



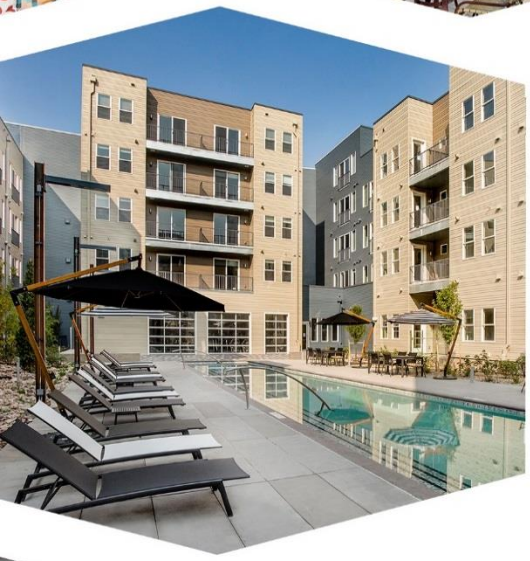





Annual Shareholder Meeting

September 2018

NYSE: IRET

SAFE HARBOR STATEMENT AND LEGAL DISCLOSURE

Certain statements in this presentation are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from expected results. These statements may be identified by our use of words such as "expects," "plans," "estimates," "anticipates," "projects," "intends," "believes," and similar expressions that do not relate to historical matters. Such risks, uncertainties, and other factors include, but are not limited to, changes in general and local economic and real estate market conditions, fluctuations in interest rates, the effect of government regulations, the availability and cost of capital, risks associated with our value add and redevelopment opportunities, property acquisition and disposition activities, the financial condition of our tenants, competition from other developers, our ability to attract and retain skilled personnel, our ability to maintain our tax status as a real estate investment trust (REIT), and those risks and uncertainties detailed from time to time in our filings with the Securities and Exchange Commission, including the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" contained in our Annual Report on Form 10-K for the fiscal year ended April 30, 2018, and in subsequent quarterly reports on Form 10-Q. We assume no obligation to update or supplement forward-looking statements that become untrue due to subsequent events.

BOARD OF TRUSTEES – THANK YOU JEFF MILLER



BOARD OF TRUSTEES



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Mary J. Twinem

COMPANY SNAPSHOT



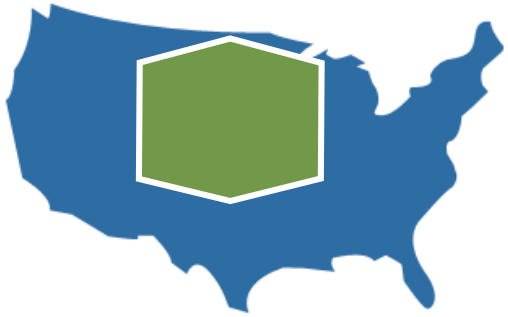
Now Dedicated Multifamily Company
Single Segment Property Specialist



Focused Management Team
Engaged to Effect Improvement



Drives Operating Efficiencies
G&A and Operating Expenses



Strong Markets and Distinct Geography
Combination of Core and Value-Add Properties



Improved Capital Structure
Flexible Balance Sheet and Capital Allocation Focus

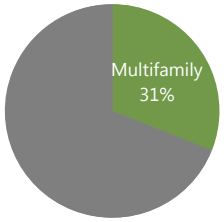
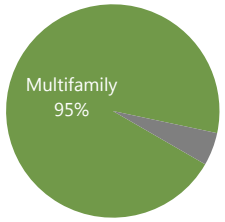
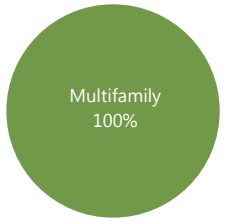
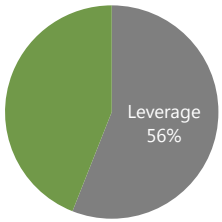
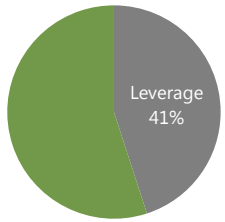
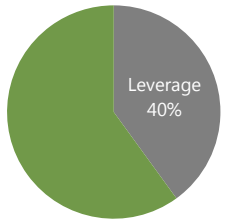
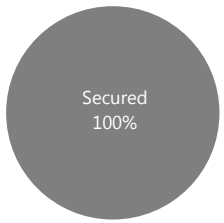
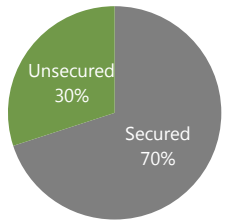
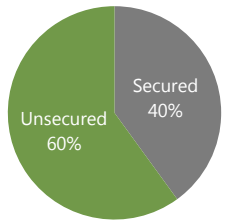


Positioned for Future Growth
Same-Store NOI

REPOSITIONING COMING TO FRUITION

Delivering on stated goals and renewed business strategy

Evolution of Business Strategy – *Focus and Flexibility*

	PAST	PRESENT	FUTURE
Multifamily Focus (% of NOI)			
Leverage (% of Book Value)			
Leverage Type			

