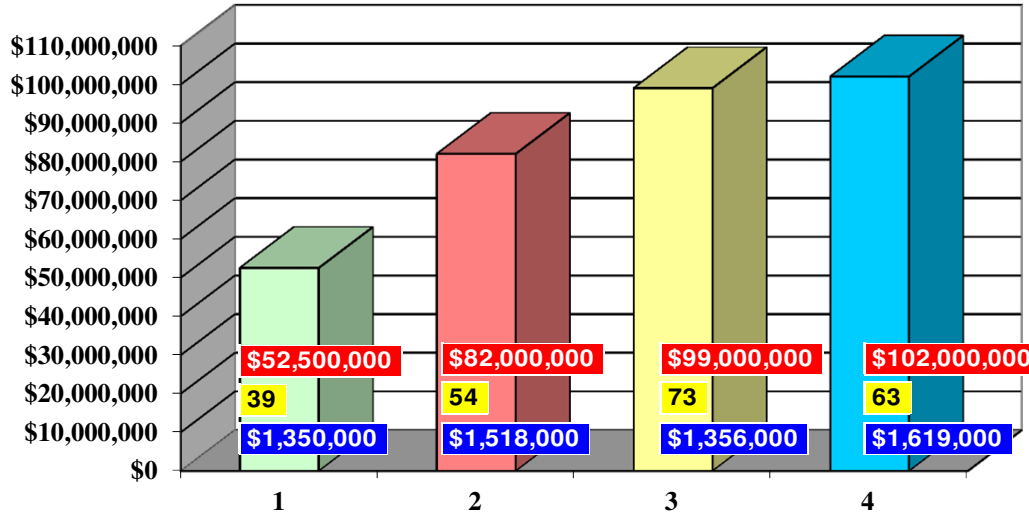


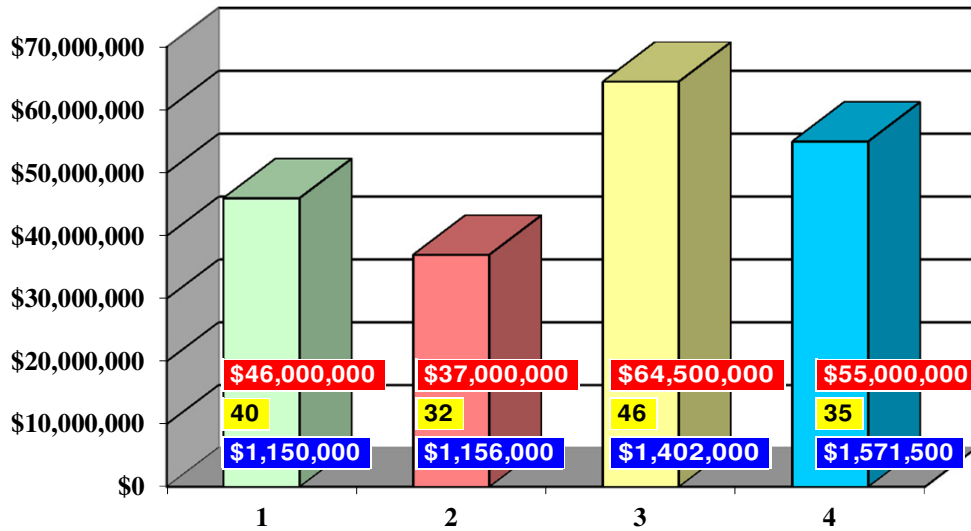


**OVERALL MARKET - 2016  
1ST, 2ND, 3RD & 4TH QUARTERS**

**AVALON**



**STONE HARBOR**



█ TOTAL SALES VOLUME     
 █ TOTAL NUMBER OF SALES     
 █ AVG SALE PRICE

TRENDS 2016 (vs) 2015  
(FOURTH QUARTER 2016)

**SALES**

**Avalon**

- > 12.5% increase in number of transactions.
- > 29% increase in total sales volume.
- > 14.5% increase in average sale price.
- > There was no change in the average % sale prices were discounted from listed prices.
- > Many buyers remain very interested in purchasing a second home at the shore.

