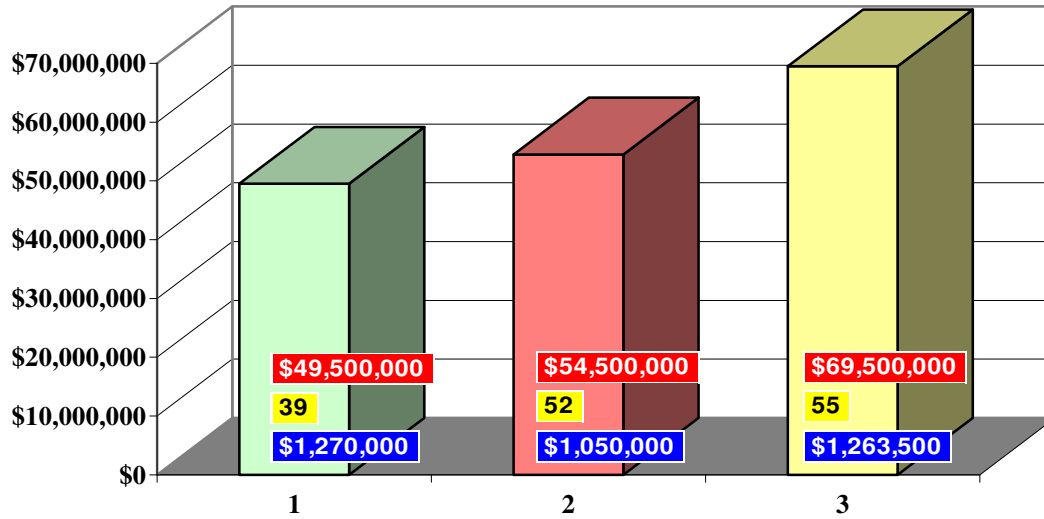


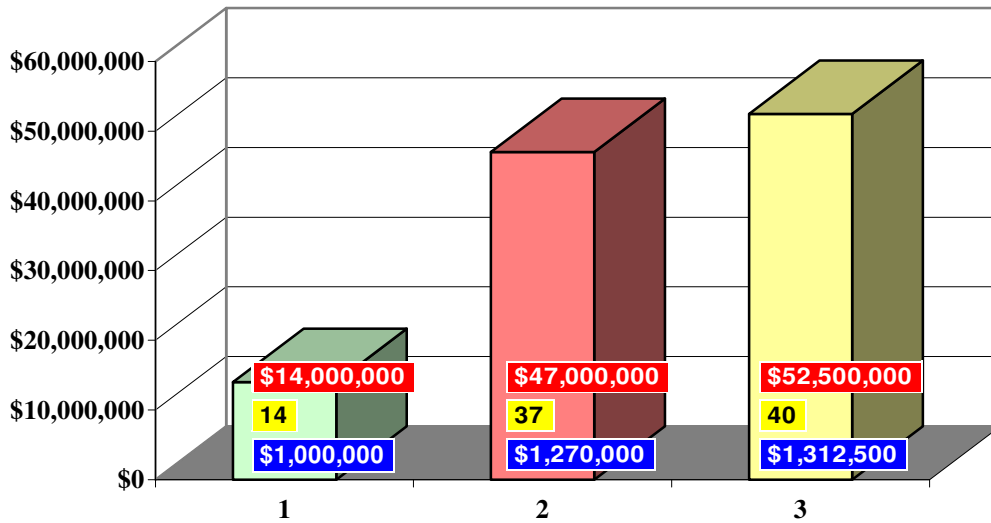


**OVERALL MARKET - 2013
1ST, 2ND & 3RD QUARTERS**

AVALON



STONE HARBOR



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

TRENDS 2013 (vs) 2012
(THIRD QUARTER 2013)

SALES

Avalon

- > 5.5% increase in number of transactions.
- > 14% increase in total sales volume.
- > 7.5% increase in average sale price.
- > 1.5% decrease in the average % sale prices were discounted from listed prices.
- > Many buyers remain very interested in purchasing a second home at the shore.

Stone Harbor

- > 2.5% decrease in number of transactions.
- > 6% increase in total sales volume.
- > 8% increase in average sale price.
- > .5% 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

- > 13% decrease in current listings.
- > 36% increase in new listings.
- > There was a (1.91 to 1) ratio of new listings (105) to sale transactions (55) (vs) (1.48 to 1) - (77 to 52) ratio.

Stone Harbor

- > 23.5% decrease in current listings.
- > 2% decrease in new listings.
- > There was a (1.12 to 1) ratio of new listings (45) to sale transactions (40) (vs) (1.12 to 1) - (46 to 41) ratio.

