



Nontraded REIT Industry Review: Fourth Quarter 2010

Paladin Realty Income Properties, Inc.

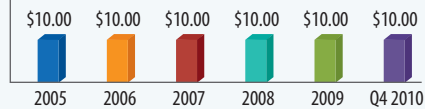
Total Assets.....	\$157.7 Million
Real Estate Assets	\$151.1 Million
Cash	\$3.1 Million
Securities	\$0.0 Million
Other	\$3.5 Million



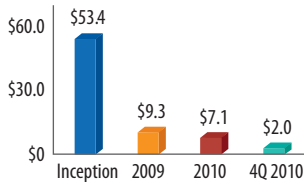
Initial Offering Date: February 25, 2005
 Number of Months Fundraising: 70
 Anticipated Offering Close Date: July 28, 2011
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 2.0%
 Asset Type: Diversified
 Number of Properties: 12
 Square Feet / Units / Rooms / Acres: ... 131,854 sq ft & 2,162 units
 Percent Leased: Not Reported

Historical Price



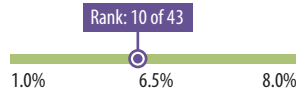
Gross Dollars Raised*



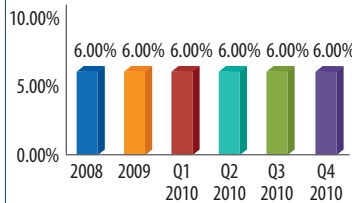
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.00%



Historical Distribution

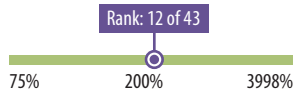


Contact Information

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 866-725-7348

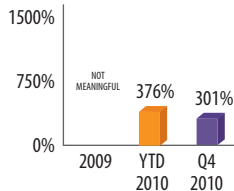
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 376%



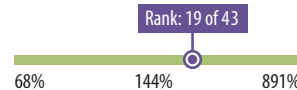
YTD Distributions Paid: ... \$2,843,351
 YTD FFO: \$755,538

Historical FFO Payout Ratio



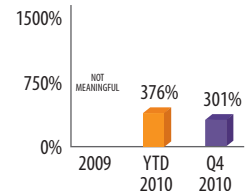
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: .. 376%



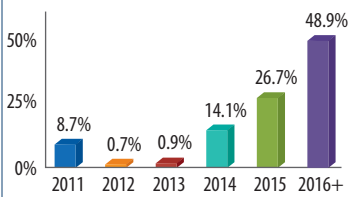
YTD Distributions Paid: .. \$2,843,351
 YTD MFFO: \$755,538
 *Company reported MFFO - see notes

Historical MFFO Payout Ratio



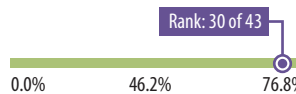
Figures prior to YTD 2010 and Q4 2010 are as previously defined.

Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 76.8%

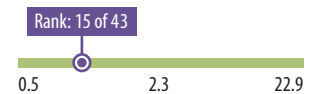


Debt Breakdown

Total: \$121.1 Million
 Fixed: \$121.1 Million
 Variable: \$0 Million
 Rate: 5.49 – 7.0%
 Term: 1 – 10 yrs

Interest Coverage Ratio

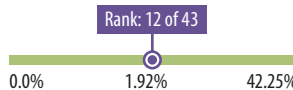
YTD Interest Coverage Ratio: 1.2



EBITDA: \$8,794,557
 Interest Expense: \$7,624,089

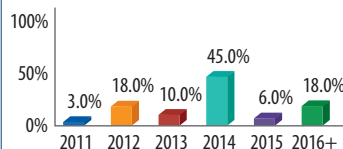
Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 3.80%



Redemptions Year to Date: .. 155,469
 Wtd. Avg. Shares Outstanding
 as of 12/31/09: 4,086,673

Lease Expirations



Notes

MFFO is company reported and Blue Vault Partners did not identify additional adjustments. As of December 31, 2010, the Company has acquired interests in 12 properties through 11 joint venture investments. Each of the existing joint venture investments is with unaffiliated third parties. In order to permit the Company to pay distributions declared to date, (1) the Company has used cash distributions from investments as well as offering proceeds and (2) Paladin Advisors has deferred the reimbursement of certain general & administrative expense payments and its receipt of asset management and acquisition fees. For the year ended December 31, 2010, distributions paid to stockholders of \$2,843,351 exceeded cash distributions from the investments of \$2,553,418 as well as net cash provided by operating activities of \$296,878. As a result, portions of the cumulative distributions paid as of December 31, 2010 have been paid with offering proceeds. All of the distributions declared and paid to date have constituted a return of capital.