

TRANSCONTINENTAL REALTY INVESTORS INC
 Form 4/A
 March 16, 2011

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 TRANSCONTINENTAL REALTY ACQUISITION CORP

2. Issuer Name and Ticker or Trading Symbol
 TRANSCONTINENTAL REALTY INVESTORS INC [TCI]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 1800 VALLEY VIEW LANE,
 SUITE 300
 (Street)
 DALLAS, TX 75234
 (City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)
 12/30/2010
 4. If Amendment, Date Original Filed(Month/Day/Year)
 01/03/2011

____ Director
 ____ Officer (give title below)
 ___X___ 10% Owner
 ____ Other (specify below)
 6. Individual or Joint/Group Filing(Check Applicable Line)
 ___X___ Form filed by One Reporting Person
 ____ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount or Price | | |
| Common Stock, par value \$0.01 per share | 12/30/2010 | | J(1) | | 45,000 (1) | D | \$ 6.49 1,155,000 D |
| Common Stock, par value \$0.01 per share | 12/31/2010 | | J(2) | | 58,226 (2) | A | \$ 6.49 1,213,226 D |

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

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(9-02)

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

TRANSCONTINENTAL REALTY ACQUISITION CORP
1800 VALLEY VIEW LANE, SUITE 300
DALLAS, TX 75234

X

Signatures

Transcontinental Realty
Acquisition Corp

03/16/2011

__Signature of Reporting Person

Date

By: Daniel J. Moos, President

03/16/2011

__Signature of Reporting Person

Date

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).

On 3/14/2011 Reporting Person ("TRAC") and Arcadian Energy, Inc entered into a Rescission Agreement effective 12/30/2010 pursuant to which the prior purchase by TRAC of 45,000 shares of Common Stock of TCI at a price of \$6.49 per share from Arcadian Energy, Inc

(1) was rescinded and cancelled and an unsecured promissory note issued by TRAC in the original principal amount of \$292,050 was cancelled and deemed null and void. The effect of the transaction was to rescind, ab initio, the 12/30/2010 transaction and return the 45,000 shares of TCI Common Stock to Arcadian Energy, Inc.

(2)

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On 3/15/2011 TRAC and FRE Real Estate, Inc ("FRE") entered into a Rescission Agreement effective 12/31/2010 pursuant to which the prior sale by TRAC to FRE of 58,226 shares of TCI common stock at a price of \$6.49 per share was rescinded ab initio and cancelled and an unsecured promissory note issued by FRE in the original principal amount of \$377,886.74 payable to the order of TRAC was cancelled and deemed null and void. The effect of such transaction was to rescind ab initio the 12/31/2010 transaction and return to TRAC 58,226 shares of TCI common stock.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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