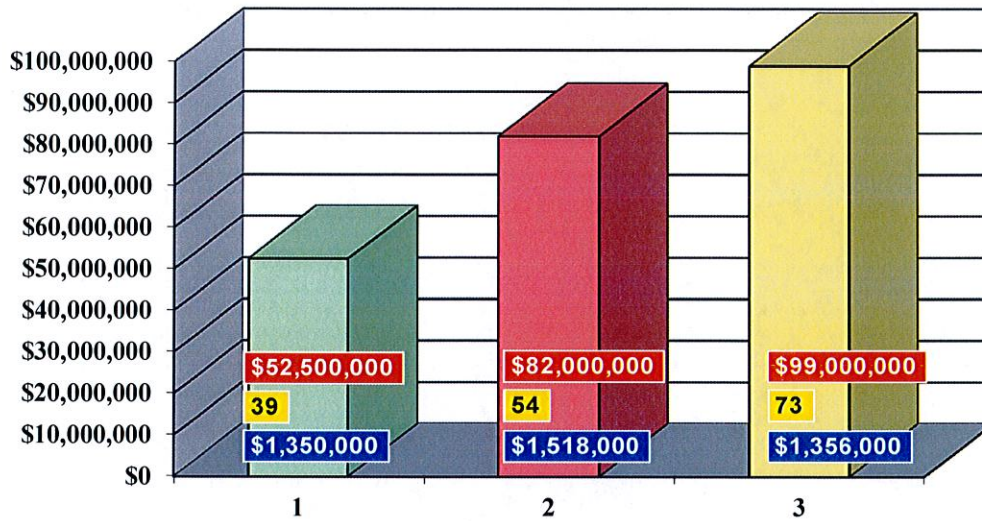


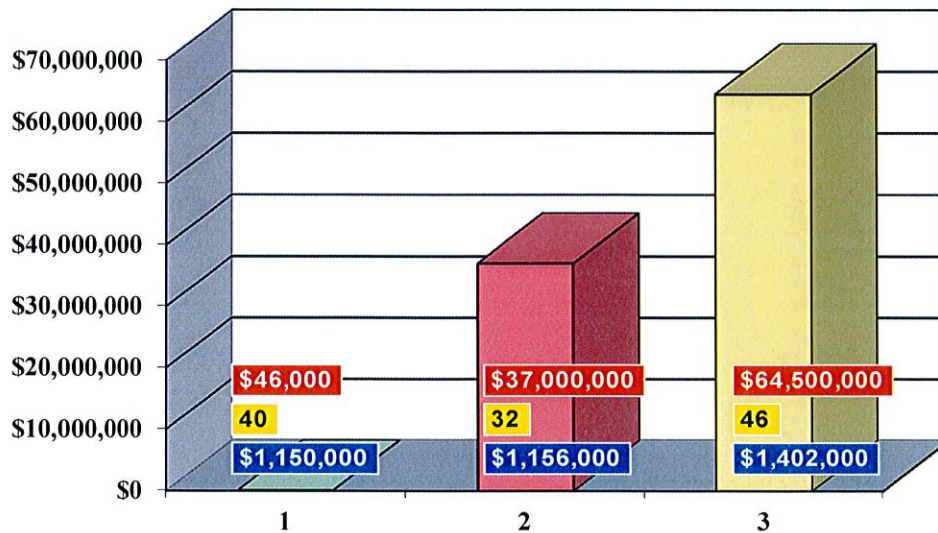


**OVERALL MARKET - 2016
1ST, 2ND & 3RD QUARTERS**

AVALON



STONE HARBOR



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

TRENDS 2016 (vs) 2015
(THIRD QUARTER 2016)

SALES

Avalon

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

Stone Harbor

- > 24% increase in number of transactions.
- > 38.5% increase in total sales volume.
- > 11.5% 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

- > 2% decrease in current listings.
- > 16% decrease in new listings.
- > There was a (.93 to 1) ratio of new listings (68) to sale transactions (73) (vs) (1.11 to 1) - (81 to 73) ratio.

Stone Harbor

- > 20.5% decrease in current listings.
- > 15.5% decrease in new listings.
- > There was a (.85 to 1) ratio of new listings (39) to sale transactions (46) (vs) (1.24 to 1) - (46 to 37) ratio.

SUMMARY

There was a 10% increase in the Total Sales Volume (\$163,500,000 (vs) \$148,500,000) and an 8% increase in the number of transactions (119 (vs) 110) for the Third Quarter of 2016 (vs) 2015 in the overall marketplace for Seven Mile Beach Island.

