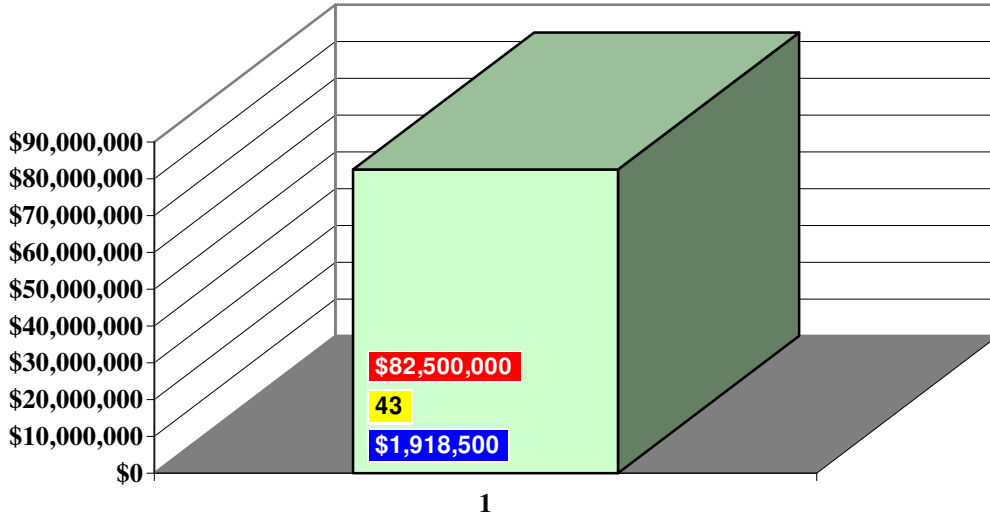
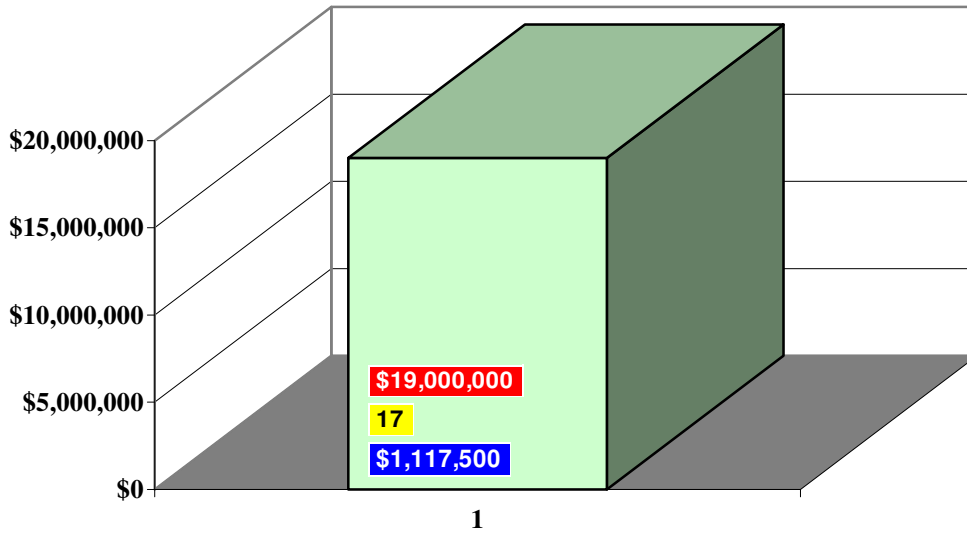


**OVERALL MARKET - 2006
1ST QUARTER**

AVALON



STONE HARBOR



 TOTAL SALES VOLUME

 TOTAL NUMBER OF SALES

 AVG SALE PRICE

TRENDS 2006 (vs) 2005 (FIRST QUARTER 2006)

SALES

AVALON

- > 34% decrease in number of transactions.
- > 2% decrease in total sales volume.
- > 48.5% increase in average sale price.
- > 2% increase in average % sale prices were discounted from listed prices.
- > Many buyers interested in purchasing a second home at the shore.

STONE HARBOR

- > 37% decrease in number of transactions.
- > 60% decrease in total sales volume.
- > 36% decrease in average sale price.
- > 1% increase in the average % sale prices were discounted from listed prices.
- > Many buyers interested in purchasing a second home at the shore.

SALE LISTINGS

AVALON

- > 102% increase in current listings.
- > 25.5% decrease in new listings.
- > There was a (2.23 to 1) ratio of new listings (96) to sale transactions (43) (vs) (1.98 to 1) - (129 to 65) ratio.

STONE HARBOR

- > 194% increase in current listings.
- > 21% decrease in new listings.
- > There was a (3.12 to 1) ratio of new listings (53) to sale transactions (17) (vs) (2.48 to 1) - (67 to 27) ratio.

SUMMARY

There was a 22.5% decrease in the Total Sales Volume (\$101,500,000) (vs) (\$131,000,000) and a 35% decrease in the number of transactions (60 (vs) 92) for the First Quarter of 2006 (vs) 2005 in the overall marketplace for Seven Mile Beach Island. Indicators reflect we are in a transitional marketplace as buyers are showing resistance to the higher sale prices. As a result, many sellers have made price adjustments and sales continue but at a slower pace.

