

Nontraded REIT Industry Review: Second Quarter 2011



Paladin Realty Income Properties, Inc.

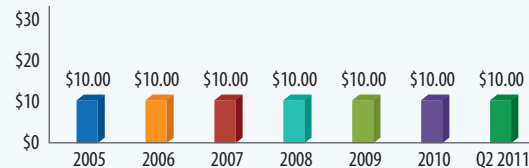
Total Assets.....	\$168.6 Million
Real Estate Assets	\$151.0 Million
Cash	\$10.1 Million
Securities	\$0.0 Million
Other	\$7.5 Million



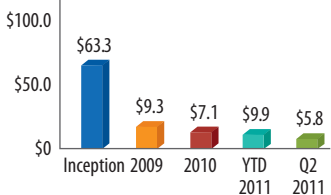
Initial Offering Date:	February 25, 2005
Number of Months Fundraising:	76
Anticipated Offering Close Date:	January 24, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	6.0%
Asset Type:	Diversified
Number of Properties:	12
Square Feet / Units / Rooms / Acres:	75,518 sq ft & 2,353 units
Percent Leased:	Not Reported
LifeStage:	Stabilizing

Historical Price



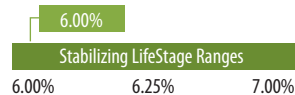
Gross Dollars Raised*



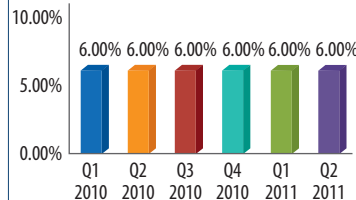
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.00%



Historical Distribution



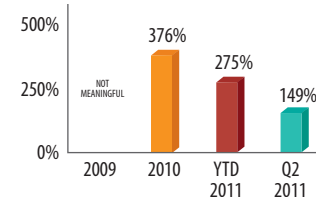
Contact Information

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Suite 1400
Los Angeles, CA 90024
866-725-7348

Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO: 275%YTD Distributions Paid: ... \$1,595,287
YTD FFO: \$579,157

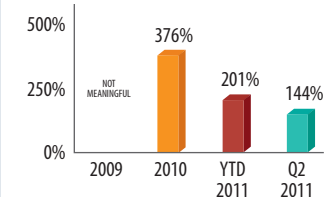
Historical FFO Payout Ratio



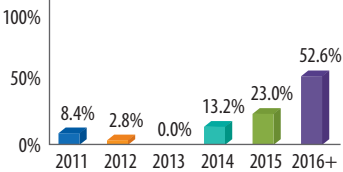
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
YTD Distributions/YTD MFFO: ...201%YTD Distributions Paid: .. \$1,595,287
YTD MFFO: \$793,457
*Blue Vault estimated MFFO – see notes

Historical MFFO Payout Ratio



Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 74.0%

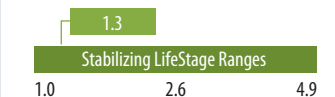


Debt Breakdown

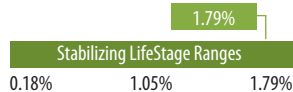
Total: \$124.8 Million
 Fixed: \$124.8 Million
 Variable: \$0 Million
 Rate: 5.49 – 7.0%
 Term: <1 – 9 yrs

Interest Coverage Ratio

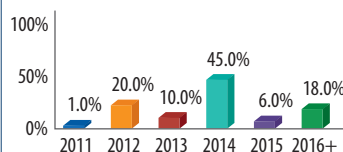
YTD Interest Coverage Ratio: 1.3

Adjusted EBITDA: \$5,028,015
Interest Expense: \$3,868,498

Redemptions

Ratio of Shares Redeemed to Wtd.
Avg. Shares Outstanding: 1.79%Redemptions Year to Date: ... 85,771
Wtd. Avg. Shares Outstanding
as of 12/31/10: 4,787,071

Lease Expirations*



*As of 3/31/11.

Notes

- Previously deferred fees of \$2.2 million have been repaid since 2010.
- A 56,000 square foot property in Arkansas was sold for \$74 per square foot compared to a national average of approximately \$50 per square foot for industrial properties.
- The REIT has 20% of its portfolio concentrated in assets located in Missouri.
- The REIT's Debt to Total Asset Ratio of 74% is above the median of 34.1% for other "Stabilizing" LifeStage REITs.
- Lease expiration percentages are for the office and industrial properties only.
- The Company did not report MFFO for 2011. As a result, the MFFO figures above are Blue Vault Partners' estimate.
- See additional notes on page 84 for information regarding the source of distributions.