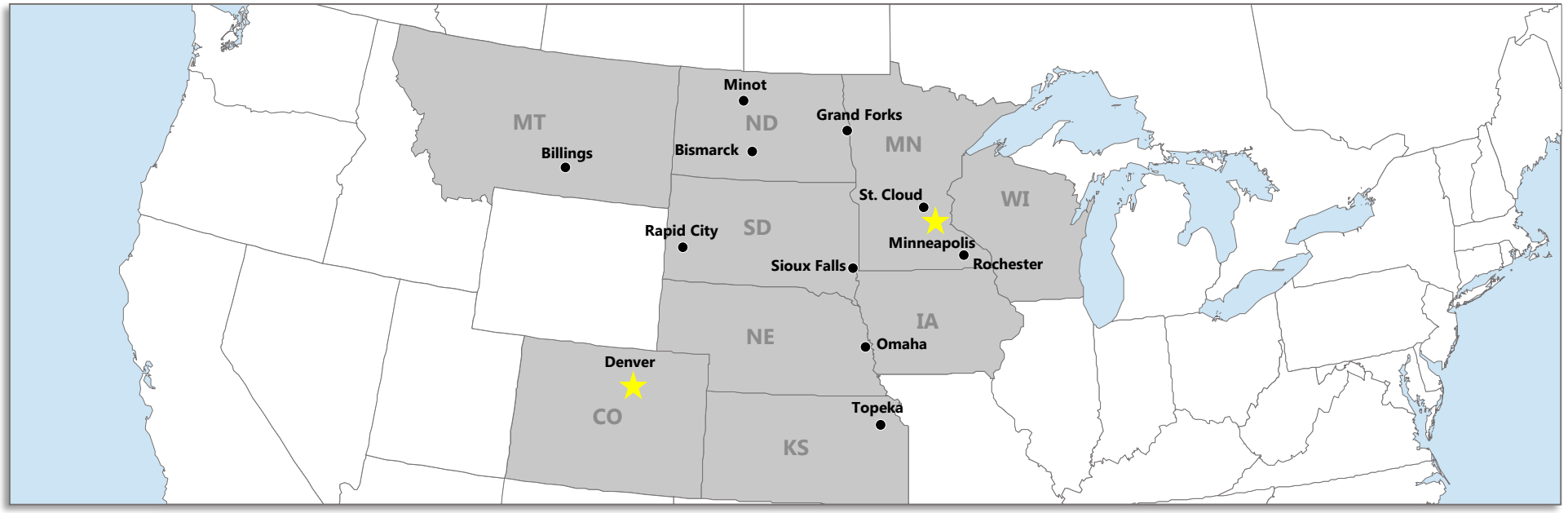
Multifamily Acquisition Criteria – *Quality and Efficiency*

Primary Market Focus	**Small Market Bias**	**Twin Cities / Denver Strong Secondary**	**Twin Cities / Denver Strong Secondary**
Revenue / Home	**<$800**	**>$1,000**	**>$1,200**
Homes / Community	**<150**	**>150**	**>200**

Note: "Past" as of 4/30/12 and "Present" as 7/31/18

iret TODAY

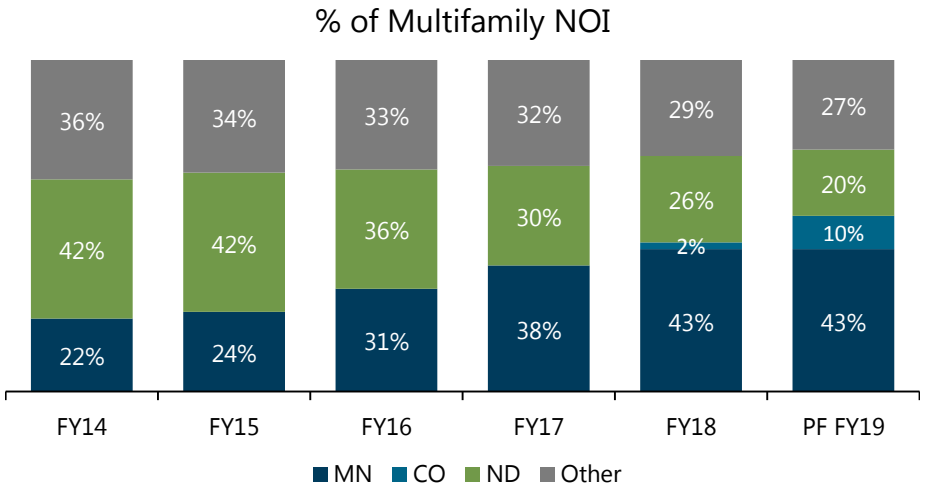
We are a premier multifamily company delivering exposure to strong Midwest markets



Highlights

- 87 communities with 13,703 apartment homes
- Proforma NOI for FY19 estimated to be 30% in Minneapolis and Denver; over 50% in Minnesota and Colorado
- Diversified price points within the portfolio
- Significant opportunity for value add and operational efficiencies

