

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ 301 & 316

18 Can any resulting loss be recognized? ▶ No

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable tax year is the 2015 calendar year.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ *Diane K. Bryantt, CCD* Date ▶ 1-11-16

Print your name ▶ Diane K. Bryantt Title ▶ Exec. VP

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

Statement 1 – Questions 14, 15 and 16

Cash distributions during calendar 2015 that affect shareholders' basis in IRET shares:

Declared Date	Ex-Date	Record Date	Payable Date	Amount per share
12/4/14	12/30/14	1/2/15	1/16/15	\$.067249(i)
2/13/15	3/12/15	3/16/15	4/1/15	\$.067249(i)
6/2/15	6/11/15	6/15/15	7/1/15	\$.067249(i)
9/2/15	9/11/15	9/15/15	10/1/15	<u>\$.067249(i)</u>
			Total	\$.268996(i)

- (i) The 2015 cash distributions listed above for each share in Investors Real Estate Trust "IRET" are treated as a return of capital and not as "dividend income" in accordance with Internal Revenue Code Sections 301(c)(1), 301(c)(2) and 316. Holders of IRET shares on which the distributions listed above have been paid should reduce their tax basis in such IRET shares by the amount of these distributions.

We urge each shareholder to consult with his or her own tax advisor to determine the tax consequences of the distributions, including any state, local or foreign tax considerations.