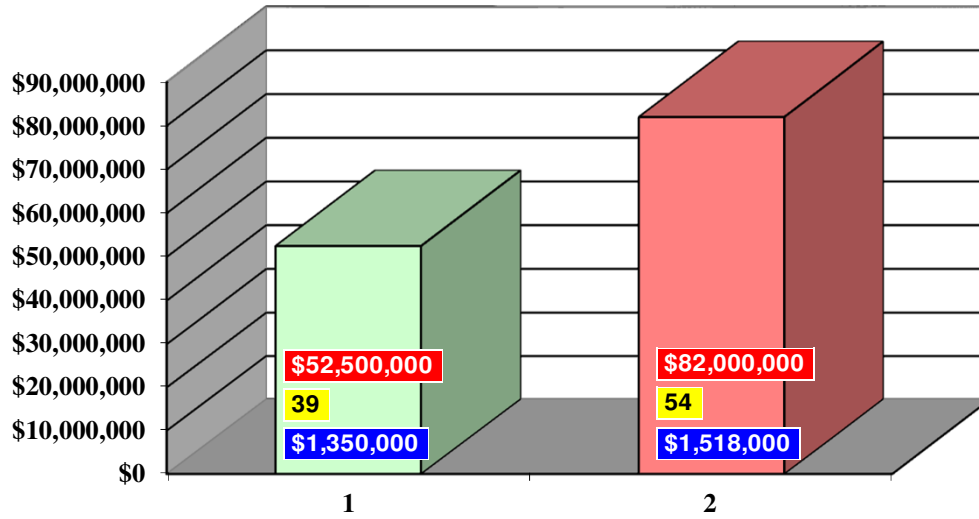


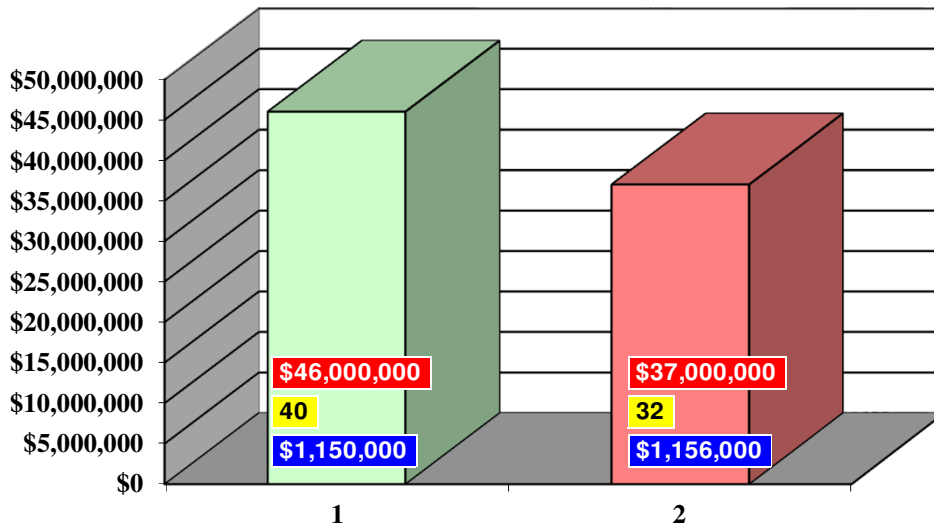


OVERALL MARKET - 2016 1ST & 2ND QUARTERS

AVALON



STONE HARBOR



TOTAL SALES VOLUME

TOTAL NUMBER OF SALES

AVG SALE PRICE

TRENDS 2016 (vs) 2015
(SECOND QUARTER 2016)

SALES

Avalon

- > 40% decrease in number of transactions.
- > 41% decrease in total sales volume.
- > 3% decrease 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

- > 3% decrease in number of transactions.
- > No change in total sales volume.
- > 3% increase 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.

SALE LISTINGS

Avalon

- > 8% decrease in current listings.
- > 18% increase in new listings.
- > There was a (1.33 to 1) ratio of new listings (72) to sale transactions (54) (vs) (.68 to 1) - (61 to 89) ratio.

Stone Harbor

- > 6% decrease in current listings.
- > 2.5% decrease in new listings.
- > There was a (1.28 to 1) ratio of new listings (41) to sale transactions (32) (vs) (1.27 to 1) - (42 to 33) ratio.

SUMMARY

There was a 32% decrease in the Total Sales Volume (\$119,000,000 (vs) \$175,500,000) and a 30% decrease in the number of transactions (86 (vs) 122) for the Second Quarter of 2016 (vs) 2015 in the overall marketplace for Seven Mile Beach Island.

There was a 32% decrease in closed sales for the Second Quarter which is a primary result of fewer sales in the higher priced markets. However, due to the strong Buyer demand to purchase a Second Home at the shore and the extremely low mortgage interest rates available and excellent mortgage programs, we still expect a very good year in sales. Buyers are still looking for the Best Buy in each market segment and they understand the long term benefits of acquiring seashore property for family enjoyment and as an investment.