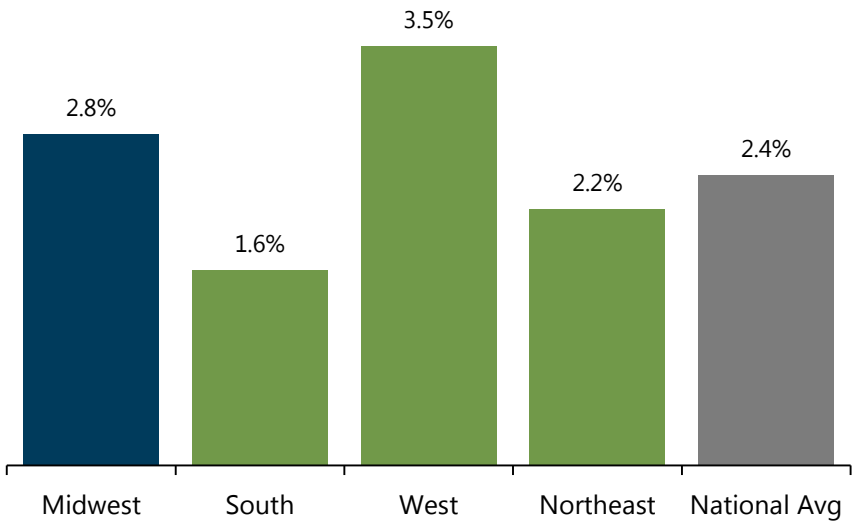
Portfolio Evolution



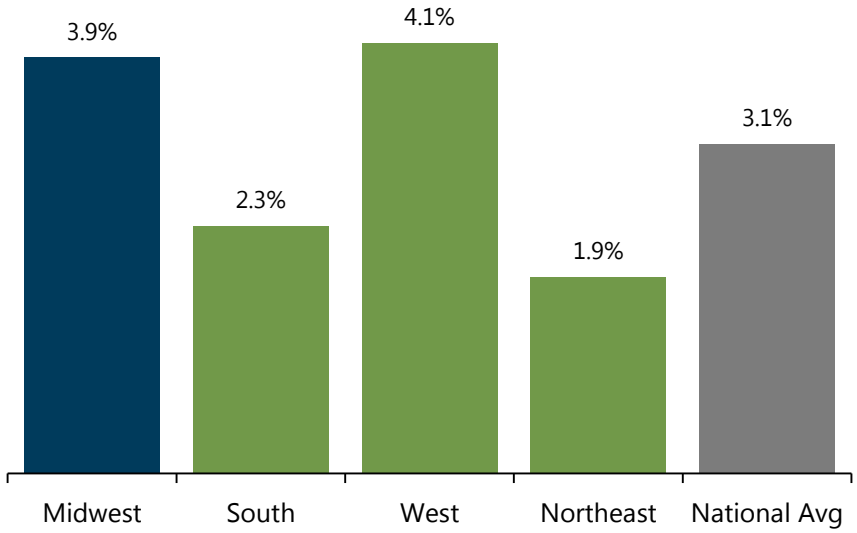
GROWTH IN MIDWEST MARKETS

Newer communities in the Midwest have shown strong performance since 2010

Rent Growth CAGR
For communities built since 2010



Revenue Growth CAGR
For communities built since 2010



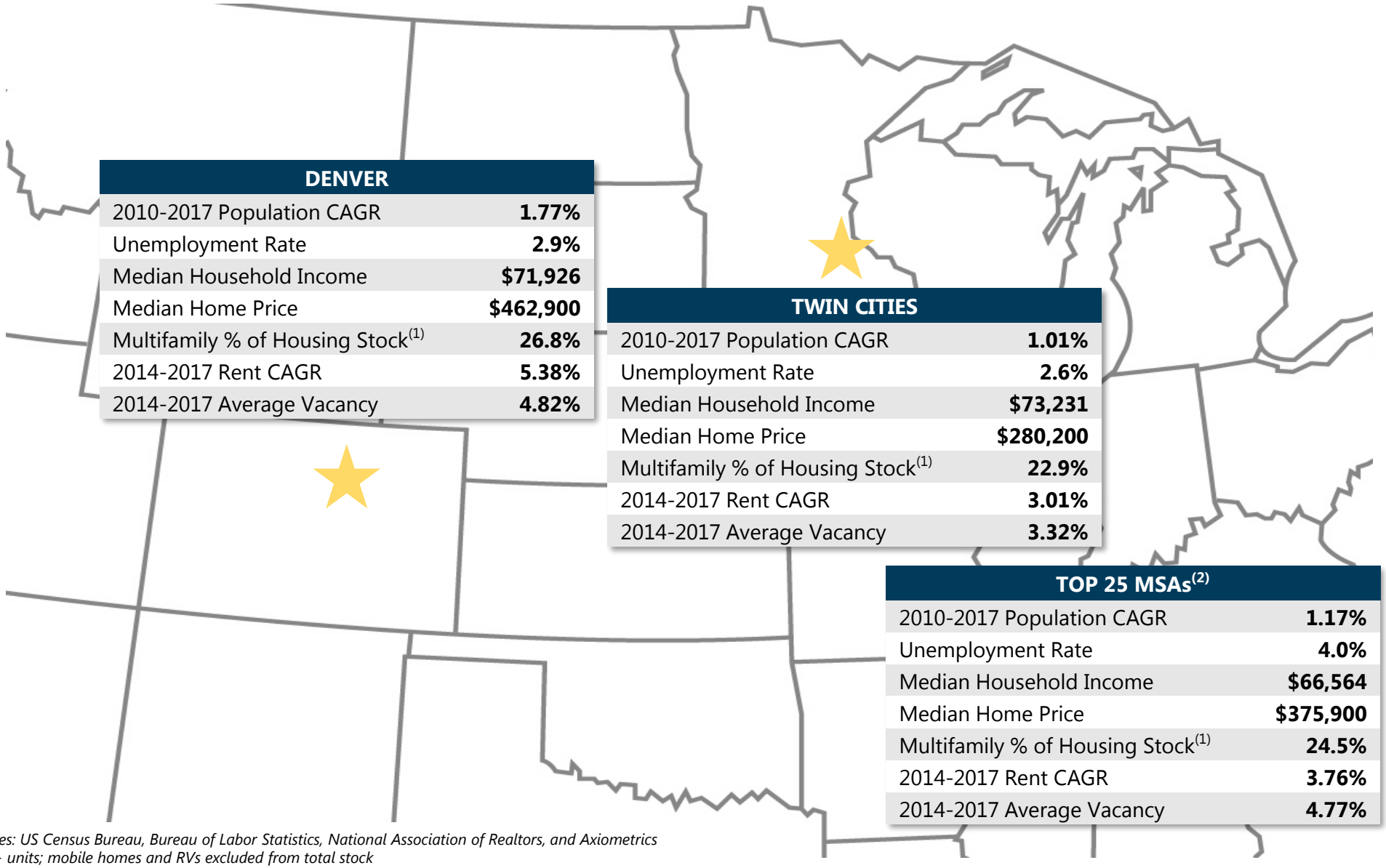
36% of IRET's FY19 NOI expected from communities built since 2010[(1)]

Source: Axiometrics

(1) Proforma FY19 NOI excludes Williston assets

MINNEAPOLIS & DENVER VS. OTHER TOP 25 MSAs

Targeted Geography Has Strong Market Fundamentals



DENVER	
2010-2017 Population CAGR	**1.77%**
Unemployment Rate	**2.9%**
Median Household Income	**$71,926**
Median Home Price	**$462,900**
Multifamily % of Housing Stock(1)	**26.8%**
2014-2017 Rent CAGR	**5.38%**
2014-2017 Average Vacancy	**4.82%**

