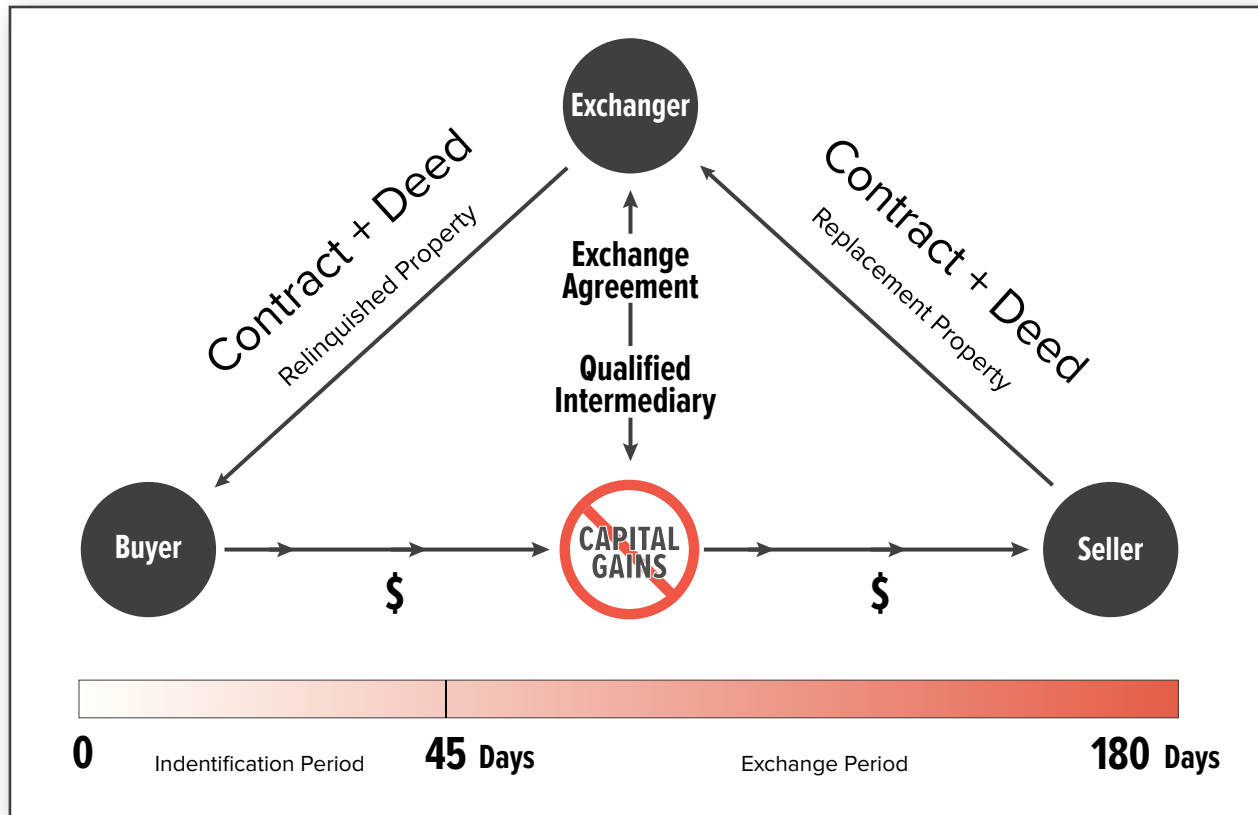




HOW DO YOU DO A STARKER (DELAYED) EXCHANGE?



1. The Exchanger enters into a Contract To Sell with anyone who wants to Buy.
2. The Exchanger enters into an Exchange Agreement with a Qualified Intermediary.
The Contract For Sale between the Exchanger and the Buyer is assigned to the Qualified Intermediary.
3. The Closing takes place, the Exchanger deeds the property directly to the Buyer, and the sale proceeds are deposited with the Qualified Intermediary.
4. Within 45 days after closing, the Exchanger identifies possible replacement property to the Qualified Intermediary.
5. The Exchanger enters into a Contract To Purchase whatever property is desired from the Seller of that property.
6. The Contract For Sale between the Exchanger and the Seller is assigned to the Qualified Intermediary.
7. The Closing takes place within 180 days of the first closing, the Seller deeds directly to the Exchanger, and the monies held by the Qualified Intermediary are used to make this purchase.
8. The Exchange has been completed and no tax is owed. What really occurred is a Sale and subsequent Purchase that were made Interdependent through use of the Exchange technique and use of a Qualified Intermediary.