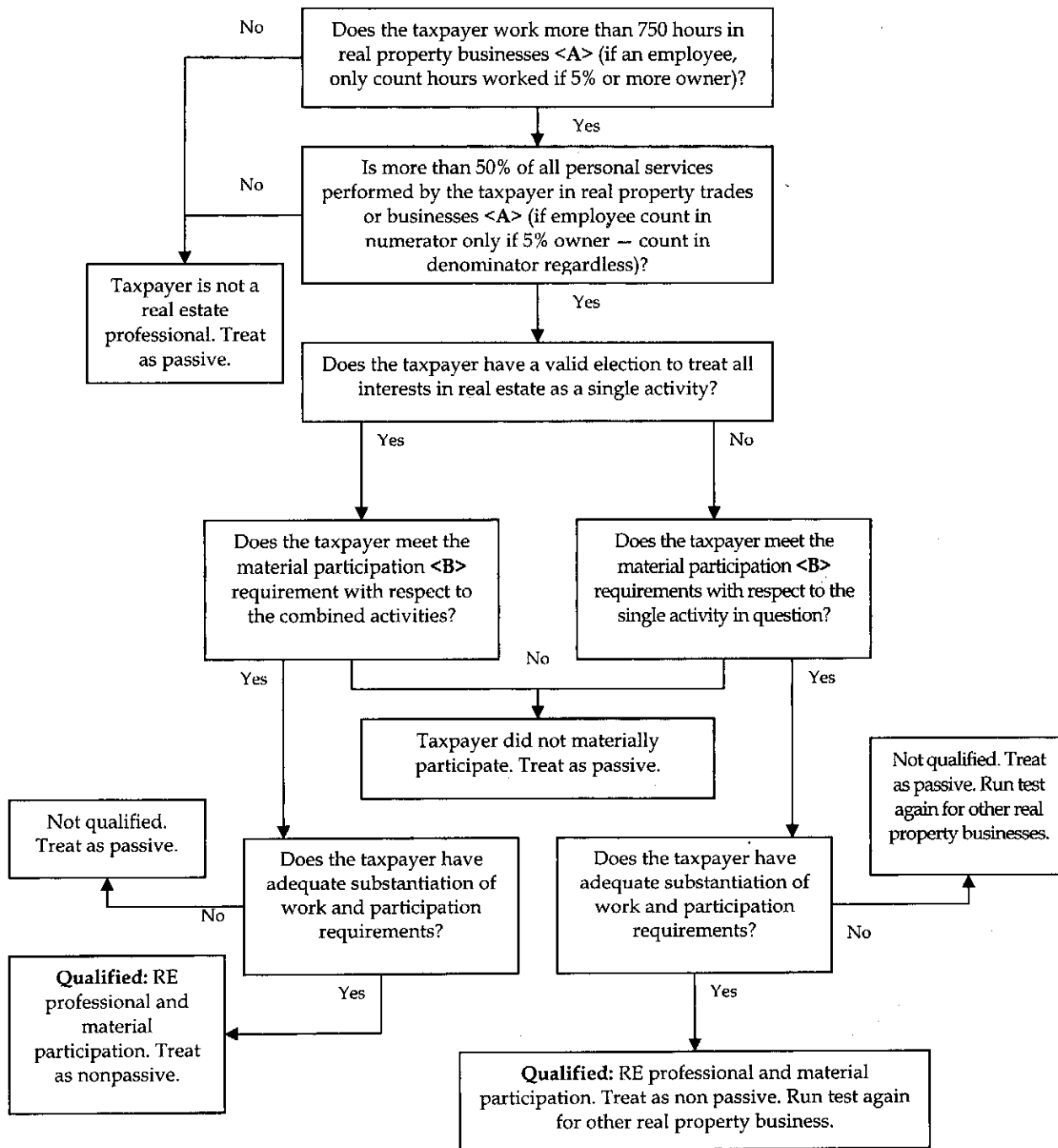


Real Estate Professional Flowchart



<A> Real property businesses include:
 Development Rental
 Redevelopment Operation
 Construction Management
 Reconstruction Brokerage
 Acquisition
 Conversion

 To materially participate you must meet one of the following tests:

1. Spend more than 500 hours in the activity
 2. Perform substantially all the work in the activity
 3. Spend more than 100 hours in the activity and no one else does more
 4. Spend more than 100 hours and aggregate more than 500 hours in significant participation activities
 5. Materially participate in the activity any 5 of the last 10 years
 6. The activity is a personal service activity
 7. Facts and circumstances support regular, continuous and substantial participation
- * Note: Limited partners may only use tests 1 and 5