of Significant Accounting Policies Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.