TWIN CITIES	
2010-2017 Population CAGR	**1.01%**
Unemployment Rate	**2.6%**
Median Household Income	**$73,231**
Median Home Price	**$280,200**
Multifamily % of Housing Stock(1)	**22.9%**
2014-2017 Rent CAGR	**3.01%**
2014-2017 Average Vacancy	**3.32%**

TOP 25 MSAs(2)	
2010-2017 Population CAGR	**1.17%**
Unemployment Rate	**4.0%**
Median Household Income	**$66,564**
Median Home Price	**$375,900**
Multifamily % of Housing Stock(1)	**24.5%**
2014-2017 Rent CAGR	**3.76%**
2014-2017 Average Vacancy	**4.77%**

Sources: US Census Bureau, Bureau of Labor Statistics, National Association of Realtors, and Axiometrics
(1) 5+ units; mobile homes and RVs excluded from total stock
(2) Top 25 MSAs defined as 25 highest populated metro areas as of most recent US Census Bureau data
Top 25 MSA statistics are averages excluding Denver and Twin Cities

UNDERSTANDING SECONDARY MARKETS

These five markets plus Minneapolis and Denver are expected to make up 78% of proforma FY19 NOI

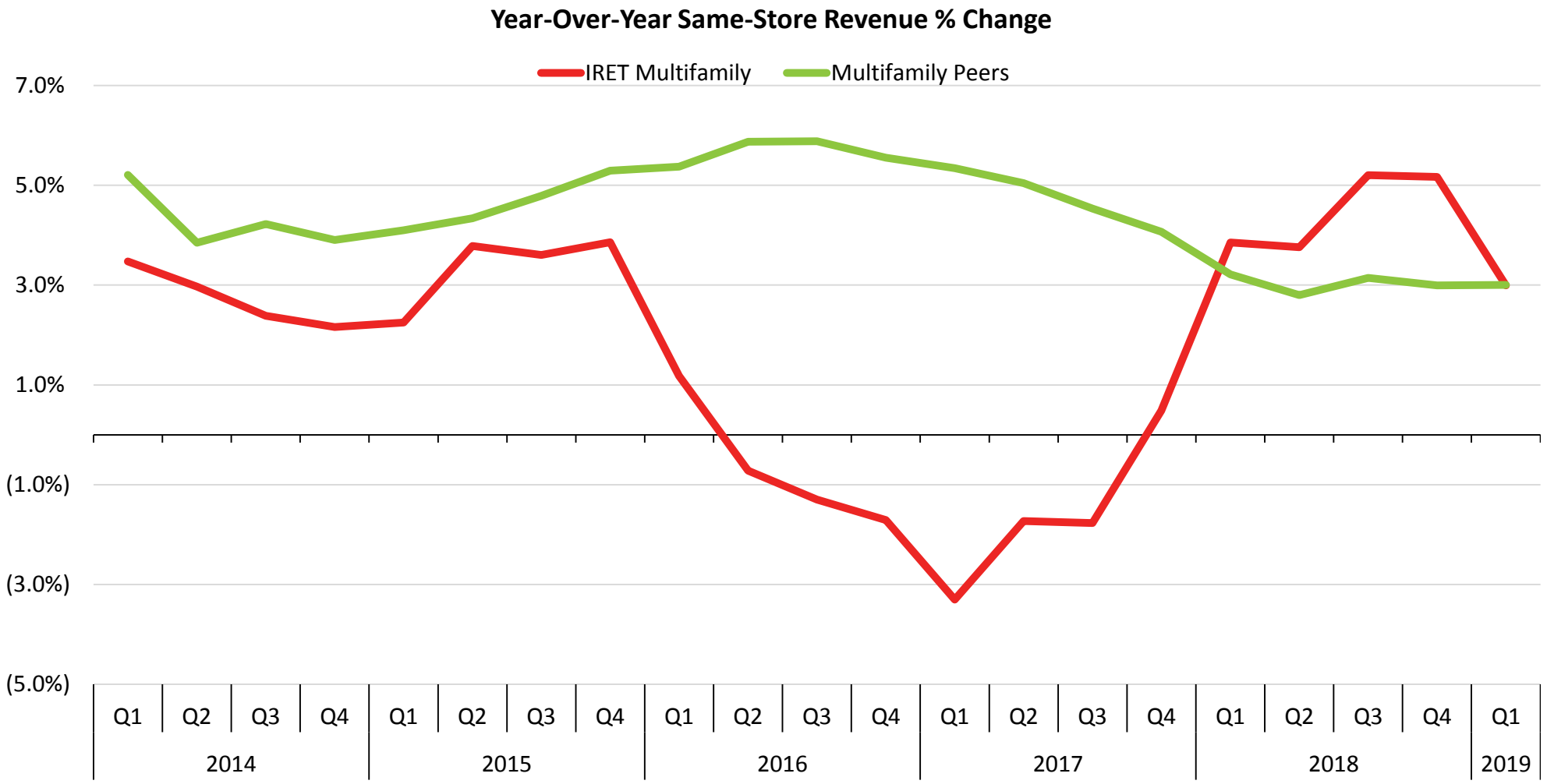
	Rochester, MN	Omaha, NE	Grand Forks, ND	St. Cloud, MN	Bismarck, ND
Population	218,280	933,316	102,414	197,759	132,142
Median Household Income	$70,078	$62,247	$48,671	$56,620	$65,527
Unemployment Rate[1]	2.3%	3.1%	2.8%	2.6%	2.4%
Major Employers	Mayo Clinic IBM	Offutt Air Force Base Union Pacific	University of ND Altru Health	CentraCare Health State of Minnesota	State of ND Sanford Health
Number of IRET Homes	1,711	1,370	1,554	1,190	1,259
Total Multifamily Supply	11,534	74,004	14,548	16,438	11,516
Same-Store Average Revenue per Home[2]	$1,261	$951	$971	$1,003	$1,011
Same-Store Average Occupancy[3]	92.9%	94.7%	92.6%	93.9%	93.9%