Buyer activity increased during the Third Quarter and we expect it to continue for the remainder of 2016 as the mortgage interest rates remain extremely low, excellent mortgage programs are available, and there remains a strong pent up Buyer demand to purchase 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 2016)**

THIRD QUARTER—2016

THIRD QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	73	46	73	37
Total Sales Volume	\$99,000,000	\$64,500,000	\$102,000,000	\$46,500,000
Price Range	\$272,500 To \$6,800,000	\$185,000 To \$4,800,000	\$288,000 To \$3,995,000	\$162,500 To \$3,118,750
Average Sale Price	\$1,356,000	\$1,402,000	\$1,397,500	\$1,256,500
Average % Sale Prices Discounted From Listed Prices	6%	6.5%	5.5%	6%
SALE LISTINGS				
Current	163	132	166	166
New	68	39	81	46
TOTAL	231	171	247	212

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	166	118
Total Sales Volume	\$233,500,000	\$147,500,000
Price Range	\$235,000 To \$6,800,000	\$165,000 To \$5,700,000
Average Sale Price	\$1,406,500	\$1,250,000
Average % Sale Prices Discounted From Listed Prices	5.5%	6%
SALE LISTINGS		
Current (*)	163	132
New (Cumulative)	195	111

(*) 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
(THIRD QUARTER 2016)**

THIRD QUARTER—2016

THIRD QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	2	1	3	0
Total Sales Volume	\$8,150,000	\$4,800,000	\$7,550,000	\$0
Price Range	\$3,800,000 To \$4,350,000	\$4,800,000	\$1,500,000 To \$3,250,000	\$0
Average Sale Price	\$4,075,000	\$4,800,000	\$2,516,500	\$0
Average % Sale Prices Discounted From Listed Prices	8%	11%	6%	0%
SALE LISTINGS				
Current	8	5	10	5
New	1	0	1	2
TOTAL	9	5	11	7

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
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%
SALE LISTINGS		
Current (*)	8	5
New (Cumulative)	2	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 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 2016)**

THIRD QUARTER—2016

THIRD QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	9	2	8	1
Total Sales Volume	\$21,000,000	\$4,470,000	\$17,500,000	\$2,175,000
Price Range	\$1,650,000 To \$2,650,000	\$2,100,000 To \$2,370,000	\$1,150,000 To \$3,375,000	\$2,175,000
Average Sale Price	\$2,333,500	\$2,235,000	\$2,187,500	\$2,175,000
Average % Sale Prices Discounted From Listed Prices	8%	6.5%	5%	16%
SALE LISTINGS				
Current	16	9	20	9
New	9	1	5	5
TOTAL	25	10	25	14

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	15	6
Total Sales Volume	\$35,500,000	\$14,000,000
Price Range	\$1,650,000 To \$3,995,000	\$1,910,000 To \$3,450,000
Average Sale Price	\$2,366,500	\$2,333,500
Average % Sale Prices Discounted From Listed Prices	7.5%	7.5%
SALE LISTINGS		
Current (*)	16	9
New (Cumulative)	20	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:

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 overall 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 2016)**

THIRD QUARTER—2016

THIRD QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	2	3	10	5
Total Sales Volume	\$9,175,000	\$7,600,000	\$22,500,000	\$10,000,000
Price Range	\$2,375,000 To \$6,800,000	\$1,950,000 To \$3,250,000	\$1,360,000 To \$3,995,000	\$1,325,000 To \$3,118,750
Average Sale Price	\$4,587,500	\$2,533,500	\$2,250,000	\$2,000,000
Average % Sale Prices Discounted From Listed Prices	10%	11%	7%	6%
SALE LISTINGS				
Current	15	18	18	18
New	9	7	5	3
TOTAL	24	25	23	21

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	11	10
Total Sales Volume	\$28,500,000	\$23,000,000
Price Range	\$850,000 To \$6,800,000	\$1,200,000 To \$4,500,000
Average Sale Price	\$2,600,000	\$2,300,000
Average % Sale Prices Discounted From Listed Prices	9%	7.5%
SALE LISTINGS		
Current (*)	15	18
New (Cumulative)	20	18

