

INVESTORS REAL ESTATE TRUST  
Form 8-K  
September 29, 2006

**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): **September 29, 2006**

**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.)

**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

Investors Real Estate Trust (“IRET”) is filing this Current Report on Form 8-K to update the selected financial data and historical financial statements included in our Annual Report on Form 10-K for the fiscal year ended April 30, 2006 (the “2006 Annual Report”) for discontinued operations that have resulted from the disposition of real estate assets during the period from May 1, 2006 through July 31, 2006, in accordance with Statement of Financial Accounting Standards No. 144, “Accounting for the Impairment or Disposal of Long-Lived Assets” (“SFAS 144”). During the three months ended July 31, 2006, we sold a small retail property and an assisted living facility with a total real estate investment amount, net of depreciation, of \$4.1 million, for sale prices totaling approximately \$4.9 million. These properties contributed approximately \$550,000, \$397,000 and \$419,000 in revenue to the Company in fiscal years 2006, 2005 and 2004, respectively. After giving effect to these discontinued operations, our income from continuing operations is reduced by \$359,000, \$247,000, and \$275,000, and discontinued operations, net, is increased by the same amounts, in fiscal years 2006, 2005 and 2004, respectively.

In compliance with SFAS 144, we have reported revenue, expenses and net gains from the sale of this property as discontinued operations for each period presented. Under SEC requirements, the same reclassification as discontinued operations required by SFAS 144 following the sale of a property is required for previously issued annual financial statements for each of the three years shown in our 2006 Annual Report, if those financials are incorporated by reference in subsequent filings with the SEC made under the Securities Act of 1933, as amended, even though those financial statements relate to periods prior to the date of the sale. This reclassification has no effect on our reported net income available to common shareholders or funds from operations.

This Current Report on Form 8-K updates and conforms certain information contained in Item 6, “Selected Financial Data for Fiscal Years Ended April 30” and Item 8, “Financial Statements and Supplementary Data” of our 2006 Annual Report to reflect, as discontinued operations, the properties sold during the three months ended July 31, 2006, as described above. The updated and conformed Items 6 and 8 of our 2006 Annual Report are set forth in Exhibit 99.1, and incorporated by reference herein. All other items of the Company’s 2006 Annual Report remain unchanged.

No attempt has been made in this report to modify or update any other disclosures, including disclosures in Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, presented in our 2006 Annual Report, except to the extent expressly provided above. Accordingly, this report should be read in conjunction with our Form 10-Q for the quarter ended July 31, 2006.

*Certain matters discussed in this report, excluding historical information, include forward-looking statements statements that discuss IRET’s expected future results based on current and pending business operations. IRET makes these forward-looking statements in reliance on the safe-harbor protections provided under the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as “anticipates,” “believes,” “expects,” “planned,” or similar expressions. Although IRET believes these forward-looking statements are based on reasonable assumptions, statements made regarding future results are subject to a number of assumptions, uncertainties and risks that may cause future results to be materially different from the results stated or implied in this document. Additional information about issues that could lead to material changes in our performance is contained in IRET’s 2006 Annual Report.*

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**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
23.1	Consent of Deloitte and Touche LLP, Independent Registered Public Accounting Firm

99.1 Financial Statements and Supplementary Data

**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.

**INVESTORS REAL ESTATE TRUST**  
(Registrant)

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

Dated: September 29, 2006

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**Exhibit Index**

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
23.1	Consent of Deloitte and Touche LLP, Independent Registered Public Accounting Firm
99.1	Form 10-K, Item 6. Selected Financial Data. Form 10-K, Item 8. Financial Statements and Supplementary Data

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