Sources: US Census Bureau, Bureau of Labor Statistics, IRET, Axiometrics, Company Filings and Disclosures, and IRET Research

(1) July 2018 Unemployment Rate
(2) Q1FY19 Weighted Average Revenue per Home per Month
(3) Q1FY19 Weighted Average Occupancy

HISTORICAL IRET VS PEERS

Our portfolio has demonstrated more volatility



Sources: Company Filings, SNL

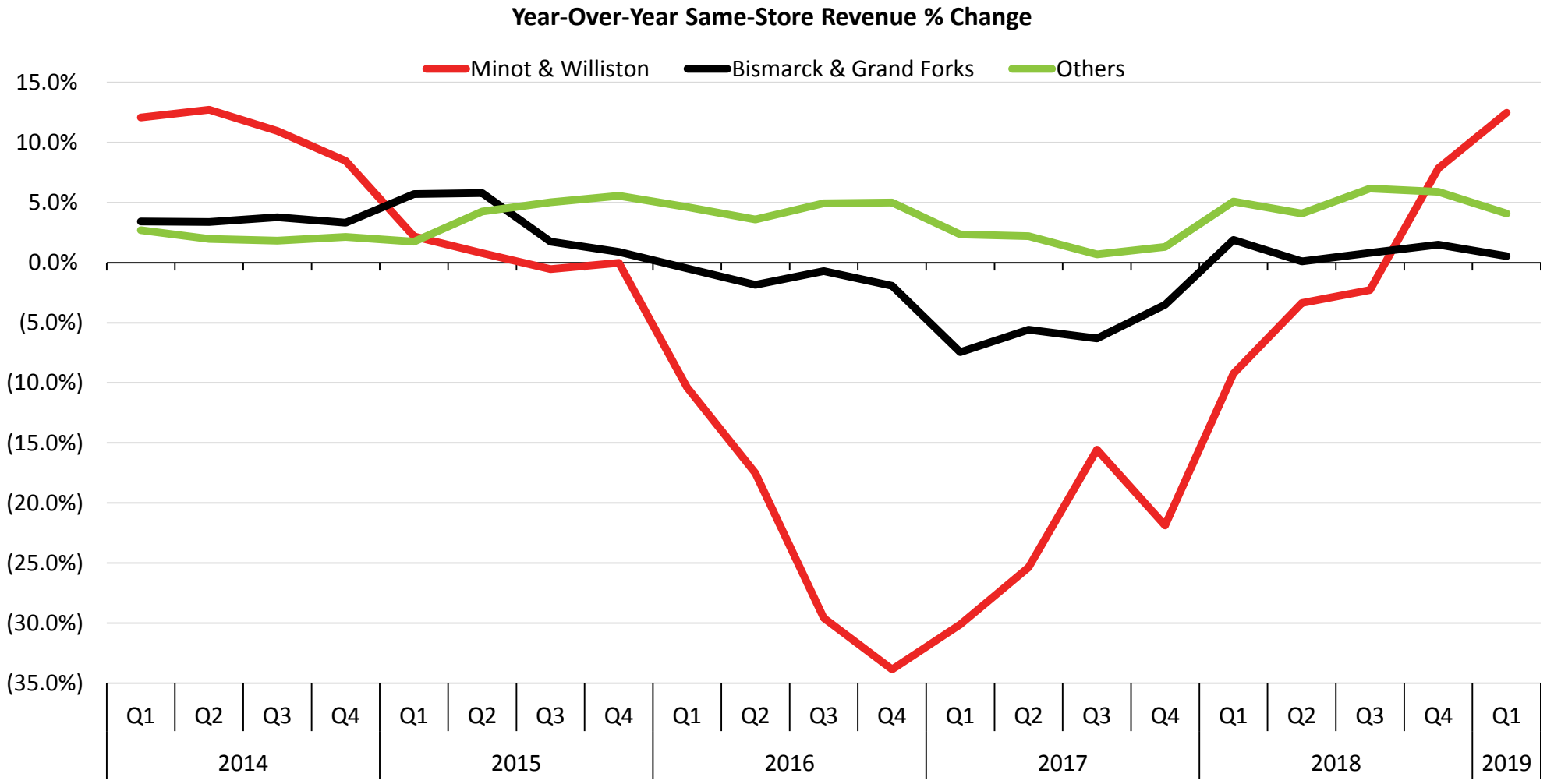
Notes:

1) Multifamily Peers is average of AIV, AVB, APTS, BRG, CPT, EQR, ESS, IRT, MAA, NXRT, and UDR

2) Time periods shown are IRET's fiscal quarters; multifamily peers results are for the time period that most closely matches IRET's fiscal quarters