**Stone Harbor**

- > 40% increase in number of transactions.
- > 66.5% increase in total sales volume.
- > 19% increase in average sale price.
- > 1% increase in the average % sale prices were discounted from listed prices.
- > Many buyers remain very interested in purchasing a second home at the shore.

**SALE LISTINGS**

**Avalon**

- > 5% decrease in current listings.
- > 4% decrease in new listings.
- > There was a (.77 to 1) ratio of new listings (49) to sale transactions (63) (vs) (.91 to 1) - (51 to 56) ratio.

**Stone Harbor**

- > 19% decrease in current listings.
- > 29% increase in new listings.
- > There was a (.88 to 1) ratio of new listings (31) to sale transactions (35) (vs) (.96 to 1) - (24 to 25) ratio.

**SUMMARY**

There was a 40% increase in the Total Sales Volume (\$157,000,000 (vs) \$112,000,000) and a 21% increase in the number of transactions (98 (vs) 81) for the Fourth Quarter of 2016 (vs) 2015 in the overall marketplace for Seven Mile Beach Island. The Entire 2016 Year was almost identical to 2015 as Total Sales Volume was (\$538,000,000 (vs) \$541,000,000) and the number of transactions was (382 (vs) 385).

The Total Sales Volume and Total Transactions for the Years of 2016 and 2015 are the highest since 2005. Also, 2016 and 2015 significantly exceeded 2006 and 2005 which had Total Sales Volume and Transactions of \$431,500,000 (246) and \$413,000,000 (261) respectively.

Due to the high buyer demand, low mortgage interest rates, and excellent mortgage programs, we anticipate sales activity to continue in 2017.

**OVERALL MARKET SEGMENT  
(FOURTH QUARTER 2016)**

**FOURTH QUARTER—2016**

**FOURTH QUARTER—2015**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	63	35	56	25
Total Sales Volume	\$102,000,000	\$55,000,000	\$79,000,000	\$33,000,000
Price Range	\$182,950 To \$4,750,000	\$278,000 To \$3,667,000	\$280,000 To \$4,400,000	\$370,000 To \$2,725,000
Average Sale Price	\$1,619,000	\$1,571,500	\$1,410,500	\$1,320,000
Average % Sale Prices Discounted From Listed Prices	6%	6.5%	6%	5.5%
<b>SALE LISTINGS</b>				
Current	152	117	160	144
New	49	31	51	24
<b>TOTAL</b>	201	148	211	168

**YEAR TO DATE—2016**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	229	153
Total Sales Volume	\$335,000,000	\$202,000,000
Price Range	\$182,950 To \$6,800,000	\$165,000 To \$5,700,000
Average Sale Price	\$1,463,000	\$1,320,000
Average % Sale Prices Discounted From Listed Prices	5.5%	6%
<b>SALE LISTINGS</b>		
Current (*)	152	117
New (Cumulative)	244	142

(\*) Total for current quarter

*This Analysis is based upon statistics of the Cape May Count Multiple Listing Service and is subject to errors and omissions.*

**OCEANFRONT HOMES MARKET SEGMENT  
(FOURTH QUARTER 2016)**

**FOURTH QUARTER—2016**

**FOURTH QUARTER—2015**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	0	0	0	0
Total Sales Volume	\$0	\$0	\$0	\$0
Price Range	\$0	\$0	\$0	\$0
Average Sale Price	\$0	\$0	\$0	\$0
Average % Sale Prices Discounted From Listed Prices	0%	0%	0%	0%
<b>SALE LISTINGS</b>				
Current	7	3	8	5
New	3	1	1	0
<b>TOTAL</b>	<b>10</b>	<b>4</b>	<b>9</b>	<b>5</b>

**YEAR TO DATE—2016**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	2	2
Total Sales Volume	\$8,150,000	\$7,600,000
Price Range	\$3,800,000 To \$4,350,000	\$2,800,000 To \$4,800,000
Average Sale Price	\$4,075,000	\$3,800,000
Average % Sale Prices Discounted From Listed Prices	8%	10%
<b>SALE LISTINGS</b>		
Current (*)	7	3
New (Cumulative)	5	3

(\*) Total for current quarter

*This Analysis is based upon statistics of the Cape May Count Multiple Listing Service and is subject to errors and omissions.*

**CONCLUSION:** Even though there was no activity in this marketplace this quarter, we expect sales activity to continue in 2017 as there are many buyers interested in purchasing an Oceanfront Home at the shore and there are many opportunities still available and the mortgage rates remain low with many excellent mortgage programs available.

