



**Our Mission:
Creating Wealth Through
Real Estate Investing**



Shopoff
PROPERTIES TRUST
REAL ESTATE INVESTMENT TRUST

**\$200,000,000 PUBLICLY REGISTERED
COMMON STOCK OFFERING**

This is a "best efforts" offering.
Less than the maximum offering may be sold.

Sponsored by:



Shopoff Properties Trust REIT is advised by Shopoff Advisors, L.P., and is sponsored by The Shopoff Group, L.P. All references to past performance are related to The Shopoff Group. Past performance cannot guarantee comparable future performance.

This is neither a solicitation to buy nor an offer to sell to any person in any jurisdiction where the offer or sale is not permitted by state law. The offering is made only by the prospectus. This sales and advertising literature must be read in conjunction with the prospectus in order to understand fully all of the implications and risks of the offering of securities to which it relates. A copy of the prospectus must be made available to you in connection with this offering.

Minnesota offers and sales may be made only to accredited investors pursuant to sec. 80a.46 (13) (b) of the Minnesota Securities Act and to "institutional investors" as defined by sec. 80a.46 (13) (a) and related sections, rules and releases promulgated thereunder.

The properties pictured in this brochure are not owned by Shopoff Properties Trust, nor will they be. They are some of The Shopoff Group's current or former projects, and are included as examples of the type of properties to be acquired by Shopoff Properties Trust.

Shopoff Properties Trust

Differences Investors Will Appreciate!

- **Our Sponsor's Track Record** – Three-year sales of \$107 million resulted in more than \$81 million in profits (see Table V, next page). Of this amount, a portion was retained within the partnerships, a portion was reinvested through 1031 Exchanges, and a portion was distributed to the Limited and General Partners.
- **Land Based** – Our primary focus is to invest in undeveloped and underdeveloped real estate assets that present opportunities for adding value through obtaining entitlements.
- **Return on Invested Capital** – The Advisor will not receive an incentive fee until investors have received a return of their capital plus a 10% annual, cumulative, non-compounded preferred return on invested capital.
- **Invest Cash or Tax-Exempt Funds (IRAs, Profit Sharing)** – Investments may be in cash, through self-directed IRA accounts, or through certain employee benefit plans.
- **Commission-Free Sales** – Shares of Shopoff Properties Trust are being offered through Shopoff Securities, a registered broker-dealer affiliated with Shopoff Properties Trust. Our broker-dealer will not receive commissions from the gross offering proceeds, meaning more of your investment works for you.
- **An Accomplished Board of Directors** – The nine-member Board of Directors includes five independent board members who have extensive real estate and business experience including top corporate management and specialists in the fields of law, finance, tax accounting, municipal planning, and business development.
- **Attractive Investor Features** – Ideally suited to those investors seeking a very low-maintenance investment with potentially high compounded returns over a 10-year investment period. For a summary of the material risk factors associated with an investment in the common stock of Shopoff Properties Trust, including the complete loss of your investment, see the Risk Factors section of this brochure.

Investment Objectives and Criteria

Investment Objectives

The members of the investment committee of our Advisors possess considerable experience in the real estate sector, which will enable us to identify appropriate properties to meet our objectives and goals. Overall, our focus is on providing a stable asset base and a strategy for growth consistent with the preservation of capital.

- Preserve, protect and return your capital contribution.
- Realize capital appreciation upon the sale of value-added properties.
- Provide periodic dividends.
- Provide you with liquidity for your investment at the end of 10 years by either:
 - Selling the real estate and real estate-related investments and distributing the cash to investors.
 - Listing the shares on a national securities exchange.

Investment Criteria

Consistent with our investment objectives, Shopoff Properties Trust will invest in properties with the following attributes:

- High prospects for capital appreciation, with the potential for an internal rate of return in excess of 30% compounded annually.
- The potential for a sharp increase in value due to a recent or potential future zoning change or other opportunity where the property may lie in the path of progress.
- Soft conditions in certain markets present significant buying opportunities.
- Geographic locations are primarily in California, Nevada, Arizona, Hawaii and Texas.
- Candidate properties are in locations where we have strong relationships.

Other attributes include potential for economic growth in the local community, and moderate competition from existing properties.

REITs – The Investor's Advantage

In addition to being great long-term investments and providing the opportunity for compound growth without the cumbersome 1031 exchange process, Real Estate Investment Trusts (REITs) provide certain other distinct advantages to investors, including:

- A portfolio diversified by region, type of property, and timing.
- An opportunity to participate in large-scale real estate investments.
- A "total return" vehicle that, when added to a portfolio of stocks and bonds, potentially increases portfolio returns while reducing risk.
- REITs provide a substantial tax advantage for IRA and other tax-exempt entities over limited partnerships or direct real estate investments because REITs do not produce unrelated business taxable income (UBTI).
- No requirement for future investments as are frequently found in limited partnerships.
- A hedge against inflation produced by rising property values.
- No double taxation as REITs are exempt from federal taxation on income distribution to shareholders.
- Simplified tax reporting – Form 1099 (no Form K-1).
- State taxes are paid only in the state where the investor resides.

