
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): March 25, 2008

Paladin Realty Income Properties, Inc.

(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

000-51860
(Commission File Number)

20-0378980
(IRS Employer
Identification No.)

10880 Wilshire Blvd., Suite 1400
Los Angeles, California
(Address of Principal Executive Offices)

90024
(Zip Code)

Registrant's telephone number, including area code: (310) 996-8704

Not applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On March 25, 2008, the Board of Directors of Paladin Realty Income Properties, Inc. (the “Company”) adopted Amendment No. 1 (the “Amendment”) to the Company’s Bylaws. The purpose of the Amendment is to add a Section 9.6 to Article Nine of the Company’s Bylaws, which provides that the Company’s leverage may not exceed 300% of the Company’s net assets, unless approved by the Company’s independent directors and disclosed to the Company’s stockholders in the Company’s next quarterly report. The Amendment was adopted to comply with the NASAA Statement of Policy Regarding Real Estate Investment Trusts, as amended May 7, 2007.

The Amendment is filed as Exhibit 3.1 to this Current Report on Form 8-K, and, pursuant to General Instruction F to the Commission’s Form 8-K, the information contained in the Amendment is incorporated into this Item 5.03 by this reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
3.1	Amendment No. 1 to Bylaws.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PALADIN REALTY INCOME PROPERTIES, INC.

Date: March 28, 2008

By: /s/ John A. Gerson

John A. Gerson

Chief Financial Officer

INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
3.1	Amendment No. 1 to Bylaws.

AMENDMENT NO. 1
to
BYLAWS
of
PALADIN REALTY INCOME PROPERTIES, INC.

In accordance with the corporate laws of the State of Maryland and the Articles of Amendment and Restatement of Paladin Realty Income Properties, Inc. (the "Company"), the Bylaws of the Company are amended as follows:

FIRST: By inserting the following as a new Section 9.6:

In applying the 65% leverage limitation set forth in Section 10.4(g) of the Company's Articles of Incorporation, the Board of Directors, in calculating such leverage limitation, must further ensure that such leverage does not exceed 300% of the Company's net assets, unless approved by the Independent Directors and disclosed to the stockholders in the next quarterly report of the Company.