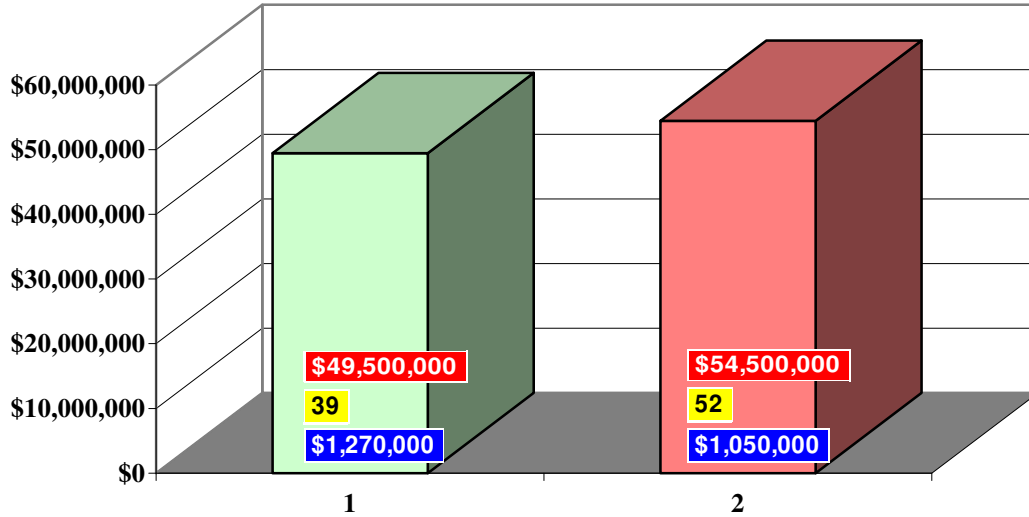


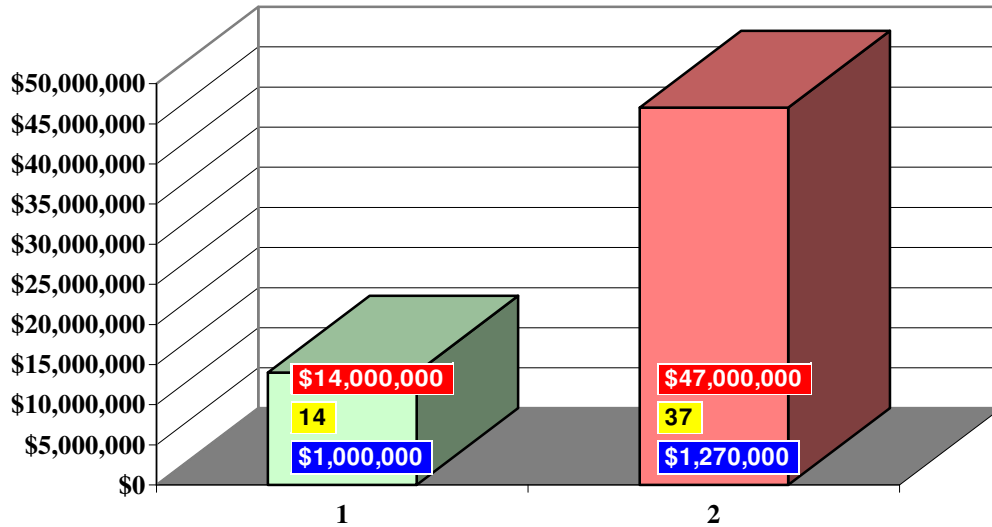


**OVERALL MARKET - 2013  
1ST & 2ND QUARTERS**

**AVALON**



**STONE HARBOR**



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

TRENDS 2013 (vs) 2012  
(SECOND QUARTER 2013)

**SALES**

**Avalon**

- > 13.5% decrease in number of transactions.
- > 25% decrease in total sales volume.
- > 13% decrease in average sale price.
- > 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**

- > 2.5% decrease in number of transactions.
- > 2% decrease in total sales volume.
- > .5% increase in average sale price.
- > 3.5% decrease 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**

- > 14% decrease in current listings.
- > 36.5% decrease in new listings.
- > There was a (.85 to 1) ratio of new listings (44) to sale transactions (52) (vs) (1.15 to 1) - (69 to 60) ratio.