The Shopoff Group – Our Sponsor...A History of Excellence

The Shopoff Group is pleased to share their prior performance summary with you. Table V in the Prospectus shows Sales or Disposals of Properties by The Shopoff Group in the three-year period ending December 31, 2007, with the summary duplicated below.

Below is the historical experience, both positive and negative, of certain real estate programs managed by our affiliates. The past performance of The Shopoff Group is not a predictor of future results of Shopoff Properties Trust.

This offering by Shopoff Properties Trust differs from prior programs of The Shopoff Group in that it is a "blind pool" offering where no specific real estate assets or real estate-related investments have been identified, acquired, or made. Also, the costs of forming and operating a public company were not incurred by the limited partnerships which participated in The Shopoff Group's prior programs.

Investors who purchase our shares will not thereby acquire an ownership interest in any programs of our affiliates.

Table V
Sales or Disposals of Properties
January 1, 2005 Through December 31, 2007 (Unaudited)
Table V presents all sales or disposals of properties for programs with similar investment activities for the most recent 3 years.

Project Name	Date of Acquisition	Date of Final Sale	Average Holding Period (In Years) ⁽¹⁾	Project Costs (\$)	Net Sales Price (\$) ⁽²⁾	Profit from Sales (\$)
MRF – Groves Development (Summary)	02/23/1998	12/08/2005	7.79	2,151,398.19	15,154,242.81	13,002,844.62
Wasson Canyon Investments (Summary)	12/05/2003	06/28/2005	1.56	3,104,949.53	24,757,801.35	21,652,851.82
Springbrook Investments (Summary)	01/01/2003	10/05/2006	3.76	13,833,621.38	55,107,413.55	41,273,792.17
SMR Water Stock Holding Co.	12/18/1998	01/10/2005	6.07	870,360.25	4,120,325.25	3,249,965.00
Wasson West, L.P.	05/26/2006	07/19/2006	0.15	388,412.37	458,421.37	70,009.00
Peloton Partners, L.P.	05/30/2006	07/19/2006	0.14	448,085.57	433,507.57	(14,578.00)
Two Tanglewood, Ltd.	06/15/1995	10/11/2007	12.33	4,145,497.85	5,885,266.85	1,739,769.00
El Toro, L.P.	01/16/2007	09/17/2007	0.67	1,016,393.00	1,110,000.00	93,607.00

See the Prospectus for a detailed discussion of prior performance of The Shopoff Group.

(1) The average holding period (in years) is calculated by subtracting the date of final sale from the date acquired and dividing by 365.

(2) The net sale price of \$107,026,978.75 is comprised of \$111,412,205.45 in gross revenues less \$4,385,226.70 in closing costs.

(3) The project totals average holding period (in years) is a weighted average calculation of average holding period in years and project costs.

Become an Investor in Shopoff Properties Trust

An investment in our common stock is suitable only for persons who have adequate financial means, desire a relatively long-term investment, and do not anticipate any need for immediate liquidity. We have established suitability standards for all shareholders, requiring that a purchaser of shares have either:

- A minimum annual gross income of \$70,000 and a minimum net worth of \$70,000; or
- A minimum net worth (excluding your home, home furnishings and personal automobiles) of \$250,000.

If an investor resides in a state that has higher or lower suitability standards than those established by Shopoff Properties Trust, they must meet the standards which are set by the investor's home state. To find your state's requirements, please visit <http://www.shopoff.com/spt/suitability>.

How to Invest

- Contact Shopoff Securities' Investor Relations Department to obtain a Prospectus.
- Complete the Investor Questionnaire and Subscription Agreement.
- Minimum purchase: 2,000 shares (may vary by state), with additional purchases in 100 share increments.
- Price per share: \$9.50 for the first 2,000,000 shares sold;
\$10.00 for the remaining 18,100,000 shares.
- Invest cash or funds in tax-exempt accounts. If investing IRA funds, you will need a self-directed IRA. Our Investor Relations Department can assist you with the easy steps.

Risk Factors

Investment in our common stock involves a high degree of risk. You should not invest in shares of our common stock unless you can afford the complete loss of your investment. There are multiple types of risk, including, but not limited to, those related to:

- **Investment** – This is a blind pool offering. There is no public market for the common stock, and if you are able to sell your stock, you may have to sell at a substantial discount.
- **Business** – Shopoff Properties Trust, Shopoff Advisors, and Shopoff Securities are recently formed companies with no operating histories. The past performance of The Shopoff Group may not be indicative of our future results.
- **Real Estate** – Uncertainties in the entitlement process or general market conditions could result in increased costs, longer holding periods, and lower selling prices.
- **Conflicts of Interest** – We will be subject to conflicts of interest arising out of relationships among us, our officers, Shopoff Advisors and its affiliates regarding the acquisition of properties, time management, allocation of resources, compensation, and fees.
- **Dividends** – Since our focus will be on land with capital appreciation rather than income properties, the timing of cash flow is less predictable, and dividends are not guaranteed.
- **Income Taxes** – We intend to qualify as a REIT; there are tax consequences arising out of our election to be taxed as a REIT if we do not qualify. We may also be asked to forego certain attractive investments to maintain our REIT status.

