

Investors Real Estate Trust

Governance Guidelines

(Adopted by the Board of Trustees on December 5, 2012 and amended on June 25, 2013; March 5, 2014; December 9, 2015, December 7, 2016 and September 20, 2017)

1. Trustee Qualifications

The Board will have a majority of trustees who meet the criteria for independence required by the New York Stock Exchange. The Nominating and Governance Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of new Board members, as well as the composition of the Board as a whole. This assessment will include members' qualification as independent, as well as consideration of other skills and characteristics that the Nominating and Governance Committee deems appropriate, in the context of the needs of the Board. Nominees for trustee will be selected by the Nominating and Governance Committee in accordance with the policies and principles in its charter. The invitation to join the Board should be extended by the Board itself, through the Chair of the Nominating and Governance Committee and the Chair of the Board.

The Board believes that a Board size of five to fifteen members is appropriate.

The Board believes that the individual trustees whose responsibilities significantly change while on the Board should volunteer to resign from the Board. The Board does not believe that such persons should necessarily leave the Board. There should, however, be an opportunity for the Board through the Nominating and Governance Committee to review the continued appropriateness of Board membership under the circumstances.

Each Board member is expected to ensure that other existing and planned future commitments do not materially interfere with the member's service as a trustee. Trustees should advise the Chair of the Board and the Chair of the Nominating and Governance Committee in advance of accepting an invitation to serve on another public company board.

The Board does not believe it should establish term limits. Such limits may lose the contribution of trustees who have been able to develop, over a period of time, increasing insight into the Company and therefore provide an increasing contribution to the Board. Trustees must be less than 74 years of age upon the date of the annual shareholder meeting at which such individual is elected as a trustee; trustees elected to the Board prior to his or her 74th birthday may continue to serve until the annual shareholders' meeting coincident with or next following his or her 74th birthday.

All non-employee trustees are required to comply with the Company's current Policy Regarding Share Ownership and Retention, as may be amended or restated, while serving as a trustee of the Company.

2. Trustee Responsibilities

The basic responsibility of the trustees is to exercise their business judgment to act in what they reasonably believe to be in the interests of the Company and its stockholders. In discharging that obligation, trustees should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The Board selects the senior management team, which is responsible for the day-to-day conduct of the Company's business.

Trustees are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and as frequently as necessary to properly discharge their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the trustees before the meeting, although the Board recognizes that this will not always be consistent with the timing of transactions and the operations of the business, and that in certain cases it may not be possible. Trustees should review any materials distributed in advance of the meeting. The proceedings and deliberations of the Board and its committees are confidential. Each trustee shall maintain the confidentiality of information about the Company which he or she receives as a trustee.

The Board will annually elect a Chair of the Board. The Board's general policy is that the positions of Chair of the Board and Chief Executive Officer should be held by separate persons. The Chair of the Board shall preside at all meetings of the shareholders and of the Board as a whole. He or she shall perform such other duties, and exercise such powers, as from time to time shall be prescribed in the Company's Bylaws or by the Board of Trustees. No member of the Board of Trustees shall serve as Chair of the Board for more than seven (7) consecutive years; provided, however, that the Chair of the Board serving at the time this provision is adopted is exempt from this limitation.

The Chair and the Chief Executive Officer will establish the agenda for each Board meeting. Each Board member is free to suggest the inclusion of items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Chair shall preside over all meetings of the Board, and in the case of a vacancy in the office or absence of the Chair of the Board, one of the following persons shall preside at the meeting, as available in the following order: Chair of Nominating and Governance Committee, Chair of Audit Committee, Chair of Compensation Committee, Chair of Capital Markets Committee, Chief Executive Officer, Chief Operating Officer or Chief Financial Officer

The Board will review the Company's long-term strategic plans during at least one Board meeting each year.

The independent trustees will meet in executive session as a part of each regularly scheduled Board meeting. The trustee who presides at these meetings shall be the Chair, if not part of management, otherwise the independent trustees shall elect an independent trustee to chair the executive session.

The Board believes that the management speaks for the Company. Communications about the Company with the press media and other constituencies should be made by management. Individual Board members may, from time to time, at the request of the Chief Executive Officer, meet or otherwise communicate with various constituencies that are involved with the Company.

