

INCOME OPPORTUNITY REALTY INVESTORS INC /TX/

Form 10-K/A

June 03, 2005

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K/A

(Mark One)

**b ANNUAL REPORT PURSUANT TO SECTION 13 OR 5(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2004

OR

**o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 001-14784

Income Opportunity Realty Investors, Inc.

(Exact name of registrant as specified in its charter)

Nevada

75-2615944

(State or other jurisdiction of
Incorporation or organization)

(IRS Employer Identification
Number)

1755 Wittington Place, Suite 340, Dallas, Texas

75234

(Address of principal executive offices)

(Zip Code)

Registrant's Telephone Number, including area code **214-750-5800**

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class
Common Stock, \$0.01 par value

Name of each exchange on which registered
American Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. **Yes** **No**

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). **Yes** **No**

The aggregate market value of the voting stock held by non-affiliates of the issuer, computed by reference to the closing sales price on June 30, 2004, was approximately \$2,424,000. At March 31, 2005, the issuer had outstanding approximately 977,004 shares of par value \$0.01 Common Stock.

DOCUMENTS INCORPORATED BY REFERENCE

None

**AMENDMENT NO. 1 TO
ANNUAL REPORT ON FORM 10-K FOR
INCOME OPPORTUNITY REALTY INVESTORS, INC.**

The undersigned Registrant hereby amends the following items, exhibits, or other portions of its Annual Report on Form 10-K for the fiscal year ended December 31, 2004 as set forth below and as reflected in the substituted pages attached hereto which replace the same numbered pages in the original filing:

Page 32 Report of BDO Seidman, LLP dated March 21, 2003, should have acknowledged that it was except for Notes 15 and 16, which were as of March 31, 2005; the page has been corrected as noted on the attached substituted page. The change is made to correct inadvertently-omitted material, but has no effect upon any of the financial information contained in the financial statements which remain unchanged.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Amendment to be signed on its behalf by the undersigned, thereunto duly-authorized.

Date: June 1, 2005.

INCOME OPPORTUNITY REALTY
INVESTORS, INC.

By: /s/ R. Neil Crouch, II
R. Neil Crouch, II, Executive Vice
President
and Chief Financial Officer and Acting
Principal Executive Officer

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors of
Income Opportunity Realty Investors, Inc.

We have audited the accompanying consolidated statements of operations, stockholders' equity and cash flow of Income Opportunity Realty Investors, Inc. for the year ended December 31, 2002. We have also audited the schedules listed in the accompanying index. These financial statements and the schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 17, Income Opportunity Realty Investors, Inc.'s management has indicated its intent to both sell income producing properties and refinance or extend debt secured by real estate to meet its liquidity needs.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated results of their operations and their cash flows of Income Opportunity Realty Investors, Inc. for the year ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America.

Also, in our opinion, the schedules presents fairly, in all material respects, the information set forth therein.

BDO SEIDMAN, LLP

Dallas, Texas

March 21, 2003 (except for Notes 15 and 16 which are as of March 31, 2005)