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

SECOND QUARTER—2016

SECOND QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	54	32	89	33
Total Sales Volume	\$82,000,000	\$37,000,000	\$138,500,000	\$37,000,000
Price Range	\$235,000 To \$4,500,000	\$300,000 To \$2,895,000	\$262,000 To \$8,000,000	\$165,000 To \$3,025,000
Average Sale Price	\$1,518,000	\$1,156,000	\$1,566,000	\$1,121,000
Average % Sale Prices Discounted From Listed Prices	5%	6.5%	6.5%	6.5%
SALE LISTINGS				
Current	169	141	183	150
New	72	41	61	42
TOTAL	241	182	244	192

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	93	72
Total Sales Volume	\$134,500,000	\$83,000,000
Price Range	\$235,000 To \$4,500,000	\$165,000 To \$5,700,000
Average Sale Price	\$1,446,000	\$1,152,500
Average % Sale Prices Discounted From Listed Prices	4.5%	6%
SALE LISTINGS		
Current (*)	169	141
New (Cumulative)	127	72

(*) 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 2016)**

SECOND QUARTER—2016

SECOND QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	0	1	3	0
Total Sales Volume	\$0	\$2,800,000	\$9,100,000	\$0
Price Range	\$0	\$2,800,000	\$1,625,000 To \$5,400,000	\$0
Average Sale Price	\$0	\$2,800,000	\$3,033,333	\$0
Average % Sale Prices Discounted From Listed Prices	0%	10%	11%	0%
SALE LISTINGS				
Current	9	7	9	6
New	1	0	2	0
TOTAL	10	7	11	6

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	0	1
Total Sales Volume	\$0	\$2,800,000
Price Range	\$0	\$2,800,000
Average Sale Price	\$0	\$2,800,000
Average % Sale Prices Discounted From Listed Prices	0%	10%
SALE LISTINGS		
Current (*)	9	7
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:

Even though there has been limited Buyer activity in this Market Segment, we expect sales to increase in the second half of the year.

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

SECOND QUARTER—2016

SECOND QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	4	0	6	6
Total Sales Volume	\$10,000,000	\$0	\$17,200,000	\$14,200,000
Price Range	\$1,750,000 To \$3,945,000	\$0	\$1,526,000 To \$3,900,000	\$1,850,000 To \$3,025,000
Average Sale Price	\$2,500,000	\$0	\$2,866,666	\$2,366,666
Average % Sale Prices Discounted From Listed Prices	7%	0%	6.5%	6.5%
SALE LISTINGS				
Current	14	10	25	7
New	8	1	3	3
TOTAL	22	11	28	10

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	6	4
Total Sales Volume	\$14,500,000	\$9,600,000
Price Range	\$1,750,000 To \$3,995,000	\$1,910,000 To \$3,450,000
Average Sale Price	\$2,416,500	\$2,400,000
Average % Sale Prices Discounted From Listed Prices	6%	7.5%
SALE LISTINGS		
Current (*)	14	10
New (Cumulative)	11	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:

Even though there has been limited Buyer activity in this Market Segment, we expect sales to increase in the second half of the year.

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

SECOND QUARTER—2016

SECOND QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	7	2	11	3
Total Sales Volume	\$16,000,000	\$3,050,000	\$22,000,000	\$4,000,000
Price Range	\$850,000 To \$4,500,000	\$1,200,000 To \$1,850,000	\$1,225,000 To \$4,500,000	\$1,975,000 To \$2,015,000
Average Sale Price	\$2,285,500	\$1,525,000	\$2,000,000	\$1,333,500
Average % Sale Prices Discounted From Listed Prices	7%	6%	11%	8.5%
SALE LISTINGS				
Current	14	16	26	19
New	5	5	6	5
TOTAL	19	21	32	24

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	9	7
Total Sales Volume	\$19,000,000	\$15,500,000
Price Range	\$850,000 To \$4,500,000	\$1,200,000 To \$4,500,000
Average Sale Price	\$2,100,000	\$2,214,500
Average % Sale Prices Discounted From Listed Prices	9%	5.5%
SALE LISTINGS		
Current (*)	14	16
New (Cumulative)	11	11

(*) 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 been consistent in this Market Segment and we expect this activity to continue throughout the remainder of the year.

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

FOURTH QUARTER—2016

FOURTH QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	23	11	27	12
Total Sales Volume	\$42,000,000	\$17,500,000	\$37,200,000	\$13,500,000
Price Range	\$687,250 To \$2,700,000	\$360,000 To \$2,895,000	\$665,000 To \$2,720,000	\$335,000 To \$1,836,000
Average Sale Price	\$1,826,000	\$1,590,000	\$1,377,777	\$1,125,000
Average % Sale Prices Discounted From Listed Prices	3.5%	6.5%	6%	5.5%
SALE LISTINGS				
Current	52	50	58	47
New	27	19	18	19
TOTAL	79	69	76	66

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	38	17
Total Sales Volume	\$66,000,000	\$27,000,000
Price Range	\$687,250 To \$2,700,000	\$360,000 To \$3,000,000
Average Sale Price	\$1,737,000	\$1,588,500
Average % Sale Prices Discounted From Listed Prices	4%	7.5%
SALE LISTINGS		
Current (*)	52	50
New (Cumulative)	48	31

(*) 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 been consistent in this Market Segment and we expect this activity to continue throughout the remainder of the year.

