STENEHJEM STEPHEN

Form 4

February 21, 2012

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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obligations

may continue.

Check this box

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

STENEHJEM STEPHEN

(Last) (First)

(Middle)

1400 31ST AVENUE SW, SUITE

(Street)

60

1. Title of

Security

(Instr. 3)

MINOT, ND 58701

2. Issuer Name and Ticker or Trading

Symbol

INVESTORS REAL ESTATE TRUST [IRET]

3. Date of Earliest Transaction

4. If Amendment, Date Original

(Month/Day/Year)

Filed(Month/Day/Year)

02/16/2012

5. Relationship of Reporting Person(s) to

Issuer

below)

(Check all applicable)

X_ Director 10% Owner Officer (give title Other (specify

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if

(Month/Day/Year)

4. Securities 3. TransactionAcquired (A) or Code Disposed of (D) (Instr. 8)

Code V Amount (D) Price

(Instr. 3, 4 and 5)

(A)

or

5. Amount of Securities Beneficially Owned Following Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (I) (Instr. 4) (Instr. 4)

Transaction(s) (Instr. 3 and 4)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

3. Transaction Date 3A. Deemed 1. Title of (Month/Day/Year) Execution Date, if Conversion

5. Number of **Transaction**Derivative

6. Date Exercisable and **Expiration Date**

7. Title and Amount of **Underlying Securities**

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Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	(Instr. 8) A		Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)	
				Code '	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
UPREIT Units (1)	(2)	02/16/2012		A	1	137,164		<u>(1)</u>	(2)	Common Shares of Beneficial Interest	137,164 (1) (2)

Reporting Owners

Reporting Owner Name / Address

Director 10% Owner Officer Other

STENEHJEM STEPHEN 1400 31ST AVENUE SW, SUITE 60 X MINOT, ND 58701

Signatures

Lindsey Knoop Anderson, Attorney-in-Fact

02/21/2012

Date

**Signature of Reporting Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Limited partnership units in IRET Properties, a North Dakota Limited Partnership, of which the issuer is the general partner. The UPREIT Units are redeemable on the second anniversary of the date of their acquisition for an equal number of the issuer's common shares, or, at

- the election of the issuer, cash based on the market value of an equal number of the issuer's common shares. The UPREIT units were received in exchange for the indirect contribution to IRET Properties of a real estate property. The value of the UPREIT units was \$7.65 as of the acquisition date, calculated in accordance with a formula established in a Contribution Agreement dated effective January 31,2012.
- (2) UPREIT units are convertible to common shares of the issuer on a one-to-one basis, or cash, at the election of the issuer. UPREIT units have no expiration date.
- (3) The reporting person holds, directly or indirectly, an ownership interest in this entity. The reporting person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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