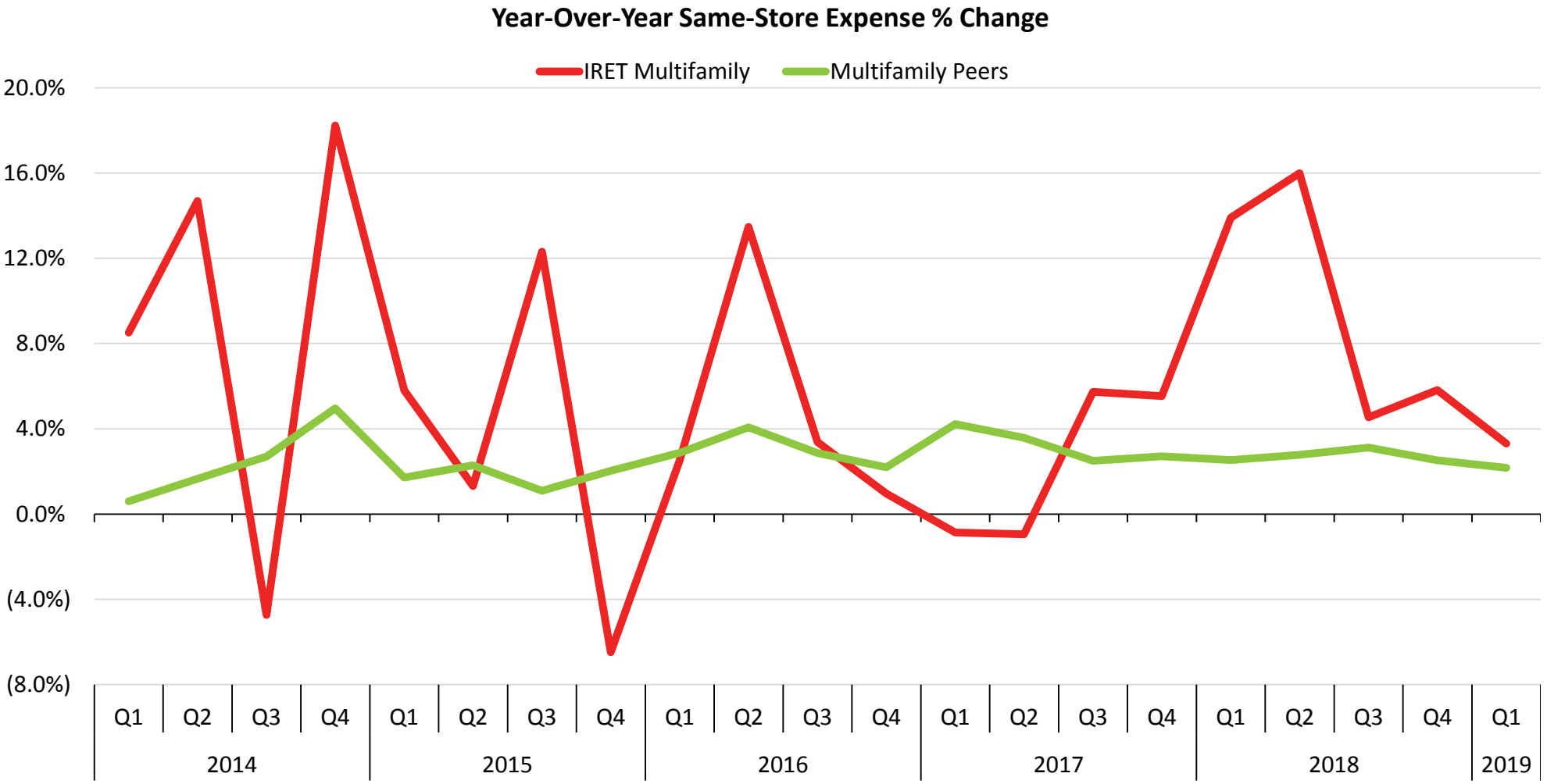
HISTORICAL IRET MARKET REVENUES

North Dakota's cycle, Minot and Williston in particular, drove volatility



HISTORICAL IRET VS PEERS

We must control expense growth in the future…



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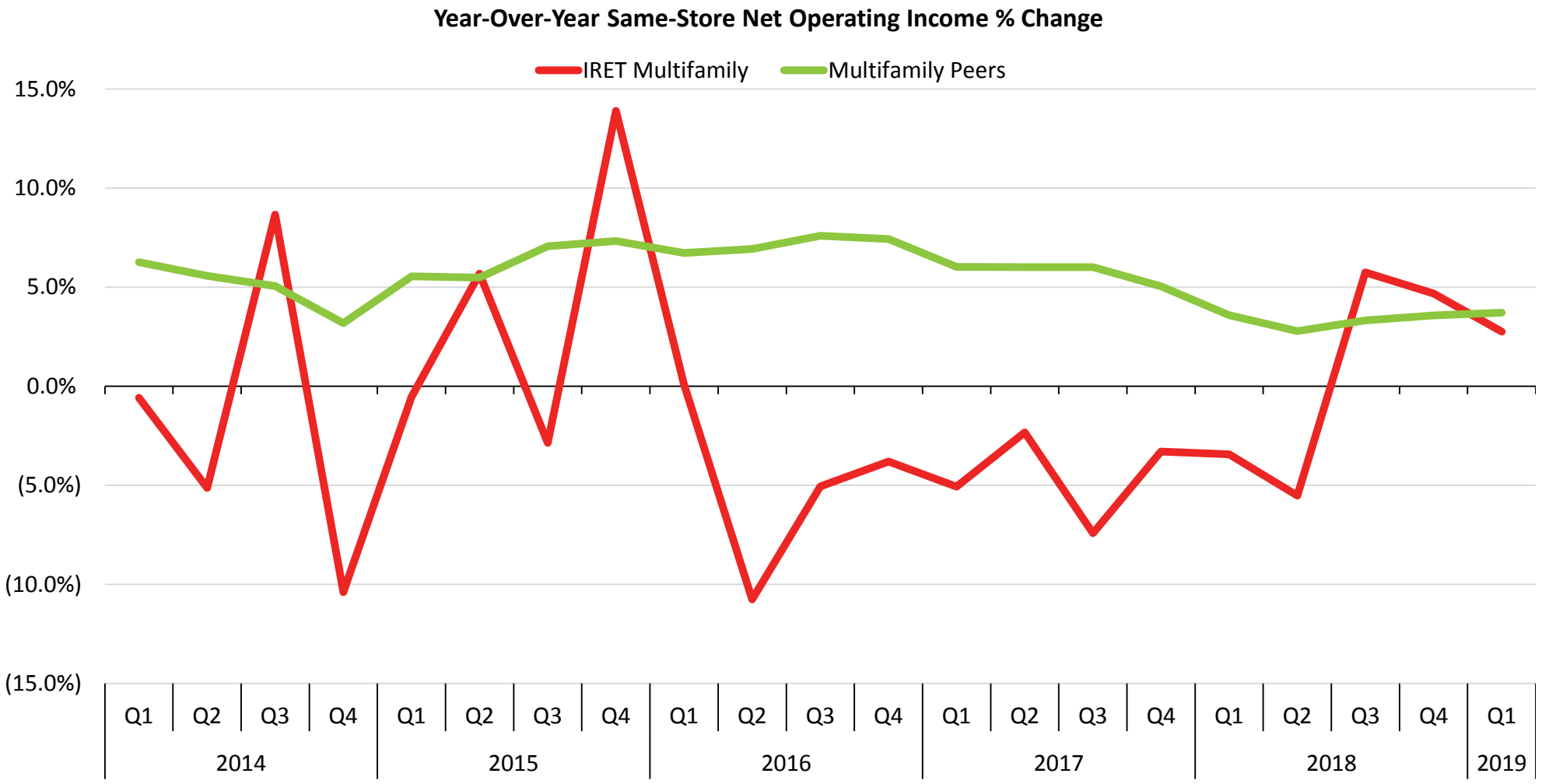
HISTORICAL IRET VS PEERS