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

SECOND QUARTER—2016

SECOND QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	18	14	33	10
Total Sales Volume	\$13,000,000	\$9,500,000	\$31,500,000	\$4,700,000
Price Range	\$256,683 To \$1,600,000	\$434,000 To \$925,000	\$262,000 To \$1,685,000	\$230,000 To \$935,000
Average Sale Price	\$722,500	\$678,500	\$954,545	\$470,000
Average % Sale Prices Discounted From Listed Prices	3.5%	5%	5%	6%
SALE LISTINGS				
Current	66	40	44	53
New	27	10	26	11
TOTAL	93	50	70	64

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	34	24
Total Sales Volume	\$29,500,000	\$15,500,000
Price Range	\$256,683 To \$1,695,000	\$382,500 To \$925,000
Average Sale Price	\$867,500	\$647,000
Average % Sale Prices Discounted From Listed Prices	4%	5%
SALE LISTINGS		
Current (*)	66	40
New (Cumulative)	49	15

(*) 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 been consistent in this Market Segment and we expect this activity to continue throughout the remainder of the year.

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

SECOND QUARTER—2016

SECOND QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	1	0	2	0
Total Sales Volume	\$450,000	\$0	\$2,075,000	\$0
Price Range	\$450,000	\$0	\$800,000 To \$1,275,000	\$0
Average Sale Price	\$450,000	\$0	\$1,037,500	\$0
Average % Sale Prices Discounted From Listed Prices	10%	0%	12.5%	0%
SALE LISTINGS				
Current	5	6	7	6
New	0	3	1	1
TOTAL	5	9	8	7

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	2	0
Total Sales Volume	\$1,775,000	\$0
Price Range	\$450,000 To \$1,325,000	\$0
Average Sale Price	\$887,500	\$0
Average % Sale Prices Discounted From Listed Prices	10%	0%
SALE LISTINGS		
Current (*)	5	6
New (Cumulative)	1	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 is limited buyer activity in this market segment. However, due to the Buyer demand to purchase a Second Home at the Shore and the extremely low mortgage interest rates and numerous mortgage programs, we expect a very good year in the overall marketplace.

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

SECOND QUARTER—2016

SECOND QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	0	1	5	0
Total Sales Volume	\$0	\$2,566,100	\$17,500,000	\$0
Price Range	\$0	\$2,566,100	\$1,450,000 To \$8,000,000	\$0
Average Sale Price	\$0	\$2,566,100	\$3,500,000	\$0
Average % Sale Prices Discounted From Listed Prices	0%	5%	7%	0%
SALE LISTINGS				
Current	8	7	10	7
New	3	2	5	1
TOTAL	11	9	15	8

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	2	3
Total Sales Volume	\$2,725,000	\$9,500,000
Price Range	\$1,250,000 To \$1,475,000	\$1,250,000 To \$5,700,000
Average Sale Price	\$1,362,500	\$4,750,000
Average % Sale Prices Discounted From Listed Prices	1%	10%
SALE LISTINGS		
Current (*)	8	7
New (Cumulative)	5	5

(*) 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. However, due to the Buyer demand to purchase a Second Home at the Shore and the extremely low mortgage interest rates and numerous mortgage programs, we expect a very good year in the overall marketplace.

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

SECOND QUARTER—2016

SECOND QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	1	3	2	2
Total Sales Volume	\$235,000	\$1,645,000	\$2,056,500	\$820,000
Price Range	\$235,000	\$300,000 To \$995,000	\$206,500 To \$1,850,000	\$165,000 To \$655,000
Average Sale Price	\$235,000	\$548,500	\$1,028,250	\$410,000
Average % Sale Prices Discounted From Listed Prices	6%	10%	8.5%	12.5%
SALE LISTINGS				
Current	1	5	4	5
New	1	1	0	2
TOTAL	2	6	4	7

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	2	5
Total Sales Volume	\$560,000	\$3,062,500
Price Range	\$235,000 To \$325,000	\$165,000 To \$1,252,500
Average Sale Price	\$2,800,000	\$612,500
Average % Sale Prices Discounted From Listed Prices	6.5%	13.5%
SALE LISTINGS		
Current (*)	1	5
New (Cumulative)	1	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 is limited buyer activity in this market segment. However, due to the Buyer demand to purchase a Second Home at the Shore and the extremely low mortgage interest rates and numerous mortgage programs, we expect a very good year in the overall marketplace.