**Stone Harbor**

- > 16% decrease in current listings.
- > 7% decrease in new listings.
- > There was a (1.08 to 1) ratio of new listings (40) to sale transactions (37) (vs) (1.13 to 1) - (43 to 38) ratio.

**SUMMARY**

There was a 16% decrease in the Total Sales Volume (\$101,500,000 (vs) \$120,500,000) and a 9% decrease in the number of transactions (89 (vs) 98) for the Second Quarter of 2013 (vs) 2012 in the overall marketplace for Seven Mile Beach Island.

Even though there was a decrease in closed sales for the Second Quarter, we still anticipate a continued increase in Buyer activity during 2013 due to the extremely low mortgage interest rates available, excellent mortgage programs, and the pent up Buyer demand to Buy at the Shore. Buyers are still looking for the Best Buy in each market segment; however, they understand the long term benefits on acquiring seashore property for family enjoyment and as an investment.

**OVERALL MARKET SEGMENT  
(SECOND QUARTER 2013)**

**SECOND QUARTER—2013**

**SECOND QUARTER—2012**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	52	37	60	38
Total Sales Volume	\$54,500,000	\$47,000,000	\$72,500,000	\$48,000,000
Price Range	\$155,000 To \$4,000,000	\$215,000 To \$3,800,000	\$250,000 To \$4,000,000	\$365,000 To \$2,600,000
Average Sale Price	\$1,050,000	\$1,270,000	\$1,208,500	\$1,263,000
Average % Sale Prices Discounted From Listed Prices	6%	8%	6%	11.5%
<b>SALE LISTINGS</b>				
Current	220	166	255	198
New	44	40	69	43
<b>TOTAL</b>	264	206	324	241

**YEAR TO DATE—2013**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	91	51
Total Sales Volume	\$104,000,000	\$61,000,000
Price Range	\$155,000 To \$6,000,000	\$215,000 To \$3,800,000
Average Sale Price	\$1,143,000	\$1,196,000
Average % Sale Prices Discounted From Listed Prices	6.5%	8.5%
<b>SALE LISTINGS</b>		
Current (*)	220	166
New (Cumulative)	100	71

(\*) 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  
(SECOND QUARTER 2013)**

	<b>SECOND QUARTER—2013</b>		<b>SECOND QUARTER—2012</b>	
<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	0	0	2	2
Total Sales Volume	\$0	\$0	\$6,225,000	\$10,900,000
Price Range	\$0	\$0	\$2,250,000 To \$3,975,000	\$4,300,000 To \$6,600,000
Average Sale Price	\$0	\$0	\$3,112,500	\$5,450,000
Average % Sale Prices Discounted From Listed Prices	0%	0%	6.5%	17%
<b>SALE LISTINGS</b>				
Current	15	6	16	3
New	0	2	2	2
<b>TOTAL</b>	<b>15</b>	<b>8</b>	<b>18</b>	<b>5</b>

**YEAR TO DATE—2013**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	1	0
Total Sales Volume	\$6,000,000	\$0
Price Range	\$6,000,000	\$0
Average Sale Price	\$6,000,000	\$0
Average % Sale Prices Discounted From Listed Prices	24%	0%
<b>SALE LISTINGS</b>		
Current (*)	15	6
New (Cumulative)	2	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:**

There has been Buyer resistance in this marketplace primarily relating to the Federal Income Tax Increase and uncertainty in other financial policies. However, there remains many Buyers in a strong financial position who are interested in buying in this marketplace and deciding when is the best time to do so.

**BEACHBLOCK HOMES MARKET SEGMENT  
(SECOND QUARTER 2013)**

**SECOND QUARTER—2013**

**SECOND QUARTER—2012**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	3	4	5	3
Total Sales Volume	\$6,000,000	\$11,000,000	\$8,600,000	\$6,150,000
Price Range	\$1,650,000 To \$2,825,000	\$1,275,000 To \$3,800,000	\$1,400,000 To \$2,000,000	\$1,150,000 To \$2,600,000
Average Sale Price	\$2,000,000	\$2,750,000	\$1,720,000	\$2,050,000
Average % Sale Prices Discounted From Listed Prices	3.5%	6.5%	5.5%	15%
<b>SALE LISTINGS</b>				
Current	20	16	27	27
New	5	2	4	3
<b>TOTAL</b>	25	18	31	30

**YEAR TO DATE—2013**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	5	6
Total Sales Volume	\$8,800,000	\$15,500,000
Price Range	\$1,099,000 To \$2,825,000	\$1,275,000 To \$3,800,000
Average Sale Price	\$1,760,000	\$2,583,000
Average % Sale Prices Discounted From Listed Prices	7%	8%
<b>SALE LISTINGS</b>		
Current (*)	20	16
New (Cumulative)	9	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:**

Buyer activity has increased in this marketplace. There are many buyers interested in purchasing a second home at the shore and the mortgage rates remain low with many excellent mortgage programs available. The overall marketplace continues moving in a positive direction and we expect this to continue for the remainder of the year.

