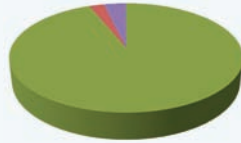




Nontraded REIT Industry Review: First Quarter 2011

Paladin Realty Income Properties, Inc.

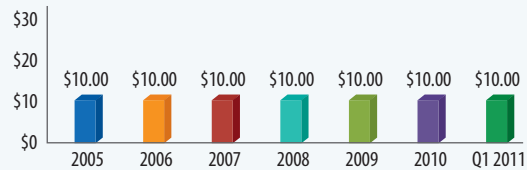
Total Assets.....\$163.8 Million
 Real Estate Assets\$153.8 Million
 Cash.....\$3.9 Million
 Securities\$0.0 Million
 Other.....\$6.1 Million



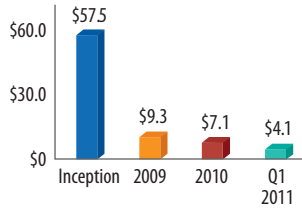
Initial Offering Date:February 25, 2005
 Number of Months Fundraising:73
 Anticipated Offering Close Date:July 28, 2011
 Current Price per Share:\$10.00
 Reinvestment Price per Share:\$9.50

Cash to Total Assets Ratio:2.4%
 Asset Type:Diversified
 Number of Properties:13
 Square Feet / Units / Rooms / Acres:....131,854 sq ft & 2,353 units
 Percent Leased:Not Reported

Historical Price



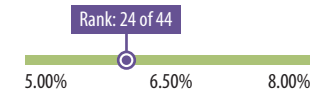
Gross Dollars Raised*



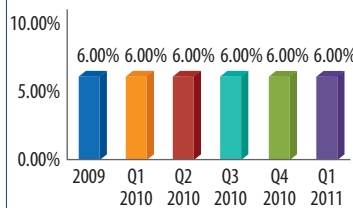
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.00%



Historical Distribution

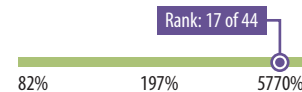


Contact Information

www.PaladinREIT.com
 Paladin Realty Advisors
 10880 Wilshire Boulevard,
 Suite 1400
 Los Angeles, CA 90024
 866-725-7348

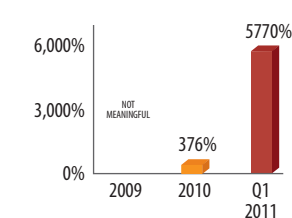
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 5770%



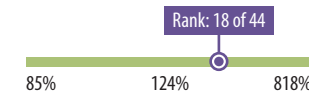
YTD Distributions Paid:..... \$753,119
 YTD FFO:\$13,052

Historical FFO Payout Ratio



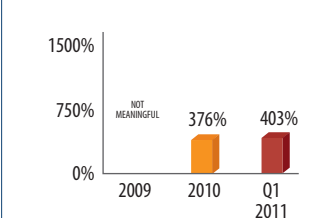
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...403%

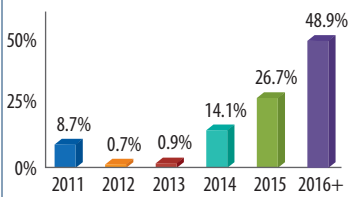


YTD Distributions Paid:..... \$753,119
 YTD MFFO:\$186,878
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio



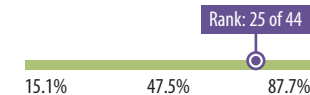
Debt Maturity



*As of 12/31/10

Current Debt Ratio

Debt to Total Assets Ratio: ... 76.2%

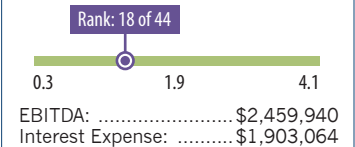


Debt Breakdown

Total:\$124.8 Million
 Fixed:\$124.8 Million
 Variable:\$0 Million
 Rate:5.49 – 7.0%
 Term:<1 – 9 yrs

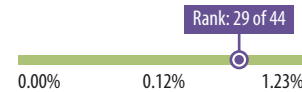
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.3



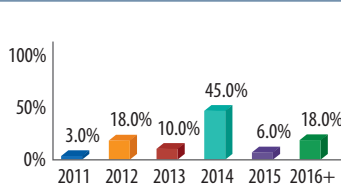
Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding:.....0.83%



Redemptions Year to Date: ... 39,896
 Wtd. Avg. Shares Outstanding
 as of 12/31/10:4,787,071

Lease Expirations*



*As of 12/31/10.

Notes

The Company reported modified funds from operations, or MFFO, as defined by the Investment Program Association, or IPA. As of March 31, 2011, the Company owned interests in 12 joint ventures that own 13 income-producing properties. Portions of the cumulative distributions paid as of March 31, 2011 have been paid with offering proceeds.