3. Board Committees

The Board will have at all times, an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. All the members of these committees will be independent trustees under the criteria established by the New York Stock Exchange. The Board may, from time to time, establish additional committees as necessary or appropriate. Committee members and committee chairs will be appointed by the Board upon recommendation of the Nominating and Governance Committee, after the Nominating and Governance Committee has consulted with the Chair of the Board. The Board believes that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy. The Board believes that committee chairs shall be nominated to their positions at least every three years and shall be limited to serving three consecutive three-year terms as chair of any one committee.

Each committee will have its own charter. The charters will set forth the purposes of the committees, as well as qualifications for committee membership.

The Chair of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chair of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. The members of each committee will meet in executive session as a part of each regularly scheduled committee meeting.

The Board and each committee have the power to hire, at the expense of the Company, independent legal, financial or other advisors, as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

4. Trustee Access to Officers and Employees

Trustees have full and free access to officers and employees of the Company and its subsidiaries. The trustee will use his or her judgment to ensure that any such contact is not disruptive to the business operations of the Company or its subsidiaries and will, to the extent appropriate, coordinate any such contact with the Chief Executive Officer.

The Board welcomes regular attendance at each Board meeting of senior officers of the Company. If the Chief Executive Officer wishes to have additional Company personnel attendees on a regular basis, this suggestion should be brought to the Board for approval.

5. Trustee Compensation

All trustees of the Company who are not simultaneously employed by the Company will be properly compensated and reimbursed for their services as a trustee. Any employee of the Company who is elected a trustee of the Company will not receive any trustee compensation and will not participate in trustee benefits for his or her services as a trustee of the Company. The Compensation Committee will conduct an annual review of trustee compensation, and will make recommendations to the Board, for the Board's approval, as appropriate. The Board believes that trustee compensation should consist of an appropriate mix of cash and stock.

6. Trustee Orientation and Continuing Education

The Company will conduct an orientation program for new trustees as soon as practical, following the meeting at which the new trustee is elected. This orientation will include presentations by senior management to familiarize new trustees with the Company's strategic plans, financial reporting, its principal officers, its auditing processes, and such other topics as the Board and/or the Chief Executive Officer feel are appropriate. All other trustees are also invited to attend the orientation program. In addition, newly-elected and current trustees are encouraged to attend continuing education programs to better understand their responsibilities and duties.

7. Trading Window

Under the Company's Insider Trading Policy, as may be amended or restated, the Company's trustees and senior management are prohibited from trading in the Company's securities during quarterly blackout periods and event-specific and regulatory blackout periods.

8. CEO Evaluation and Management Succession

The Compensation Committee shall be responsible for determining the compensation of the Chief Executive Officer. The Chair of the Board and the Chair of the Compensation Committee shall communicate the results of the Chief Executive Officer's performance evaluation to the Chief Executive Officer and to the non-management trustees, who are ultimately responsible for evaluation of the performance of the Chief Executive Officer.

The Compensation Committee is responsible for succession planning for the Company's Chief Executive Officer, and shall ensure that the Chief Executive Officer makes an annual report to the Board on the Company's program for succession and management development. As part of this annual report, the Chief Executive Officer should make available his or her recommendations and evaluations of potential successors.

9. Code of Conduct.

Members of the Board of Trustees shall act at all times in accordance with the requirements of the Company's Code of Conduct, which shall be applicable to each trustee in connection with his or her activities related to the Company. This obligation shall at all times include, without

limitation, adherence to the Company's policies with respect to conflicts of interest, confidentiality, protection of the Company's assets, ethical conduct in business dealings and respect for and compliance with applicable law. Any waiver of the requirements of the Code of Conduct with respect to any individual trustee shall be reported to, and be subject to the approval of, the Board of Trustees.

10. Annual Performance Evaluation

The Board of Trustees, during the first quarter of each calendar year, will conduct an annual self- evaluation to determine whether it and its committees are functioning effectively. The Chair of the Nominating and Governance Committee will receive comments from all trustees and report to the Board with an assessment of the Board's performance.

11. Removal of Trustee by Board Action

In the event any trustee is absent at two consecutive meetings of the Board of Trustees, the Board shall be entitled to remove such trustee from the Board upon an affirmative vote of the majority of the Board of Trustees.