**BAYFRONT HOMES MARKET SEGMENT  
(SECOND QUARTER 2013)**

**SECOND QUARTER—2013**

**SECOND QUARTER—2012**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	2	3	4	4
Total Sales Volume	\$6,500,000	\$4,000,000	\$10,200,000	\$5,500,000
Price Range	\$2,500,000 To \$4,000,000	\$999,000 To \$1,699,000	\$1,150,000 To \$4,000,000	\$1,100,000 To \$1,825,000
Average Sale Price	\$3,250,000	\$1,333,500	\$2,550,000	\$1,375,000
Average % Sale Prices Discounted From Listed Prices	7.5%	15.5%	8.5%	20.5%
<b>SALE LISTINGS</b>				
Current	32	17	32	13
New	1	5	9	5
<b>TOTAL</b>	<b>33</b>	<b>22</b>	<b>41</b>	<b>18</b>

**YEAR TO DATE—2013**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	6	3
Total Sales Volume	\$12,800,000	\$4,000,000
Price Range	\$1,000,000 To \$4,000,000	\$999,000 To \$1,699,000
Average Sale Price	\$2,133,500	\$1,333,500
Average % Sale Prices Discounted From Listed Prices	12.5%	15.5%
<b>SALE LISTINGS</b>		
Current (*)	32	17
New (Cumulative)	3	10

(\*) 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:**

Buyer activity has increased in this marketplace. There are many buyers interested in purchasing a second home at the shore and the mortgage rates remain low with many excellent mortgage programs available. The overall marketplace continues moving in a positive direction and we expect this to continue for the remainder of the year.

**MID-ISLAND HOMES MARKET SEGMENT  
(SECOND QUARTER 2013)**

**FOURTH QUARTER—2013**

**FOURTH QUARTER—2012**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	23	14	27	12
Total Sales Volume	\$28,000,000	\$23,000,000	\$33,000,000	\$15,000,000
Price Range	\$439,000 To \$2,800,000	\$655,000 To \$2,886,000	\$720,000 To \$2,600,000	\$550,000 To \$2,747,500
Average Sale Price	\$1,217,500	\$1,643,000	\$1,222,500	\$1,250,000
Average % Sale Prices Discounted From Listed Prices	7.5%	8.5%	5.5%	9.5%
<b>SALE LISTINGS</b>				
Current	68	43	69	68
New	16	13	23	12
<b>TOTAL</b>	<b>84</b>	<b>56</b>	<b>92</b>	<b>80</b>

**YEAR TO DATE—2013**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	39	19
Total Sales Volume	\$51,500,000	\$28,000,000
Price Range	\$439,000 To \$2,800,000	\$535,000 To \$2,886,000
Average Sale Price	\$1,320,500	\$1,473,500
Average % Sale Prices Discounted From Listed Prices	6.5%	8%
<b>SALE LISTINGS</b>		
Current (*)	68	43
New (Cumulative)	40	23

(\*) 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:**

Buyer interest in this marketplace has increased. We expect this activity to continue throughout the year due to the extremely low mortgage interest rates available, excellent mortgage programs, and the pent up Buyer demand to Buy at the Shore.