SUMMARY

There was a 10.5% increase in the Total Sales Volume (\$122,000,000 (vs) \$110,500,000) and a 2% increase in the number of transactions (95 (vs) 93) for the Third Quarter of 2013 (vs) 2012 in the overall marketplace for Seven Mile Beach Island.

Buyer activity remained strong throughout the Third Quarter and we expect it to continue during the remainder of 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 of acquiring seashore property for family enjoyment and as an investment.

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

THIRD QUARTER—2013

THIRD QUARTER—2012

| SALES | AVALON | STONE HARBOR | AVALON | STONE HARBOR |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Number | 55 | 40 | 52 | 41 |
| Total Sales Volume | \$69,500,000 | \$52,500,000 | \$61,000,000 | \$49,500,000 |
| Price Range | \$165,500 To \$5,400,000 | \$160,000 To \$3,750,000 | \$165,900 To \$3,100,000 | \$365,000 To \$5,325,000 |
| Average Sale Price | \$1,263,500 | \$1,312,500 | \$1,173,000 | \$1,207,500 |
| Average % Sale Prices Discounted From Listed Prices | 6.5% | 8.5% | 8% | 8% |
| SALE LISTINGS | | | | |
| Current | 210 | 141 | 241 | 184 |
| New | 105 | 45 | 77 | 46 |
| TOTAL | 315 | 186 | 318 | 230 |

YEAR TO DATE—2013

| SALES | AVALON | STONE HARBOR |
|---|--------------------------------|--------------------------------|
| Number | 146 | 91 |
| Total Sales Volume | \$173,500,000 | \$113,500,000 |
| Price Range | \$155,000 To \$6,000,000 | \$215,000 To \$3,800,000 |
| Average Sale Price | \$1,119,000 | \$1,247,000 |
| Average % Sale Prices Discounted From Listed Prices | 6.5% | 8.5% |
| SALE LISTINGS | | |
| Current (*) | 210 | 141 |
| New (Cumulative) | 205 | 116 |

(*) Total for current quarter

**OCEANFRONT HOMES MARKET SEGMENT
(THIRD QUARTER 2013)**

THIRD QUARTER—2013

THIRD QUARTER—2012

| SALES | AVALON | STONE HARBOR | AVALON | STONE HARBOR |
|---|---------------|---------------------|---------------|----------------------------------|
| Number | 1 | 0 | 0 | 3 |
| Total Sales Volume | \$1,850,000 | \$0 | \$0 | \$13,000,000 |
| Price Range | \$1,850,000 | \$0 | \$0 | \$3,255,000 To \$5,325,000 |
| Average Sale Price | \$1,850,000 | \$0 | \$0 | \$4,333,500 |
| Average % Sale Prices Discounted From Listed Prices | 7% | 0% | 0% | 6.5% |
| | | | | |
| SALE LISTINGS | | | | |
| Current | 17 | 7 | 17 | 3 |
| New | 2 | 0 | 2 | 2 |
| TOTAL | 19 | 7 | 19 | 5 |

YEAR TO DATE—2013

| SALES | AVALON | STONE HARBOR |
|---|----------------------------------|---------------------|
| Number | 1 | 0 |
| Total Sales Volume | \$7,850,000 | \$0 |
| Price Range | \$1,850,000 To \$6,000,000 | \$0 |
| Average Sale Price | \$3,925,000 | \$0 |
| Average % Sale Prices Discounted From Listed Prices | 15.5% | 0% |
| | | |
| SALE LISTINGS | | |
| Current (*) | 17 | 7 |
| New (Cumulative) | 4 | 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 are many buyers interested in purchasing an Oceanfront home at the shore. The sale prices have limited activity. However, the overall marketplace is moving in a positive direction and we expect this to continue for the remainder of the year.

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

THIRD QUARTER—2013

THIRD QUARTER—2012

| SALES | AVALON | STONE HARBOR | AVALON | STONE HARBOR |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Number | 8 | 2 | 4 | 3 |
| Total Sales Volume | \$13,500,000 | \$4,670,000 | \$7,900,000 | \$5,500,000 |
| Price Range | \$1,150,000 To \$2,075,000 | \$1,695,000 To \$2,975,000 | \$1,825,000 To \$2,225,000 | \$1,425,000 To \$2,600,000 |
| Average Sale Price | \$1,687,500 | \$2,335,000 | \$1,975,000 | \$1,833,500 |
| Average % Sale Prices Discounted From Listed Prices | 12% | 6% | 6.5% | 14% |
| SALE LISTINGS | | | | |
| Current | 18 | 16 | 22 | 25 |
| New | 14 | 5 | 6 | 2 |
| TOTAL | 32 | 21 | 28 | 27 |

YEAR TO DATE—2013

| SALES | AVALON | STONE HARBOR |
|---|----------------------------------|----------------------------------|
| Number | 13 | 8 |
| Total Sales Volume | \$22,300,000 | \$20,000,000 |
| Price Range | \$1,099,000 To \$2,825,000 | \$1,275,000 To \$3,800,000 |
| Average Sale Price | \$1,715,500 | \$2,500,000 |
| Average % Sale Prices Discounted From Listed Prices | 10% | 7.5% |
| SALE LISTINGS | | |
| Current (*) | 18 | 16 |
| New (Cumulative) | 23 | 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:

Activity in this market segment continues to increase. 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 over-all marketplace is moving in a positive direction and we expect this to continue for the remainder of the year.

