

NEWS RELEASE**Contact:****FOR IMMEDIATE RELEASE**

Income Opportunity Realty Investors, Inc.
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Income Opportunity Realty Investors, Inc. Reports Second Quarter 2021 Results

DALLAS (August 13, 2021) - Income Opportunity Realty Investors, Inc. (NYSE American: IOR), a Dallas-based real estate investment company, today reported results of operations for the quarter ended June 30, 2021.

For the three months ended June 30, 2021, the Company reported net income of \$819,000 or \$0.20 per share, as compared to net income of \$1,352,000 or \$0.30 per share for the same period ended 2020.

Our primary business is investing in real estate and mortgage note receivables.

Expenses

General and administrative expenses were \$100 thousand for the three months ended June 30, 2021. This represents a decrease of \$28 thousand, compared to general and administrative expenses of \$128 thousand for the three months ended June 30, 2020. This decrease was primarily driven by a decrease in legal fees of \$12 thousand and audit fees of approximately \$15 thousand.

Advisory fees were \$201 thousand for the three months ended June 30, 2021 compared to \$191 thousand for the same period in 2020 for an increase of \$10 thousand. 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.

Net income fee to related party was \$55 thousand for the three months ended June 30, 2021. This represents a decrease of \$57 thousand, compared to the net income fee of \$112 thousand for the three months ended June 30, 2020. The net income fee paid to our Advisor is calculated at 7.5% of net income.

Other income (expense)

Interest income decreased to \$1.2 million for the three months ended June 30, 2021 compared to \$1.3 million for the same period in 2020. The decrease of \$100 thousand was primarily due to a decrease in interest recognized due to some notes being paid off in 1Q 2021.

Other income was \$162 thousand for the three months ended June 30, 2021 compared to \$742 thousand for the three months ended June 30, 2020. The decrease was due to a tax increment reimbursement from City of Farmers Branch received in 2020.

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.

INCOME OPPORTUNITY REALTY INVESTORS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2021	2020	2021	2020
	in thousands, except per share amounts		in thousands, except per share amounts	
Revenues:				
Revenue from operations	\$ -	\$ -	\$ -	\$ -
Expenses:				
General and administrative (including \$155 and \$120 for the six months ended 2021 and 2020, respectively, to related parties)	100	128	288	267
Net income fee to related party	55	112	194	198
Advisory fee to related party	201	191	398	380
Total operating expenses	356	431	880	845
Net operating loss	(356)	(431)	(880)	(845)
Other income (expenses):				
Interest income from related parties	1,231	1,290	2,449	2,769
Other income	162	742	1,179	742
Total other income	1,393	2,032	3,628	3,511
Income before taxes	1,037	1,601	2,748	2,666
Income tax expense	218	336	577	560
Net income	\$ 819	\$ 1,265	\$ 2,171	\$ 2,106
Earnings per share - basic and diluted				
Net income	\$ 0.20	\$ 0.30	\$ 0.52	\$ 0.51
Weighted average common shares used in computing earnings per share	4,168,414	4,168,414	4,168,414	4,168,414

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

	June 30, 2021	December 31, 2020
	(Unaudited)	(Audited)
	(dollars in thousands, except par value amount)	
Assets		
Current assets		
Cash and cash equivalents	\$ 2	\$ 12
Receivable and accrued interest from related parties	94,797	90,526
Total current assets	94,799	90,538
Non current assets		
Notes and interest receivable from related parties	11,837	13,930
Total non current assets	11,837	13,930
Total Assets	\$ 106,636	\$ 104,468
Liabilities and Shareholders' Equity		
Liabilities:		
Accounts payable and other liabilities	\$ 9	\$ 12
Total liabilities	9	12
Shareholders' equity:		
Common stock, \$0.01 par value, authorized 10,000,000 shares; issued 4,173,675 and outstanding 4,168,414 shares in 2021 and 2020	42	42
Treasury stock at cost, 5,261 shares in 2021 and 2020	(39)	(39)
Paid-in capital	61,955	61,955
Retained earnings	44,669	42,498
Total shareholders' equity	106,627	104,456
Total liabilities and shareholders' equity	\$ 106,636	\$ 104,468

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