**BEACHBLOCK HOMES MARKET SEGMENT  
(FOURTH QUARTER 2016)**

**FOURTH QUARTER—2016**

**FOURTH QUARTER—2015**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	10	3	4	2
Total Sales Volume	\$28,600,000	\$6,500,000	\$11,000,000	\$5,325,000
Price Range	\$1,590,000 To \$4,550,000	\$1,675,000 To \$2,932,500	\$1,750,000 To \$4,400,000	\$2,600,000 To \$2,725,000
Average Sale Price	\$2,860,000	\$2,166,500	\$2,750,000	\$2,662,500
Average % Sale Prices Discounted From Listed Prices	7.5%	7%	9%	10%
<b>SALE LISTINGS</b>				
Current	12	6	13	10
New	5	1	3	2
<b>TOTAL</b>	17	7	16	12

**YEAR TO DATE—2016**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	25	9
Total Sales Volume	\$64,000,000	\$20,000,000
Price Range	\$1,590,000 To \$4,550,000	\$1,675,000 To \$3,450,000
Average Sale Price	\$2,560,000	\$2,222,000
Average % Sale Prices Discounted From Listed Prices	7.5%	7%
<b>SALE LISTINGS</b>		
Current (*)	12	6
New (Cumulative)	25	4

(\*) Total for current quarter

*This Analysis is based upon statistics of the Cape May Count Multiple Listing Service and is subject to errors and omissions.*

**CONCLUSION:** There continues to be strong Buyer Demand in this marketplace primarily driven by the high price of Oceanfront Homes. There remains many buyers interested in purchasing a Beachblock Home at the Shore and we expect sales activity to continue in 2017 as there are many opportunities still available and the mortgage rates remain low with many excellent mortgage programs available.

**BAYFRONT HOMES MARKET SEGMENT  
(FOURTH QUARTER 2016)**

**FOURTH QUARTER—2016**

**FOURTH QUARTER—2015**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	6	4	7	3
Total Sales Volume	\$16,000,000	\$10,100,000	\$21,000,000	\$4,645,000
Price Range	\$1,560,000 To \$4,750,000	\$1,612,500 To \$3,000,000	\$1,750,000 To \$4,350,000	\$1,375,000 To \$1,795,000
Average Sale Price	\$2,666,500	\$2,525,000	\$3,000,000	\$1,548,500
Average % Sale Prices Discounted From Listed Prices	6.5%	5%	7%	3%
<b>SALE LISTINGS</b>				
Current	17	16	16	16
New	3	1	5	1
<b>TOTAL</b>	<b>20</b>	<b>17</b>	<b>21</b>	<b>17</b>

**YEAR TO DATE—2016**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	17	14
Total Sales Volume	\$44,500,000	\$33,000,000
Price Range	\$850,000 To \$4,750,000	\$1,200,000 To \$4,500,000
Average Sale Price	\$2,617,500	\$2,357,000
Average % Sale Prices Discounted From Listed Prices	8%	6.5%
<b>SALE LISTINGS</b>		
Current (*)	17	16
New (Cumulative)	23	19

(\*) Total for current quarter

*This Analysis is based upon statistics of the Cape May Count Multiple Listing Service and is subject to errors and omissions.*

**CONCLUSION:** The Bayfront Marketplace continues to be active this quarter and there were 31 Transactions with a Total Sales Volume of \$77,500,000 this year. We expect sales activity to continue in 2017 as there are many opportunities still available and the mortgage rates remain low with many excellent mortgage programs available.

