

NEWS RELEASE***FOR IMMEDIATE RELEASE*****Contact:
Income Opportunity Realty Investors, Inc.
Investor Relations
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investor.relations@incomeopp-realty.com****Income Opportunity Realty Investors, Inc. Reports Earnings for Q4 2021**

DALLAS (March 25, 2022) -- Income Opportunity Realty Investors, Inc. (NYSE American “IOR”) is reporting its results of operations for the quarter ended December 31, 2021. For the three months ended December 31, 2021, we reported net income attributable to common shares of \$0.7 million or \$0.17 per diluted share, compared to \$1.3 million or \$0.32 per diluted share for the same period in 2020.

Financial Results

Net income attributable to common shares decreased \$0.6 million from \$1.3 million for the three months ended December 31, 2020 to \$0.7 million for the three months ended December 31, 2021. The decrease in net income is primarily attributed to a tax credit received in the prior year.

About Income Opportunity Realty Investors, Inc.

Income Opportunity Realty Investors, Inc., a Dallas-based real estate investment company, currently holds a portfolio of notes receivable. The Company invests in real estate through direct equity ownership and partnerships. For more information, visit the Company’s website at www.incomeopp-realty.com.

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AMERICAN REALTY INVESTORS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands, except per share amounts)

	<u>Three Months Ended</u>		<u>Twelve Months Ended</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues:				
Rental revenues	\$ 7,625	\$ 17,448	\$ 37,808	\$ 51,909
Other incomes	989	1,770	4,231	7,117
Total revenue	<u>8,614</u>	<u>19,218</u>	<u>42,039</u>	<u>59,026</u>
Expenses:				
Property operating expenses	4,360	5,853	20,860	24,360
Depreciation and amortization	2,397	4,417	11,870	14,755
General and administrative	3,143	2,656	15,942	10,614
Advisory fee to related party	2,391	2,354	13,985	9,409
Total operating expenses	<u>12,291</u>	<u>15,280</u>	<u>62,657</u>	<u>59,138</u>
Net operating (loss) income	(3,677)	3,938	(20,618)	(112)
Interest Income	6,033	6,639	23,421	23,098
Interest expense	(6,604)	(8,709)	(29,080)	(35,004)
Loss on foreign currency transactions	(7,360)	(14,152)	(6,175)	(13,378)
Loss on extinguishment of debt	-	-	(1,451)	-
Equity in income (loss) from unconsolidated joint venture	3,183	263	14,634	(379)
Gain on sale or write-down of assets, net	382	12,093	24,647	36,895
Income tax provision	(129)	493	1,067	147
Net (loss) income	<u>(8,172)</u>	<u>565</u>	<u>6,445</u>	<u>11,267</u>
Net income attributable to noncontrolling interest	1,368	(162)	(3,098)	(2,237)
Net (loss) income attributable to common shares	<u>\$ (6,804)</u>	<u>\$ 403</u>	<u>\$ 3,347</u>	<u>\$ 9,030</u>
Earnings per share - basic				
Basic and diluted	<u>\$ (0.42)</u>	<u>\$ 0.03</u>	<u>\$ 0.21</u>	<u>\$ 0.56</u>
Weighted average common shares used in computing earnings per share				
Basic and diluted	<u>16,152,043</u>	<u>16,045,796</u>	<u>16,152,043</u>	<u>16,045,796</u>