For more information on these and other risks, please see the Prospectus. You may access it on-line at <http://www.shopoff.com/spt/prospectus>

This document must be accompanied by a Prospectus, and is not an offer to sell the securities, nor is it a solicitation of an offer to buy the securities, in any state where an offer or sales of the securities is not permitted.

Shopoff Properties Trust – Executive Officers



William A. Shopoff is Chairman of the Board of Directors, Chief Executive Officer and President. He has more than 25 years of real estate and investment experience. His expertise includes acquisition, development and sale of new and redeveloped residential and commercial properties throughout the United States. Mr. Shopoff's extensive experience includes a wide range of real estate transactions in residential, multi-family, and commercial properties, and numerous parcels of raw land that he and his team have taken through the entitlement process. Over the past 15 years, these investments have been funded by raising private placement equity capital. Mr. Shopoff's systematic approach to acquiring undervalued land assets and adding substantial value through the land planning, zoning, and regulatory approval process has resulted in considerable wealth creation for his clients. Mr. Shopoff is on the Advisory Council of the Real Estate Finance and Investment Center at the McCombs School of Business, The University of Texas at Austin.



Edward J. Fitzpatrick is Executive Vice President and Director. He has over 30 years of real estate experience and has been associated with Mr. Shopoff since 2000. Mr. Fitzpatrick oversees the complete land process from acquisition to entitlement, and where appropriate, improvements to the property. His accomplishments include the acquisition or development of over 10,000 acres of land, the construction and marketing for lease or sale of approximately 2 million square feet of industrial, office, retail, recreational, and multi-family projects, and the generation of more than \$130 million in profits for the entities served. Prior to his association with Mr. Shopoff, Mr. Fitzpatrick was co-owner of a property development and management company, and served as Vice President of Development for a San Diego-based developer.



Kevin M. Bridges is Chief Financial Officer, Corporate Secretary and Director. With over 15 years of residential development industry experience, he has worked on a wide range of projects of various sizes and complexities for public homebuilders and regional developers. Mr. Bridges has direct due diligence, project management, and daily financial responsibility for a variety of properties, including master-planned and multi-use communities. Mr. Bridges has been a controller for several builders/developers, with responsibilities including business plan preparation, project feasibility analysis, financial statement preparation, and compliance reporting. Mr. Bridges' experience includes forming community facility districts and financing project-specific loans from senior, mezzanine and private lenders.



Tim McSunas is Senior Vice President of Acquisitions. Mr. McSunas has over 20 years of experience in project management and acquisitions. Prior to joining The Shopoff Group, where he oversees the identification and acquisition process of investment properties, Mr. McSunas was Southern California Division President for Taylor Woodrow Homes, where he managed \$500 million in revenues in 2005. Mr. McSunas serves on the board of directors for the Southern California Building Industry Association, and is the 2007 President of the Building Industry Association/Orange County. His prior experience includes ownership of a residential and commercial building company.



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Front Cover – top to bottom: PHOTO 1 – Spring Mountain Ranch. A 1,461 home master planned community project adjacent to the City of Riverside, CA. Sold to SMR Ventures, LLC in 2004. PHOTO 2 – Kona Kahua. 80-90 unit condominium project to be constructed by The Shopoff Group in Kailua-Kona on the Island of Hawaii. PHOTO 3 – A phase of the Ramsgate project. A 352 unit multi-family site in Lake Elsinore, CA. Sold to Fairfield Homes in 2004. PHOTO 4 – A phase of the Ramsgate project. 1,013 single family lots in Lake Elsinore, CA. Sold to Centex Homes in 2003.

Above: The Villages at Wasson Canyon. 191 single family lots in the City of Lake Elsinore, CA. Sold to Lennar Homes in 2005.

Investor Relations personnel at Shopoff Securities are available to answer any questions that investors may have about Shopoff Properties Trust.

For additional information on how to become a Shopoff Properties Trust REIT investor, view a video presentation or request a **FREE DVD**, please call toll free at **1-877-874-7348 (REIT)** or visit our website at **www.shopoff.com/spt**.

Our Mission: Creating Wealth Through Real Estate Investing



www.shopoff.com/spt | Toll Free: 877-874-7348 (REIT) | Fax: 949-417-1399 | info@shopoff.com | 8951 Research Drive, Irvine, CA 92618

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