
**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) August 8, 2024

Transcontinental Realty Investors, Inc.

(Exact name of registrant as specified in its charter)

Nevada (State or other jurisdiction of Incorporation or organization)	001-09240 (Commission File Number)	94-6565852 (IRS Employer Identification Number)
1603 LBJ Freeway, (Address of principal executive offices)	Suite 800 Dallas TX	75234 (Zip Code)
(469) 522-4200 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 (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Securities Act (17 CFR 230.425)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Securities Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Securities Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock	TCI	NYSE

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 ((17 CFR 230.405 of or Rule 12b-2 of the Securities Act of 1934 (17 CFR 230.405):

Emerging growth company

If an emerging growth company indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Section 2 – Financial Information

Item 2.02. Results of Operations and Financial Condition

On August 8, 2024, Transcontinental Realty Investors, Inc. (“TCI” or the “Company”) announced its operational results for the quarter ended June 30, 2024. A copy of the announcement is attached as Exhibit “99.1.”

The information furnished pursuant to Item 2.02 in this Form 8-K, including Exhibit “99.1” attached hereto, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section, unless we specifically incorporate it by reference in a document filed under the Securities Act of 1933 or the Securities Exchange Act of 1934. We undertake no duty or obligation to publicly update or revise the information furnished pursuant to Item 2.02 of this Current Report on Form 8-K.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits

- (d) Exhibits.

The following exhibit is furnished with this Report:

<u>Exhibit No.</u>	<u>Description</u>	
99.1*	Press release dated	August 8, 2024

* Furnished herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TRANSCONTINENTAL REALTY INVESTORS, INC.

Dated: August 8, 2024

By: /s/ ERIK L. JOHNSON

Erik L. Johnson

President and Chief Executive Officer

NEWS RELEASE

FOR IMMEDIATE RELEASE

Contact:

Transcontinental Realty Investors, Inc. Investor Relations

Erik Johnson (469) 522-4200

investor.relations@transconrealty-invest.com

Transcontinental Realty Investors, Inc. reports Earnings for Q2 2024

DALLAS (August 8, 2024) -- Transcontinental Realty Investors, Inc. (NYSE:TCI) is reporting its results of operations for the three months ended June 30, 2024. For the three months ended June 30, 2024, we reported net income attributable to common shares of \$1.5 million or \$0.17 per diluted share, compared to a net income of \$0.5 million or \$0.06 per diluted share for the same period in 2023.

Financial Highlights

- Total occupancy was 78% at June 30, 2024, which includes 93% at our multifamily properties and 48% at our commercial properties.
- On July 10, 2024, we replaced the existing loan on Forest Grove with a \$6.6 million loan that bears interest at SOFR plus 1.85% and matures on July 10, 2031.

Financial Results

Rental revenues decreased \$0.2 million from \$11.4 million for the three months ended June 30, 2023 to \$11.2 million for the three months ended June 30, 2024. The decrease in rental revenue is primarily due to an increase of \$0.3 million from our multifamily properties offset in part by a decrease of \$0.5 million from the commercial properties. The increase in revenue from the multifamily properties is primarily due to the lease-up of Landing on Bayou Cane.

Net operating loss decreased \$2.4 million from \$3.5 million for the three months ended June 30, 2023 to \$1.1 million for the three months ended June 30, 2024. The decrease in net operating loss is primarily due to a decrease in general and administrative expenses associated with our bonds payable, which were repaid in 2023.

Net income attributable to the Company increased \$1.0 million from \$0.5 million for the three months ended June 30, 2023 to \$1.5 million for the three months ended June 30, 2024. The increase in net income is primarily attributed to a decrease in general administrative expenses and loss on extinguishment in debt offset in part by a decrease in interest income.

About Transcontinental Realty Investors, Inc.

Transcontinental Realty Investors, Inc., a Dallas-based real estate investment company, holds a diverse portfolio of equity real estate located across the U.S., including office buildings, apartments, shopping centers, and developed and undeveloped land. The Company invests in real estate through direct ownership, leases and partnerships and invests in mortgage loans on real estate. The Company also holds mortgage receivables.

TRANSCONTINENTAL REALTY INVESTORS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands, except per share amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Revenues:				
Rental revenues	\$ 11,188	\$ 11,389	\$ 22,467	\$ 22,398
Other income	585	850	1,205	1,529
Total revenue	<u>11,773</u>	<u>12,239</u>	<u>23,672</u>	<u>23,927</u>
Expenses:				
Property operating expenses	6,624	7,031	13,258	13,137
Depreciation and amortization	3,137	3,200	6,309	6,302
General and administrative	1,414	3,521	2,675	6,404
Advisory fee to related party	1,680	2,000	3,845	4,170
Total operating expenses	<u>12,855</u>	<u>15,752</u>	<u>26,087</u>	<u>30,013</u>
Net operating loss	(1,082)	(3,513)	(2,415)	(6,086)
Interest income	5,200	8,494	11,327	17,322
Interest expense	(1,862)	(2,426)	(3,731)	(5,513)
Gain on foreign currency transactions	—	22	—	993
Loss on early extinguishment of debt	—	(1,710)	—	(1,710)
Equity in income from unconsolidated joint venture	109	25	544	713
Gain on sale or write down of assets, net	—	188	—	188
Income tax provision	(669)	(204)	(1,272)	(1,316)
Net income	<u>1,696</u>	<u>876</u>	<u>4,453</u>	<u>4,591</u>
Net income attributable to noncontrolling interest	(198)	(346)	(406)	(544)
Net income attributable to the Company	<u>\$ 1,498</u>	<u>\$ 530</u>	<u>\$ 4,047</u>	<u>\$ 4,047</u>
Earnings per share				
Basic and diluted	<u>\$ 0.17</u>	<u>\$ 0.06</u>	<u>\$ 0.47</u>	<u>\$ 0.47</u>
Weighted average common shares used in computing earnings per share				
Basic and diluted	<u>8,639,316</u>	<u>8,639,316</u>	<u>8,639,316</u>	<u>8,639,316</u>