**CONDOMINIUMS/TOWNHOMES MARKET SEGMENT  
(SECOND QUARTER 2013)**

	<b>SECOND QUARTER—2013</b>		<b>SECOND QUARTER—2012</b>	
<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	24	16	18	14
Total Sales Volume	\$14,000,000	\$9,000,000	\$11,400,000	\$8,600,000
Price Range	\$155,000 To \$1,390,000	\$215,000 To \$815,000	\$250,000 To \$1,262,500	\$365,000 To \$840,000
Average Sale Price	\$583,500	\$562,500	\$633,500	\$614,500
Average % Sale Prices Discounted From Listed Prices	5%	6.5%	4.5%	9%
<b>SALE LISTINGS</b>				
Current	59	52	84	66
New	17	15	20	18
<b>TOTAL</b>	<b>76</b>	<b>67</b>	<b>104</b>	<b>84</b>

**YEAR TO DATE—2013**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	35	21
Total Sales Volume	\$22,000,000	\$12,000,000
Price Range	\$155,000 To \$1,390,000	\$215,000 To \$950,000
Average Sale Price	\$628,500	\$571,500
Average % Sale Prices Discounted From Listed Prices	5%	7%
<b>SALE LISTINGS</b>		
Current (*)	17	15
New (Cumulative)	35	22

(\*) 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:**Buyer interest in this marketplace has increased. We expect this activity to continue throughout the year due to the extremely low mortgage interest rates available, excellent mortgage programs, and the pent up Buyer demand to Buy at the Shore.



**MULTI-FAMILY MARKET SEGMENT  
(SECOND QUARTER 2013)**

**SECOND QUARTER—2013**

**SECOND QUARTER—2012**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	0	0	0	2
Total Sales Volume	\$0	\$0	\$0	\$1,325,000
Price Range	\$0	\$0	\$0	\$650,000 To \$675,000
Average Sale Price	\$0	\$0	\$0	\$662,500
Average % Sale Prices Discounted From Listed Prices	0%	0%	0%	14.5%
<b>SALE LISTINGS</b>				
Current	6	12	8	13
New	1	1	1	1
<b>TOTAL</b>	7	13	9	14

**YEAR TO DATE—2013**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	0	2
Total Sales Volume	\$0	\$1,719,900
Price Range	\$0	\$720,000 To \$999,900
Average Sale Price	\$0	\$860,000
Average % Sale Prices Discounted From Listed Prices	0%	16%
<b>SALE LISTINGS</b>		
Current (*)	1	1
New (Cumulative)	3	2

(\*) 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 is limited buyer activity in this market segment. The overall marketplace continues moving in a positive direction and we expect this to continue for the remainder of the year.

**LOTS MARKET SEGMENT  
(SECOND QUARTER 2013)**

**SECOND QUARTER—2013**

**SECOND QUARTER—2012**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	0	0	3	0
Total Sales Volume	\$0	\$0	\$2,100,000	\$0
Price Range	\$0	\$0	\$550,000 To \$885,000	\$0
Average Sale Price	\$0	\$0	\$700,000	\$0
Average % Sale Prices Discounted From Listed Prices	0%	0%	6.5%	0%
<b>SALE LISTINGS</b>				
Current	17	6	15	4
New	3	4	7	1
<b>TOTAL</b>	20	10	22	5

**YEAR TO DATE—2013**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	1	0
Total Sales Volume	\$895,000	\$0
Price Range	\$895,000	\$0
Average Sale Price	\$895,000	\$0
Average % Sale Prices Discounted From Listed Prices	0%	0%
<b>SALE LISTINGS</b>		
Current (*)	3	4
New (Cumulative)	7	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 is limited buyer activity in this market segment. The overall marketplace continues moving in a positive direction and we expect this to continue for the remainder of the year.

**COMMERCIAL MARKET SEGMENT  
(SECOND QUARTER 2013)**

	<b>SECOND QUARTER—2013</b>		<b>SECOND QUARTER—2012</b>	
<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	0	0	1	1
Total Sales Volume	\$0	\$0	\$1,150,000	\$545,000
Price Range	\$0	\$0	\$1,150,000	\$545,000
Average Sale Price	\$0	\$0	\$1,150,000	\$545,000
Average % Sale Prices Discounted From Listed Prices	0%	0%	34.5%	1%
<b>SALE LISTINGS</b>				
Current	3	5	4	4
New	1	0	3	1
<b>TOTAL</b>	4	5	7	5

**YEAR TO DATE—2013**

<b>SALES</b>	<b>AVALON</b>	<b>STONE HARBOR</b>
Number	4	0
Total Sales Volume	\$1,750,000	\$0
Price Range	\$190,000 To \$700,000	\$0
Average Sale Price	\$437,500	\$0
Average % Sale Prices Discounted From Listed Prices	4%	0%
<b>SALE LISTINGS</b>		
Current (*)	1	0
New (Cumulative)	1	2

(\*) 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 is limited activity in this marketplace even though activity has increased in the residential marketplace.