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

THIRD QUARTER—2013

THIRD QUARTER—2012

| SALES | AVALON | STONE HARBOR | AVALON | STONE HARBOR |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Number | 6 | 6 | 4 | 3 |
| Total Sales Volume | \$15,300,000 | \$12,900,000 | \$11,100,000 | \$5,200,000 |
| Price Range | \$1,000,000 To \$5,400,000 | \$1,700,000 To \$3,050,000 | \$2,500,000 To \$3,100,000 | \$1,250,000 To \$2,700,000 |
| Average Sale Price | \$2,550,000 | \$2,150,000 | \$2,775,000 | \$1,733,500 |
| Average % Sale Prices Discounted From Listed Prices | 9.5% | 10% | 15.5% | 13% |
| SALE LISTINGS | | | | |
| Current | 27 | 17 | 36 | 13 |
| New | 6 | 6 | 10 | 4 |
| TOTAL | 33 | 23 | 46 | 17 |

YEAR TO DATE—2013

| SALES | AVALON | STONE HARBOR |
|---|----------------------------------|--------------------------------|
| Number | 12 | 9 |
| Total Sales Volume | \$28,000,000 | \$17,000,000 |
| Price Range | \$1,000,000 To \$5,400,000 | \$999,000 To \$3,050,000 |
| Average Sale Price | \$2,333,500 | \$1,889,000 |
| Average % Sale Prices Discounted From Listed Prices | 11% | 12% |
| SALE LISTINGS | | |
| Current (*) | 27 | 17 |
| New (Cumulative) | 9 | 16 |

(*) 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:

Activity in this marketplace continues to increase. 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 is moving in a positive direction and we expect this to continue for the remainder of the year.

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

THIRD QUARTER—2013

THIRD QUARTER—2012

| SALES | AVALON | STONE HARBOR | AVALON | STONE HARBOR |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Number | 21 | 14 | 16 | 18 |
| Total Sales Volume | \$26,700,000 | \$22,600,000 | \$20,300,000 | \$17,700,000 |
| Price Range | \$640,000 To \$2,250,000 | \$775,000 To \$3,750,000 | \$525,000 To \$2,575,000 | \$436,000 To \$1,725,000 |
| Average Sale Price | \$1,271,500 | \$1,614,500 | \$1,269,000 | \$983,500 |
| Average % Sale Prices Discounted From Listed Prices | 5% | 8% | 6.5% | 7.5% |
| SALE LISTINGS | | | | |
| Current | 63 | 34 | 68 | 57 |
| New | 41 | 16 | 30 | 12 |
| TOTAL | 104 | 50 | 98 | 69 |

YEAR TO DATE—2013

| SALES | AVALON | STONE HARBOR |
|---|--------------------------------|--------------------------------|
| Number | 60 | 33 |
| Total Sales Volume | \$78,200,000 | \$50,700,000 |
| Price Range | \$439,000 To \$2,800,000 | \$535,000 To \$3,750,000 |
| Average Sale Price | \$1,303,500 | \$1,536,500 |
| Average % Sale Prices Discounted From Listed Prices | 6% | 8% |
| SALE LISTINGS | | |
| Current (*) | 63 | 34 |
| New (Cumulative) | 81 | 39 |

(*) 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:

Activity in this marketplace continues to increase. 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 is moving in a positive direction and we expect this to continue for the remainder of the year.

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

THIRD QUARTER—2013

THIRD QUARTER—2012

| SALES | AVALON | STONE HARBOR | AVALON | STONE HARBOR |
|---|--------------------------------|--------------------------------|--------------------------------|------------------------------|
| Number | 17 | 13 | 22 | 13 |
| Total Sales Volume | \$10,600,000 | \$7,900,000 | \$15,300,000 | \$7,300,000 |
| Price Range | \$165,500 To \$1,500,000 | \$160,000 To \$1,310,000 | \$165,900 To \$1,300,000 | \$365,000 To \$870,000 |
| Average Sale Price | \$623,500 | \$607,500 | \$695,500 | \$561,500 |
| Average % Sale Prices Discounted From Listed Prices | 5% | 9% | 6% | 6.5% |
| SALE LISTINGS | | | | |
| Current | 60 | 55 | 70 | 66 |
| New | 30 | 10 | 23 | 16 |
| TOTAL | 90 | 65 | 93 | 82 |

