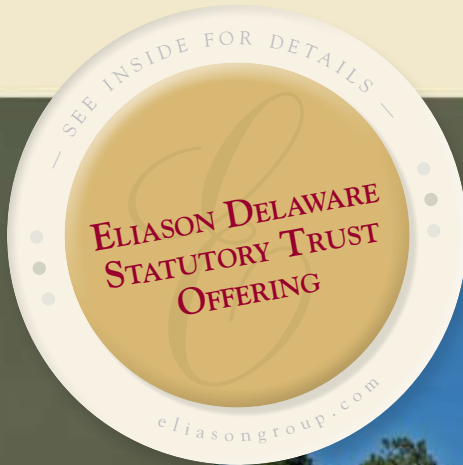


ELIASON

1031 PROPERTIES



MIDTOWN CROSSING

GARDEN-STYLE APARTMENT HOMES
RALEIGH, NORTH CAROLINA

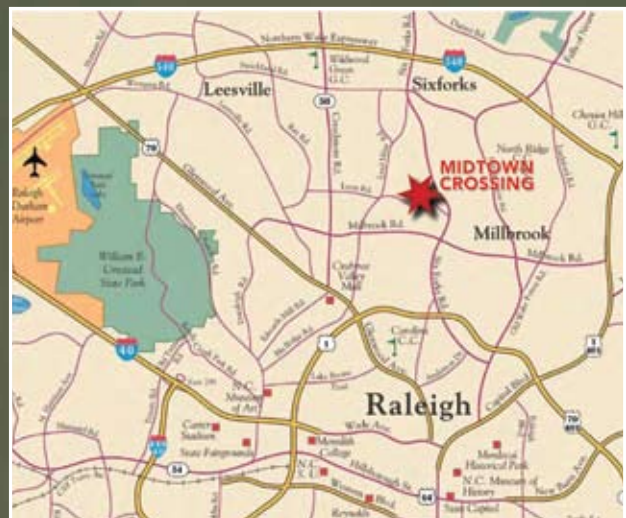
- Growing metro region in the Carolinas
- Proximity to three top research universities
- Covered by an Eliason Double-Layer Master Lease®

INVESTMENT OPPORTUNITY

Midtown Crossing is a 228-unit garden-style community located in Raleigh, the capital of North Carolina and heart of one of the fastest growing metropolitan regions in the Carolinas. The property is situated in the “Midtown” area of North Raleigh where it is surrounded by some of the most affluent zip codes in the city. Built in 1997 and set on approximately 23 acres, the property is just ten miles from downtown and thirty minutes or less from three nationally ranked research universities—The University of North Carolina at Chapel Hill, Duke University, and North Carolina State University—and from the famed Research Triangle Park, one of the nation’s largest planned research development communities. Midtown Crossing features spacious floor plans with up to three bedrooms and two bathrooms. The property amenities include a clubhouse, fitness center, business center, swimming pool and sand volleyball court, as well as picnic gazebos with grills and a children’s play area.

In 2008 *Forbes* magazine ranked Raleigh number five in its list of ten recession-proof cities in the United States, citing its stable home prices and growth across different sectors of its economy, which include government, education, high-tech, healthcare, medical device, and textiles. According to Claritas, a provider of demographic data, population in the area around the property has grown nearly 26 percent since 2000 and is expected to grow by another 14 percent over the next five years, outpacing the national average of 4.9 percent.

We believe that this projected demand, combined with the property’s solid operating history, and the economic strength of Raleigh and the surrounding areas, make this property an attractive opportunity for real estate investors.



PROPERTY DESCRIPTION

Address:	317 Lynn Road Raleigh, NC 27609
Number of Units:	228
Number of 1 Bedroom:	82
Number of 2 Bedroom:	114
Number of 3 Bedroom:	32
Average Unit Size:	841 square feet
Net Rentable Area:	Approximately 191,760 square feet
Land Area:	Approximately 23 acres
Occupancy:	94.3% (as of 8/2008)



Midtown Crossing

Garden-Style Apartment Home Community

Midtown Crossing offers residents a quality living experience in a beautiful wooded setting. The community includes a wide variety of amenities to suit the needs of a diverse group of residents. In addition to a clubhouse with kitchen and bar, fitness center, swimming pool, sand volleyball court and 24-hour business center, there's a laundry facility, car care facility and children's play area. An on-site leasing and management office and ample parking, including 53 detached carports, complete the setting.

The spacious apartment homes feature an appropriate mix of one-, two- and three-bedroom floor plans, each efficiently designed. Every unit includes a patio or

balcony, walk-in closets, exterior storage on patios or balconies, recessed lighting in the dining room, cable hookups and connections for full-size washers and dryers. Kitchens feature complete appliance packages. The two-bedroom and three-bedroom units include two bathrooms and a separate dining area.

