



Item 8.01. Other Events

On February 13, 2017, Southern Properties Capital LTD, a British Virgin Islands corporation ("Southern"), filed a final prospectus with the Tel Aviv Stock Exchange LTD (the "TASE") for an offering and sale of nonconvertible Series A Bonds (the "Debentures"), to be issued by Southern, which is an indirect subsidiary of Transcontinental Realty Investors, Inc. ("TCI"). Southern, in turn, wholly owns interest in other entities, which, in turn, are the principal owners of various residential and commercial properties located in the south and southwestern portions of the United States. The Debentures are unsecured obligations of Southern. On February 14, 2017, Southern commenced the institutional tender of the Debentures and has accepted application for 276 million Israeli, new Shekels (approximately \$73,651,065 USD, based on current exchange rate of 3.7474 Shekels to the U. S. Dollar) in both institutional and public tenders, at an annual interest rate averaging approximately 7.38%.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned, hereunto duly authorized.

Dated: February 15, 2017 TRANSCONTINENTAL REALTY INVESTORS, INC.

By: /s/ Gene S. Bertcher  
Gene S. Bertcher, Executive Vice  
President and Chief Financial Officer