YEAR TO DATE—2013

| SALES | AVALON | STONE HARBOR |
|---|--------------------------------|--------------------------------|
| Number | 52 | 34 |
| Total Sales Volume | \$32,800,000 | \$19,850,000 |
| Price Range | \$165,500 To \$1,500,000 | \$160,000 To \$1,310,000 |
| Average Sale Price | \$630,700 | \$582,300 |
| Average % Sale Prices Discounted From Listed Prices | 5% | 7.5% |
| SALE LISTINGS | | |
| Current (*) | 60 | 55 |
| New (Cumulative) | 65 | 32 |

(*) 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:

Activity in this marketplace continues to increase. 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 is moving in a positive direction and we expect this to continue for the remainder of the year.

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

THIRD QUARTER—2013

THIRD QUARTER—2012

| SALES | AVALON | STONE HARBOR | AVALON | STONE HARBOR |
|---|---------------|--------------------------------|------------------------------|---------------------|
| Number | 1 | 5 | 2 | 1 |
| Total Sales Volume | \$1,050,000 | \$4,300,000 | \$1,565,000 | \$735,000 |
| Price Range | \$1,050,000 | \$750,000 To \$1,100,000 | \$565,000 To \$999,999 | \$735,000 |
| Average Sale Price | \$1,050,000 | \$860,000 | \$782,500 | \$735,000 |
| Average % Sale Prices Discounted From Listed Prices | 12% | 9.5% | 18.5% | 16% |
| | | | | |
| SALE LISTINGS | | | | |
| Current | 6 | 1 | 6 | 11 |
| New | 0 | 5 | 0 | 8 |
| TOTAL | 6 | 6 | 6 | 19 |

YEAR TO DATE—2013

| SALES | AVALON | STONE HARBOR |
|---|---------------|--------------------------------|
| Number | 1 | 7 |
| Total Sales Volume | \$1,050,000 | \$6,000,000 |
| Price Range | \$1,050,000 | \$720,000 To \$1,100,000 |
| Average Sale Price | \$1,050,000 | \$857,000 |
| Average % Sale Prices Discounted From Listed Prices | 12% | 11.5% |
| | | |
| SALE LISTINGS | | |
| Current (*) | 6 | 1 |
| New (Cumulative) | 3 | 7 |

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

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

THIRD QUARTER—2013

THIRD QUARTER—2012

| SALES | AVALON | STONE HARBOR | AVALON | STONE HARBOR |
|---|---------------|---------------------|--------------------------------|---------------------|
| Number | 1 | 0 | 4 | 0 |
| Total Sales Volume | \$600,000 | \$0 | \$5,000,000 | \$0 |
| Price Range | \$600,000 | \$0 | \$775,000 To \$2,212,500 | \$0 |
| Average Sale Price | \$600,000 | \$0 | \$1,250,000 | \$0 |
| Average % Sale Prices Discounted From Listed Prices | 0% | 0% | 14.5% | 0% |
| | | | | |
| SALE LISTINGS | | | | |
| Current | 16 | 6 | 17 | 6 |
| New | 7 | 2 | 5 | 1 |
| TOTAL | 23 | 8 | 22 | 7 |

YEAR TO DATE—2013

| SALES | AVALON | STONE HARBOR |
|---|------------------------------|---------------------|
| Number | 2 | 0 |
| Total Sales Volume | \$1,495,000 | \$0 |
| Price Range | \$600,000 To \$895,000 | \$0 |
| Average Sale Price | \$747,500 | \$0 |
| Average % Sale Prices Discounted From Listed Prices | 0% | 0% |
| | | |
| SALE LISTINGS | | |
| Current (*) | 16 | 6 |
| New (Cumulative) | 14 | 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 continues to be limited buyer activity in this market segment. However, the overall marketplace is moving in a positive direction and we expect this to continue for the remainder of the year.

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

THIRD QUARTER—2013

THIRD QUARTER—2012

| SALES | AVALON | STONE HARBOR | AVALON | STONE HARBOR |
|---|---------------|---------------------|---------------|---------------------|
| 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% |
| | | | | |
| SALE LISTINGS | | | | |
| Current | 3 | 5 | 5 | 3 |
| New | 5 | 1 | 1 | 1 |
| TOTAL | 8 | 6 | 6 | 4 |

YEAR TO DATE—2013

| SALES | AVALON | STONE HARBOR |
|---|------------------------------|---------------------|
| 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 | 0% | 0% |
| | | |
| SALE LISTINGS | | |
| Current (*) | 3 | 5 |
| New (Cumulative) | 6 | 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 continues to be limited Buyer activity in this market segment. However, the overall marketplace is moving in a positive direction and we expect this to continue for the remainder of the year.