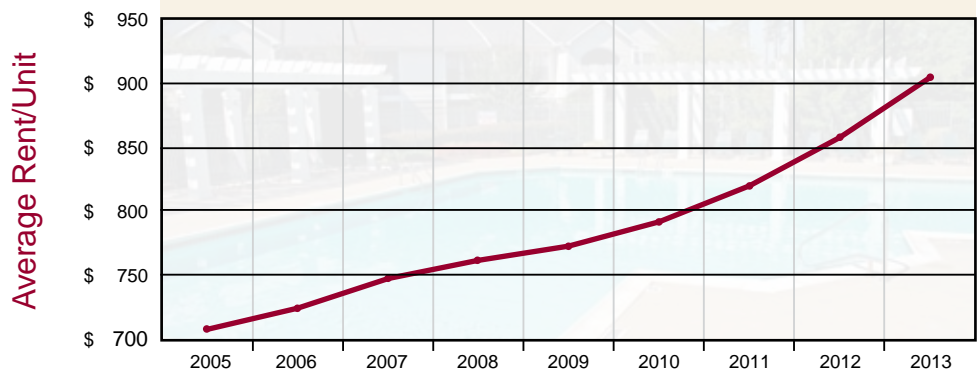
THE LOCATION

Midtown Crossing offers residents easy access to jobs, shopping, dining and entertainment thanks to quick access to Interstate 540 and Interstate 440. Six Forks Road provides the main artery from North Raleigh into downtown. Midtown Crossing is only two miles north of North Hills in the



CHART #1: MARKET RENTS

North Raleigh Submarket
2005 – 2013



Source: Torto Wheaton Research

city's emerging Midtown area. North Hills includes a four-star hotel, premier dining, high-end shopping and national retailers.

The property also provides an attractive housing opportunity for the thousands of people who work for the University of North Carolina in nearby Chapel Hill and Duke University in Durham. These institutions, along with North Carolina State University, form the famed Research Triangle. The centerpiece of the zone is Research Triangle Park (RTP), one of the nation's largest planned research and development communities. RTP includes approximately 160 industry leaders in research and development. It employs more than 38,500 persons with an additional 5,000 contract employees, according to City-Data.com. Major employers in the park include IBM, GlaxoSmithKline and Fidelity Investments.



Access to shopping, dining and entertainment also are vital to a multifamily property's success. Three major shopping centers are located near Midtown Crossing, including Six Forks Station, which has over 450,000 square feet of retail shopping anchored by Bed, Bath & Beyond, Borders and Home Depot. There's also Celebration at Six Forks Shopping Center and the high-end boutique shopping available at North Hills.

Equally attractive to potential residents is the affluence and educational level of the area. According to Claritas the area around Midtown Crossing has an average household income of nearly \$75,000, and nearly half of the adult population has earned at least a 4-year degree from a college or university.

RALEIGH

Raleigh, the state capital, is centrally located within North Carolina on the

East Coast. That easy accessibility makes it popular with businesses and new residents alike. According to the Raleigh Planning Commission, the city's population is projected to grow from 370,000 in 2005 to nearly 600,000 in 2035—an increase of about 60 percent.

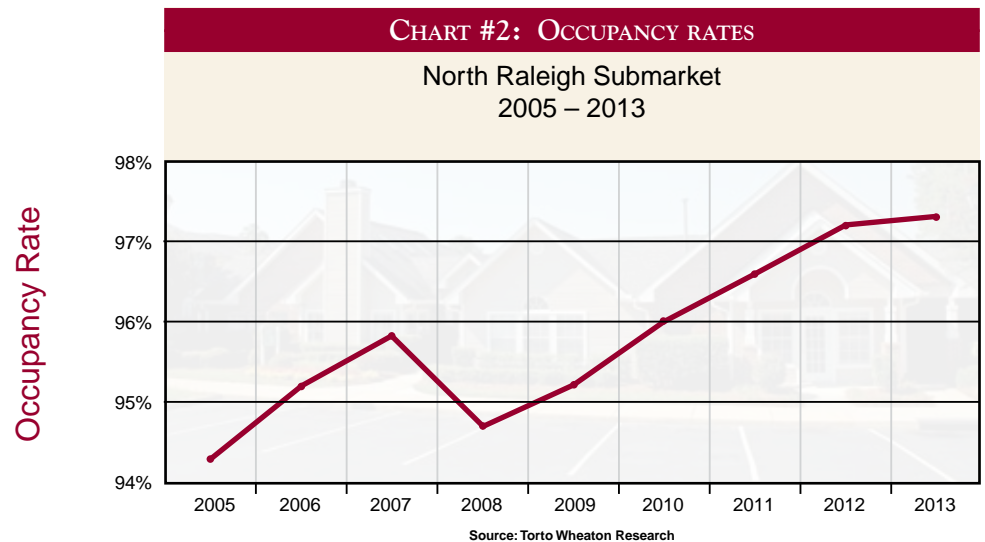
Downtown Raleigh is less than ten miles from the property. In addition to offering many of the city's best entertainment and dining venues, the downtown area employs thousands of workers. Leading downtown employers include the State of North Carolina, Progress Energy and

RBC Centura. Scheduled to open in 2008, the \$220 million Raleigh Convention Center is the most expensive public project in the city's history.