...to drive consistent Net Operating Income growth



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2) *Time periods shown are IRET's fiscal quarters; multifamily peers results are for the time period that most closely matches IRET's fiscal quarters*

FY18 INVESTMENTS



Westend

Location: Denver, CO
Profile: Urban Core
Constructed: 2015
Homes: 390
Purchase Price: $128.7M



Dylan

Location: Denver, CO
Profile: Urban Core
Constructed: 2016
Homes: 274
Purchase Price: $90.6M



Park Place

Location: Plymouth, MN
Profile: Suburban Value-Add
Constructed: 1985
Homes: 500
Purchase Price: $92.3M

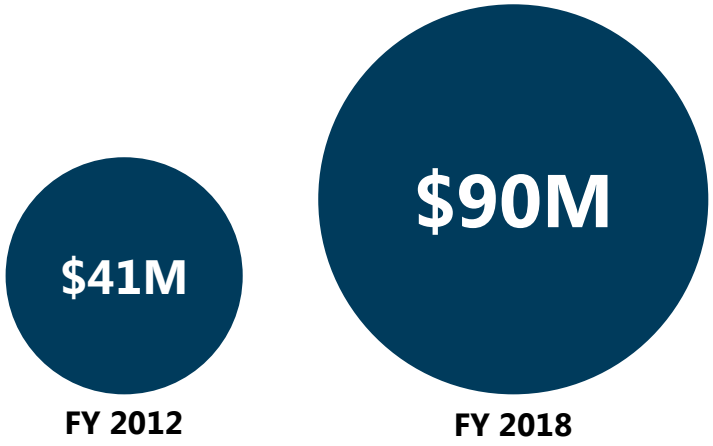


Oxbo

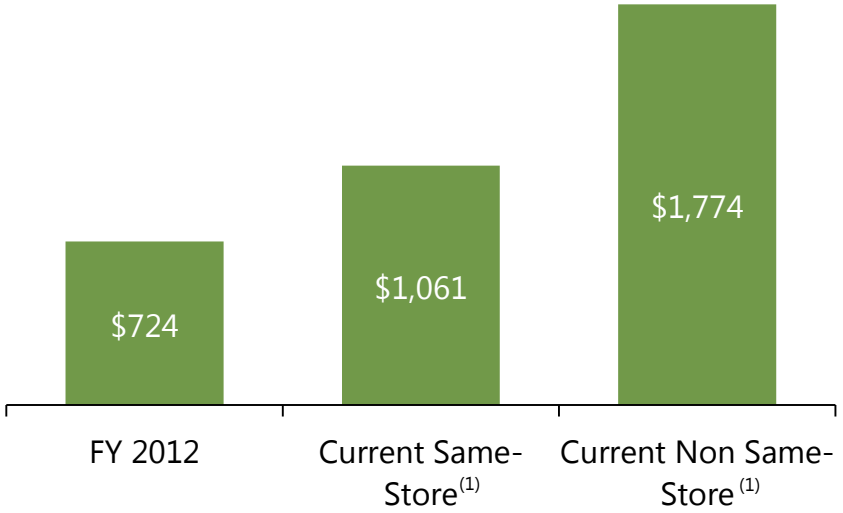
Location: St. Paul, MN
Profile: Urban Core
Constructed: 2017
Homes: 191
Retail: 11,500 sf
Purchase Price: $61.5M
Stabilization Date: June 2018

