

FLOW OF EXCHANGE TRANSACTION

1. Owner enters into an agreement to exchange the old property for new property with PRE.



8. By receiving new property of equal or greater value and equity, Owner avoids paying tax on the gain.

2. PRE acts as the intermediary to facilitate Owner's exchange under IRS rules.

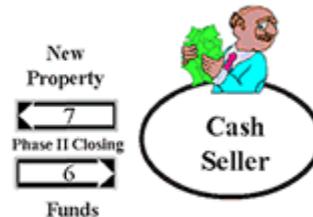


7. Owner identifies new property in 45 days, receives it in 180 days, and completes the deferred exchange.

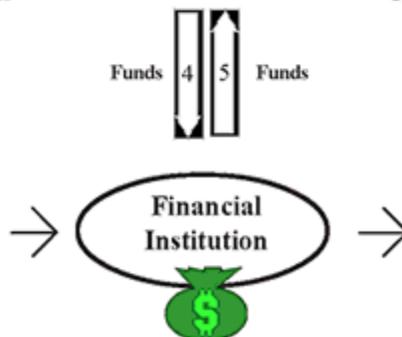
3. PRE is substituted as the seller of the old property and causes it to be directly deeded to Buyer.



6. PRE is substituted as the purchaser of the new property and causes it to be directly deeded to Owner.



4. Proceeds are wired to financial institution until needed to complete the exchange.



5. Funds are wired from financial institution to purchase new property.