**MID-ISLAND HOMES MARKET SEGMENT  
(FOURTH QUARTER 2016)**

	<b>FOURTH QUARTER—2016</b>		<b>FOURTH QUARTER—2015</b>	
<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	25	17	22	11
Total Sales Volume	\$37,500,000	\$30,000,000	\$29,500,000	\$18,300,000
Price Range	\$617,500 To \$3,090,000	\$425,000 To \$3,667,000	\$475,000 To \$2,400,000	\$975,000 To \$2,500,000
Average Sale Price	\$1,500,000	\$1,764,500	\$1,350,000	\$1,663,500
Average % Sale Prices Discounted From Listed Prices	6%	7%	7%	7%
<b>SALE LISTINGS</b>				
Current	43	36	51	48
New	19	15	18	8
<b>TOTAL</b>	<b>62</b>	<b>51</b>	<b>69</b>	<b>56</b>

**YEAR TO DATE—2016**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	92	57
Total Sales Volume	\$141,000,000	\$94,000,000
Price Range	\$600,000 To \$3,090,000	\$360,000 To \$3,667,000
Average Sale Price	\$1,532,500	\$1,649,000
Average % Sale Prices Discounted From Listed Prices	5%	7%
<b>SALE LISTINGS</b>		
Current (*)	43	36
New (Cumulative)	89	65

(\*) Total for current quarter

*This Analysis is based upon statistics of the Cape May Count Multiple Listing Service and is subject to errors and omissions.*

**CONCLUSION:** This marketplace continues to be strong this quarter and there were 149 Transactions with a Total Sales Volume of \$235,000,000 this year. We expect sales activity to continue in 2017 as many opportunities are still available and mortgage rates remain low with many excellent mortgage programs available.

**CONDOMINIUMS/TOWNHOMES MARKET SEGMENT  
(FOURTH QUARTER 2016)**

	<b>FOURTH QUARTER—2016</b>		<b>FOURTH QUARTER—2015</b>	
<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	21	5	21	8
Total Sales Volume	\$18,600,000	\$3,400,000	\$16,700,000	\$5,000,000
Price Range	\$182,950 To \$1,745,000	\$278,000 To \$950,000	\$324,000 To \$1,450,000	\$370,000 To \$830,000
Average Sale Price	\$885,500	\$680,000	\$795,000	\$625,000
Average % Sale Prices Discounted From Listed Prices	5%	4.5%	4%	3.5%
<b>SALE LISTINGS</b>				
Current	59	37	57	50
New	16	3	21	8
<b>TOTAL</b>	<b>75</b>	<b>40</b>	<b>78</b>	<b>58</b>

**YEAR TO DATE—2016**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	82	43
Total Sales Volume	\$66,000,000	\$27,000,000
Price Range	\$182,950 To \$1,745,000	\$185,000 To \$970,000
Average Sale Price	\$805,000	\$628,000
Average % Sale Prices Discounted From Listed Prices	4.5%	5%
<b>SALE LISTINGS</b>		
Current (*)	59	37
New (Cumulative)	88	26

(\*) Total for current quarter

*This Analysis is based upon statistics of the Cape May Count Multiple Listing Service and is subject to errors and omissions.*

**CONCLUSION:** This marketplace continues to be strong this quarter and there were 125 Transactions with a Total Sales Volume of \$93,000,000 this year. We expect sales activity to continue in 2017 as many opportunities are still available and mortgage rates remain low with many excellent mortgage programs available.