PORTFOLIO SCALE AND QUALITY IMPROVING

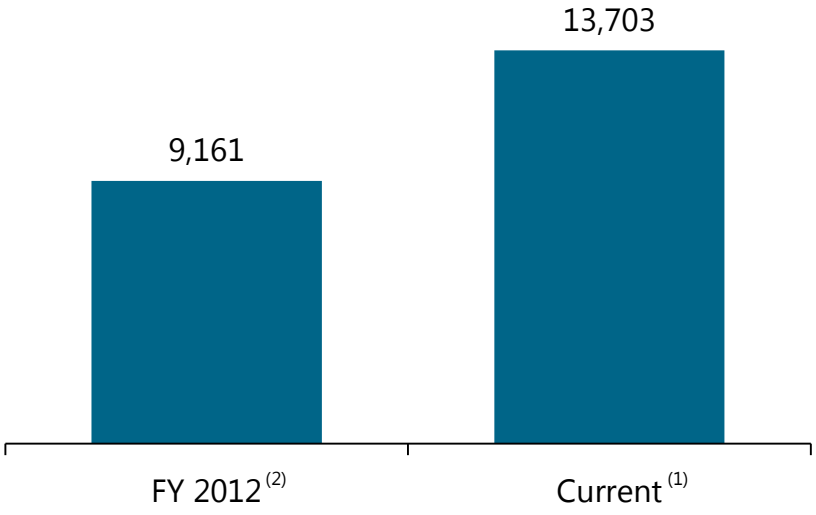
Total Multifamily NOI



Average Revenue / Home



Multifamily Homes



Operational Enhancements

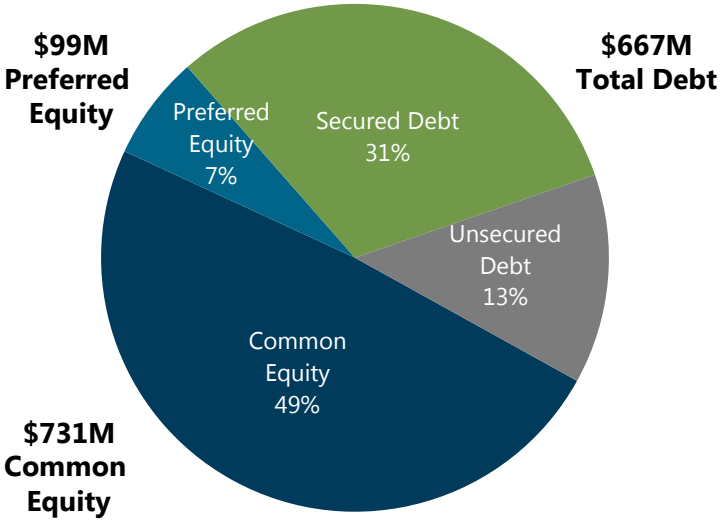
- Placing full focus on our residents and our communities
- Growing our team of operational specialists
- Shifting to dedicated multifamily IT solutions
  - Revenue management
  - Leasing optimization
  - Reputation management
  - Lead management
- Strengthening asset management with additional resources

(1) Quarter Ended 7/31/18
(2) As of 4/30/12

CAPITAL STRUCTURE OVERVIEW AS OF 7/31/18

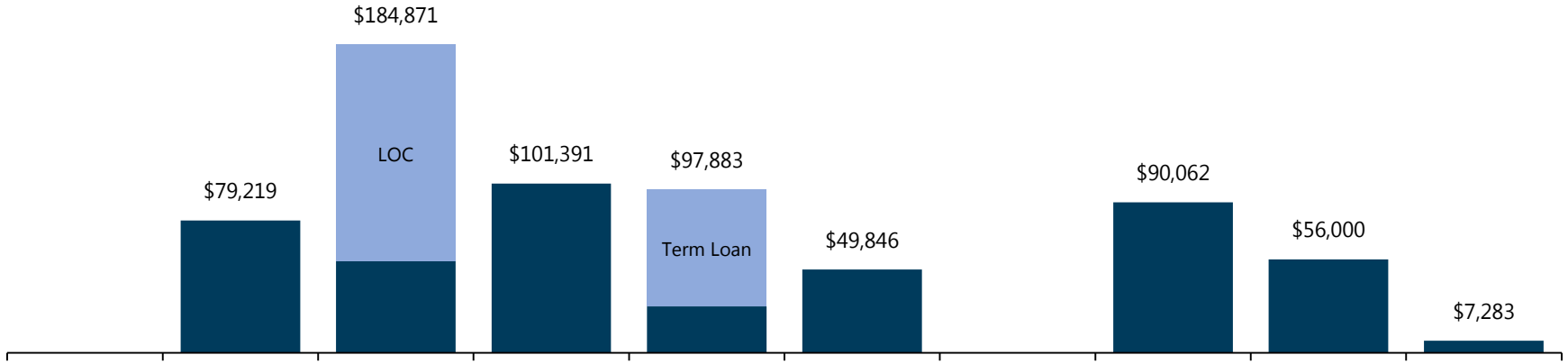
$ in thousands, except where noted

$1.5B Total Capitalization



Debt Summary	Amount	% of Total	Weighted Avg. Rate	Weighted Avg. Maturity
Total Secured Debt	**$466,555**	**70%**	**4.65%**	**5.4 Years**
Unsecured LOC Balance[(1)]	$130,000	20%	3.83%	3.0 Years
Unsecured Term Loan	$70,000	11%	3.86%	5.0 Years
Total Unsecured Debt	**$200,000**	**30%**	**3.84%**	**3.7 Years**
Total Debt	**$666,555**	**100%**	**4.41%**	**4.9 Years**
Fixed Rate	$536,555	80%	4.55%	5.4 Years
Variable Rate	$130,000	20%	3.83%	3.0 Years

(1) LOC commitments total $300 million



% of Total Maturing									
	11.88%	27.74%	15.21%	14.68%	7.48%		8.11%	13.80%	1.09%
Weighted Average Interest Rate									
	6.01%	4.19%	5.23%	3.94%	4.02%		3.74%	3.56%	5.40%

CAPITAL ALLOCATION PRIORITIES

Prudent capital allocation provides greater opportunities to reinvest in and grow our business

Continue Disciplined Investment Strategy

- Improve portfolio efficiency and quality through targeted redevelopment of existing assets and new acquisitions
- Continue active portfolio management
- Increase economies of scale

Maintain Stronger, More Flexible Balance Sheet

- Redeemed Series A ($29M, 8.25%) and Series B ($115M, 7.95%) preferred stock; issued Series C ($103M, 6.625%) preferred stock
- Amended our current LOC to improve pricing, increase access to liquidity and flatten out the debt maturity schedule
- Targeting debt metrics in-line with investment grade benchmarks

Enhance Per-Share Metrics

- Increase cash flow per share
- Generate durable cash flow through higher-quality apartment portfolio
- Improve dividend payout ratio

iret Investment Highlights

- Stronger Balance Sheet
- Stronger Markets
- Operational Enhancements
- Best in Class Governance





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