

## **NEWS RELEASE**

***FOR IMMEDIATE RELEASE***

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### **Income Opportunity Realty Investors, Inc. Reports Fourth Quarter and Full Year 2020 Results**

DALLAS (March 26, 2021) Income Opportunity Realty Investors, Inc. (NYSE MKT: IOR), a Dallas-based real estate investment company, today reported results of operations for the fourth quarter ended December 31, 2020. For the three months ended December 31, 2020, we reported a net income applicable to common shares of \$ 1.3 million or \$0.32 per share, as compared to net income of \$1.1 million or \$0.25 per diluted share for the same period ended 2019.

For the full year ended December 31, 2020 the Company reported net income applicable to common shares of \$4.2 million or \$1.01 per diluted earnings per share for the year ended December 31, 2020, compared to a net income applicable to common shares of \$4.1 million or \$.99 per diluted earnings per share for the same period ended 2019.

Our primary business is investing in mortgage and note receivables.

#### **Expenses**

General and administrative expenses were \$450,000 for the year ended December 31, 2020. General and administrative expenses were \$494,000 for the year ended December 31, 2019.

Net income fee to related party was \$371,000 for the year ended December 31, 2020. This represents an increase of \$14,000, compared to the net income fee of \$357,000 for the year ended December 31, 2019. The net income fee paid is calculated at the rate of 7.5% of net income.

Advisory fees were \$768,000 for the year ended December 31, 2020. This represents an increase of \$31,000 compared to advisory fees of \$737,000 for the year ended December 31, 2019. Advisory fees are computed based on a gross asset fee of 0.0625% per month (0.75% per annum) of the average of the gross asset value.

#### **Other income (expense)**

Interest income was \$5.4 million for the year ended December 31, 2020. This represents a decrease of \$1.2 million, compared to interest income of \$6.6 million for the year ended December 31, 2019. This decrease was primarily due to a decrease in the prime rate.

Other income was \$1.5 million for the year ended December 31, 2020. This represents an increase of \$1.3 million compared to other income of \$237 thousand for the year ended December 31, 2019. This increase was primarily due to collection of a note previously written off.

Income tax expense was \$1.1 million for both 2020 and 2019.

#### ***About Income Opportunity Realty Investors, Inc.***

Income Opportunity Realty Investors, Inc., a Dallas based company that holds both mortgages and notes receivable. For more information, visit the Company's website at [www.incomeopp-realty.com](http://www.incomeopp-realty.com).

**INCOME OPPORTUNITY REALTY INVESTORS, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	<b>For the Years Ended December 31,</b>		
	<b>2020</b>	<b>2019</b>	<b>2018</b>
	<b>(dollars in thousands, except per share amounts)</b>		
<b>Revenues:</b>			
Revenue from operations	\$ -	\$ -	\$ -
<b>Expenses:</b>			
General and administrative (including \$247, \$260, and \$284 for the year ended 2020, 2019, and 2018 respectively, to related parties)	450	494	494
Net income fee to related party	371	357	631
Advisory fee to related party	768	737	685
Total operating expenses	1,589	1,588	1,810
Net operating loss	(1,589)	(1,588)	(1,810)
<b>Other income / expenses:</b>			
Interest income from related parties	5,373	6,574	4,880
Other Income	1,550	237	-
Total other income	6,923	6,811	4,880
Income before gain on sale of real estate land	5,334	5,223	3,070
Gain on sale of real estate land	-	-	7,323
Income before taxes	5,334	5,223	10,393
Income tax expense - current	1,120	1,078	1,391
Income tax expense - deferred	-	-	792
Net income	\$ 4,214	\$ 4,145	\$ 8,210
<b>Earnings per share - basic and diluted</b>			
Net income	\$ 1.01	\$ 0.99	\$ 1.97
Weighted average common shares used in computing earnings per share	4,168,414	4,168,414	4,168,214

**INCOME OPPORTUNITY REALTY INVESTORS, INC.**  
**CONSOLIDATED BALANCE SHEETS**

	December 31, 2020	December 31, 2019
	(dollars in thousands, except par value amount)	
<b>Assets</b>		
Current assets		
Cash and cash equivalents	12	5
Receivable and accrued interest from related parties	90,526	86,221
Total current assets	90,538	86,226
Non current assets		
Notes and interest receivable from related parties	13,930	14,030
Total non current assets	13,930	14,030
<b>Total Assets</b>	\$ 104,468	\$ 100,256
<b>Liabilities and Shareholders' Equity</b>		
Liabilities		
Accounts payable	\$ 12	\$ 14
Total liabilities	12	14
Shareholders' equity		
Common stock, \$.01 par value, authorized 10,000,000 shares; issued 4,173,675 and outstanding 4,168,414 shares in 2020 and 2019	42	42
Treasury stock at cost, 5,261 shares in 2020 and 2019	(39)	(39)
Paid-in capital	61,955	61,955
Retained Earnings	42,498	38,284
Total shareholders' equity	104,456	100,242
<b>Total liabilities and shareholders' equity</b>	\$ 104,468	\$ 100,256