**MULTI-FAMILY MARKET SEGMENT  
(FOURTH QUARTER 2016)**

	<b>FOURTH QUARTER—2016</b>		<b>FOURTH QUARTER—2015</b>	
<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	0	4	0	1
Total Sales Volume	\$0	\$3,800,000	\$0	\$900,000
Price Range	\$0	\$575,000 To \$1,250,000	\$0	\$900,000
Average Sale Price	\$0	\$950,000	\$0	\$900,000
Average % Sale Prices Discounted From Listed Prices	0%	9%	0%	6.5%
<b>SALE LISTINGS</b>				
Current	3	4	6	6
New	0	3	0	1
<b>TOTAL</b>	3	7	6	7

**YEAR TO DATE—2016**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	4	5
Total Sales Volume	\$3,800,000	\$5,300,000
Price Range	\$450,000 To \$1,325,000	\$950,000 To \$1,500,000
Average Sale Price	\$950,000	\$1,060,000
Average % Sale Prices Discounted From Listed Prices	11.5%	8.5%
<b>SALE LISTINGS</b>		
Current (*)	3	4
New (Cumulative)	1	8

(\*) Total for current quarter

*This Analysis is based upon statistics of the Cape May Count Multiple Listing Service and is subject to errors and omissions.*

**CONCLUSION:** There has been minimum activity in this marketplace this quarter as there is a limited supply of properties for sale. We expect 2017 sales activity to continue in the overall marketplace since mortgage rates remain low with many excellent mortgage programs available.

**LOTS MARKET SEGMENT  
(FOURTH QUARTER 2016)**

**FOURTH QUARTER—2016**

**FOURTH QUARTER—2015**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	1	1	1	0
Total Sales Volume	\$1,650,000	\$999,000	\$915,000	\$0
Price Range	\$1,650,000	\$999,000	\$915,000	\$0
Average Sale Price	\$1,650,000	\$999,000	\$915,000	\$0
Average % Sale Prices Discounted From Listed Prices	2%	0%	8.5%	0%
<b>SALE LISTINGS</b>				
Current	8	7	7	7
New	3	4	2	2
<b>TOTAL</b>	<b>11</b>	<b>11</b>	<b>9</b>	<b>9</b>

**YEAR TO DATE—2016**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	5	5
Total Sales Volume	\$7,800,000	\$11,300,000
Price Range	\$1,125,000 To \$2,300,000	\$825,000 To \$5,700,000
Average Sale Price	\$1,560,000	\$2,260,000
Average % Sale Prices Discounted From Listed Prices	4%	7%
<b>SALE LISTINGS</b>		
Current (*)	8	7
New (Cumulative)	11	9

(\*) Total for current quarter

*This Analysis is based upon statistics of the Cape May Count Multiple Listing Service and is subject to errors and omissions.*

**CONCLUSION:** There has been minimum activity in this marketplace this quarter as there is a limited supply of properties for sale. We expect 2017 sales activity to continue in the overall marketplace since mortgage rates remain low with many excellent mortgage programs available.

**COMMERCIAL MARKET SEGMENT  
(FOURTH QUARTER 2016)**

	<b>FOURTH QUARTER—2016</b>		<b>FOURTH QUARTER—2015</b>	
<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	0	1	1	0
Total Sales Volume	\$0	\$590,000	\$280,000	\$0
Price Range	\$0	\$590,000	\$280,000	\$0
Average Sale Price	\$0	\$590,000	\$280,000	\$0
Average % Sale Prices Discounted From Listed Prices	0%	6.5%	6.5%	0%
<b>SALE LISTINGS</b>				
Current	3	4	2	2
New	0	1	1	2
<b>TOTAL</b>	<b>3</b>	<b>5</b>	<b>3</b>	<b>4</b>

**YEAR TO DATE—2016**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	2	7
Total Sales Volume	\$560,000	\$4,200,000
Price Range	\$235,000 To \$325,000	\$165,000 To \$1,252,500
Average Sale Price	\$280,000	\$600,000
Average % Sale Prices Discounted From Listed Prices	6.5%	13%
<b>SALE LISTINGS</b>		
Current (*)	3	4
New (Cumulative)	2	6

(\*) Total for current quarter

*This Analysis is based upon statistics of the Cape May Count Multiple Listing Service and is subject to errors and omissions.*

**CONCLUSION:** There has been minimum activity in this marketplace this quarter as there is a limited supply of properties for sale. We expect 2017 sales activity to continue in the overall marketplace since mortgage rates remain low with many excellent mortgage programs available.