Kiplinger's Personal Finance magazine rated Raleigh number two on its 2008 list of best places to live based on factors including its relatively low cost of living, high percentage of workers with university degrees and strong economic growth. *Sperling's Best Places.net* predicts job growth in Raleigh over the next ten years will exceed 26 percent—more than double the national average of 12 percent.

In 2007, Raleigh ranked ninth among the top cities for jobs according to *Forbes* magazine. Its relative employment stability even in times of recession or economic uncertainty is a function of several key factors including the diversity of its economic base and the stabilizing presence of a large number of government employees.

With its temperate climate and quality of life, Raleigh continues to attract new residents with an abundance of good jobs. We believe these factors should contribute to the favorable growth projected for the North Raleigh submarket through 2013 (Charts 1 and 2).



THE ELIASON DELAWARE STATUTORY TRUST

Interests in Midtown Crossing are being offered through a Delaware Statutory Trust (DST), a form of fractional real estate ownership with the following attributes:

- Lower Minimum Investment
- Faster, Easier Closings
- No Set-Up or SPE Fees
- Tax-Deferred Upon Purchase and Sale

ELIASON MASTER LEASE

This property has the benefit of being subject to an exclusive Eliason Double-Layer Master Lease[®]. This arrangement provides additional reserve funding from the corporate capital reserves of Eliason Master Lease Corporation (EMLC) and adds a greater level of stability and reliability for our DST investors. An Eliason Double-Layer Master Lease offers:

- Asset/property management and rent payments to investors as with standard property level leases

Plus...

- Contractually backed monthly payments for the term of the lease, regardless of the property's financial performance, to the full extent of EMLC's capital reserves
- Coverage of all capital expenditures to the extent of EMLC's capital reserves—without additional investor out-of-pocket contributions to cover overruns or shortfalls
- More peace of mind for investors, broker-dealers and reps



PROJECTED CASH-ON-CASH YIELD		
Years	1-2:	6.25%
Years	3-4:	6.40%
Years	5:	6.70%
Years	6:	6.85%
Years	7-8:	7.00%

FINANCIAL HIGHLIGHTS

Sales Price:	\$21,670,000
Equity Raise:	\$10,120,000
Debt:	\$11,550,000
Loan-to-Purchase Price:	53.30%
Minimum Investment:	\$101,200

All transaction fees and expenses paid by Eliason 1031 Properties Corporation. As with all investments, you may be subject to state and federal taxes—please consult your tax advisor for more information on how these may affect your investment in Midtown Crossing.

CASH FLOW PROJECTIONS: (based on an equity investment of \$101,200)

Year	1	2	3	4	5	6	7	8*	Total
Projected Cash-On-Cash Return	6.25%	6.25%	6.40%	6.40%	6.70%	6.85%	7.00%	7.00%	6.61%
Cash Distribution	\$6,325	\$6,325	\$6,477	\$6,477	\$6,780	\$6,932	\$7,084	\$7,084	\$46,400
Projected Cumulative Yearly Cash Flow									\$46,400
Projected Ending Equity									\$131,981
Projected Total									\$178,381
Projected Total Annualized Return (based on a 7% terminal cap rate)									9.7%
Projected Simple Return (based on a 7% terminal cap rate)									14.0%

*Cash flow projections are shown through Year 8, although the anticipated holding period will not be longer than 7 years.

These cash flow projections were created by the Sponsor and are based on a number of assumptions and real estate analysis techniques. The results are necessarily hypothetical; the underlying assumptions may not be accurate, the results shown may not occur and your performance could vary significantly. The material must be read in conjunction with the confidential Private Placement Memorandum (PPM), which contains additional important risk disclosures and more specific information about the assumptions made.

ABOUT ELIASON 1031 PROPERTIES

Eliason 1031 Properties is one of the nation's leading real estate investment sponsors. We're part of Eliason, Inc., a real estate investment firm with a proven track record in commercial real estate acquisition, financing management and sales. *Inc. Magazine* recently ranked Eliason, Inc. as the Second-Fastest Growing Private Company in the country. Our collective experience has covered all types of real estate with a combined transactional value in the billions of dollars. Our geographically diverse portfolio comprises multifamily and retail properties with an estimated fair market value of more than \$475 million. The portfolio includes more than 5,000 multifamily units and more than 311,000 square feet of retail space.



CONTACT INFORMATION

To learn more about this property or to invest or conduct a 1031 Exchange into Midtown Crossing, please contact your local investment representative.

Some of the information contained in this brochure was provided by third party sources.

Although we believe the sources to be reliable, we cannot attest to the accuracy of their statements.

This information is not an offer to sell or a solicitation of an offer to buy a security—such offerings and sales may be made solely through a registered securities broker/representative and must be accompanied by a comprehensive private placement memorandum outlining the investment opportunity.

Eliason investments are sold exclusively through qualified securities brokers/dealers in compliance with applicable securities laws and regulations.

The offering of interests in Midtown Crossing includes substantial risks. Persons should not invest in the interests until they have reviewed the Confidential Private Offering Memorandum and exhibits thereto including "Risk Factors" therein.



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Securities offered through Eliason Financial Group, LLC. Member FINRA & SIPC.

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