(*) 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 2016)**

THIRD QUARTER—2016

THIRD QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	29	23	25	19
Total Sales Volume	\$37,300,000	\$37,000,000	\$33,000,000	\$27,500,000
Price Range	\$600,000 To \$2,360,000	\$382,500 To \$3,250,000	\$670,000 To \$2,200,000	\$610,500 To \$2,700,000
Average Sale Price	\$1,286,000	\$1,609,000	\$1,320,000	\$1,450,000
Average % Sale Prices Discounted From Listed Prices	6%	6%	5.5%	5.5%
SALE LISTINGS				
Current	50	43	47	47
New	22	19	30	17
TOTAL	72	62	77	64

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	67	40
Total Sales Volume	\$103,000,000	\$64,000,000
Price Range	\$600,000 To \$2,700,000	\$360,000 To \$3,250,000
Average Sale Price	\$1,537,500	\$1,600,000
Average % Sale Prices Discounted From Listed Prices	5%	7%
SALE LISTINGS		
Current (*)	50	43
New (Cumulative)	70	50

(*) 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 2016)**

	THIRD QUARTER—2016		THIRD QUARTER—2015	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	27	14	24	10
Total Sales Volume	\$18,000,000	\$7,850,000	\$17,100,000	\$6,000,000
Price Range	\$272,500 To \$1,320,000	\$185,000 To \$970,000	\$288,000 To \$1,695,000	\$227,500 To \$895,000
Average Sale Price	\$666,500	\$560,500	\$712,500	\$600,000
Average % Sale Prices Discounted From Listed Prices	4.5%	5%	5.5%	5.5%
SALE LISTINGS				
Current	64	40	52	54
New	23	8	35	15
TOTAL	87	48	87	69

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	61	38
Total Sales Volume	\$47,500,000	\$23,500,000
Price Range	\$256,683 To \$1,695,000	\$185,000 To \$970,000
Average Sale Price	\$778,500	\$618,500
Average % Sale Prices Discounted From Listed Prices	4%	5%
SALE LISTINGS		
Current (*)	64	40
New (Cumulative)	72	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:

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 2016)**

	THIRD QUARTER—2016		THIRD QUARTER—2015	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	2	1	1	0
Total Sales Volume	\$2,045,000	\$1,500,000	\$1,025,000	\$0
Price Range	\$740,000 To \$1,305,000	\$1,500,000	\$1,025,000	\$0
Average Sale Price	\$1,022,500	\$1,500,000	\$1,025,000	\$0
Average % Sale Prices Discounted From Listed Prices	13%	6%	7%	0%
SALE LISTINGS				
Current	2	6	7	6
New	0	2	1	3
TOTAL	2	8	8	9

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	4	1
Total Sales Volume	\$3,800,000	\$1,500,000
Price Range	\$450,000 To \$1,325,000	\$1,500,000
Average Sale Price	\$950,000	\$1,500,000
Average % Sale Prices Discounted From Listed Prices	11.5%	6%
SALE LISTINGS		
Current (*)	2	6
New (Cumulative)	1	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 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 2016)**

THIRD QUARTER—2016

THIRD QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	2	1	1	0
Total Sales Volume	\$3,425,000	\$825,000	\$2,500,000	\$0
Price Range	\$1,125,000 To \$2,300,000	\$825,000	\$2,500,000	\$0
Average Sale Price	\$1,712,500	\$825,000	\$2,500,000	\$0
Average % Sale Prices Discounted From Listed Prices	9%	3%	0%	0%
SALE LISTINGS				
Current	6	7	9	8
New	3	0	4	2
TOTAL	9	7	13	10

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	4	4
Total Sales Volume	\$6,150,000	\$10,300,000
Price Range	\$1,125,000 To \$2,300,000	\$825,000 To \$5,700,000
Average Sale Price	\$1,500,000	\$2,575,000
Average % Sale Prices Discounted From Listed Prices	5%	8.5%
SALE LISTINGS		
Current (*)	6	7
New (Cumulative)	8	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 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 2016)**

THIRD QUARTER—2016

THIRD QUARTER—2015

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	0	1	1	2
Total Sales Volume	\$0	\$525,000	\$775,000	\$642,500
Price Range	\$0	\$525,000	\$775,000	\$162,500 To \$480,000
Average Sale Price	\$0	\$525,000	\$775,000	\$321,250
Average % Sale Prices Discounted From Listed Prices	0%	16%	3%	9.5%
SALE LISTINGS				
Current	2	4	3	3
New	1	2	0	0
TOTAL	3	6	3	3

YEAR TO DATE—2016

SALES	AVALON	STONE HARBOR
Number	2	6
Total Sales Volume	\$560,000	\$3,600,000
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%	14%
SALE LISTINGS		
Current (*)	2	4
New (Cumulative)	2	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 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.