OVERALL MARKET SEGMENT

(FIRST QUARTER 2006)

	FIRST QUARTER - 2006		FIRST QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	43	17	65	27
Total Sales Volume	\$ 82,500,000	\$ 19,000,000	\$ 84,000,000	\$ 47,000,000
Price Range	\$ 430,000 to \$ 5,450,000	\$ 387,000 to \$ 3,064,000	\$ 178,000 to \$ 4,000,000	\$ 235,000 to \$ 4,200,000
Average Sale Price	\$ 1,918,500	\$ 1,117,500	\$ 1,292,500	\$ 1,740,500
Average % Sale Prices Discounted From Listed Prices	5 %	4.5 %	3 %	3.5 %
SALE LISTINGS				
Current	253	156	125	53
New	96	53	129	67
TOTAL	349	209	254	120

This analysis is based upon statistics of the Greater Cape May County Multiple Listing Service and is subject to errors and omissions.

OCEANFRONT HOMES MARKET SEGMENT

(FIRST QUARTER 2006)

	FIRST QUARTER - 2006		FIRST QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	2	0	1	1
Total Sales Volume	\$ 9,050,000	\$ 0	\$ 4,000,000	\$ 4,200,000
Price Range	\$ 3,600,000 to \$ 5,450,000	\$ 0	\$ 4,000,000	\$ 4,200,000
Average Sale Price	\$ 4,525,000	\$ 0	\$ 4,000,000	\$ 4,200,000
Average % Sale Prices Discounted From Listed Prices	7 %	0 %	9 %	0 %
SALE LISTINGS				
Current	7	1	3	0
New	0	3	10	0
TOTAL	7	4	13	0

This analysis is based upon statistics of the Greater Cape May County Multiple Listing Service and is subject to errors and omissions.

CONCLUSION:

There remains many Buyers who want to purchase a property in this market segment. However, they are showing resistance to the higher sale prices resulting in sales occurring at a slower pace.

BEACHBLOCK HOMES MARKET SEGMENT

(FIRST QUARTER 2006)

	FIRST QUARTER - 2006		FIRST QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	3	0	4	5
Total Sales Volume	\$ 8,500,000	\$ 0	\$ 11,500,000	\$ 14,700,000
Price Range	\$ 2,150,000 to \$ 3,700,000	\$ 0	\$ 2,095,000 to \$ 3,995,000	\$ 2,300,000 to \$ 3,175,000
Average Sale Price	\$ 2,833,500	\$ 0	\$ 2,875,000	\$ 2,940,000
Average % Sale Prices Discounted From Listed Prices	8.5 %	0 %	4.5 %	6.5 %
SALE LISTINGS				
Current	24	13	12	8
New	6	3	8	1
TOTAL	30	16	20	9

This analysis is based upon statistics of the Greater Cape May County Multiple Listing Service and is subject to errors and omissions.

CONCLUSION:

There remains many Buyers who want to purchase a property in this market segment. However, they are showing resistance to the higher sale prices resulting in sales occurring at a slower pace.

BAYFRONT HOMES MARKET SEGMENT

(FIRST QUARTER 2006)

SALES	FIRST QUARTER - 2006		FIRST QUARTER - 2005	
	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	6	0	2	1
Total Sales Volume	\$ 24,000,000	\$ 0	\$ 6,000,000	\$ 2,995,000
Price Range	\$ 3,300,000 to \$ 4,995,000	\$ 0	\$ 2,800,000 to \$ 3,200,000	\$ 2,995,000
Average Sale Price	\$ 4,000,000	\$ 0	\$ 3,000,000	\$ 2,995,000
Average % Sale Prices Discounted From Listed Prices	3.5 %	0 %	1.5 %	0 %
SALE LISTINGS				
Current	15	12	11	0
New	4	1	7	3
TOTAL	19	13	18	3

This analysis is based upon statistics of the Greater Cape May County Multiple Listing Service and is subject to errors and omissions.

CONCLUSION:

There remains many Buyers who want to purchase a property in this market segment. However, they are showing resistance to the higher sale prices resulting in sales occurring at a slower pace.

INSIDE HOMES MARKET SEGMENT

(FIRST QUARTER 2006)

	FIRST QUARTER - 2006		FIRST QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	13	4	31	8
Total Sales Volume	\$ 23,000,000	\$ 9,000,000	\$ 42,000,000	\$ 13,500,000
Price Range	\$ 1,175,000 to \$ 2,285,000	\$ 1,387,500 to \$ 3,064,000	\$ 785,000 to \$ 2,550,000	\$ 1,250,000 to \$ 2,200,000
Average Sale Price	\$ 1,769,000	\$ 2,250,000	\$ 1,355,000	\$ 1,687,500
Average % Sale Prices Discounted From Listed Prices	3.5 %	8 %	3.5 %	3.5 %
SALE LISTINGS				
Current	109	55	38	29
New	38	17	40	23
TOTAL	147	72	78	52

This analysis is based upon statistics of the Greater Cape May County Multiple Listing Service and is subject to errors and omissions.

CONCLUSION:

There remains many Buyers who want to purchase a property in this market segment. However, they are showing resistance to the higher sale prices resulting in sales occurring at a slower pace.

CONDOMINIUMS/TOWNHOMES MARKET SEGMENT

(FIRST QUARTER 2006)

	FIRST QUARTER - 2006		FIRST QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	17	7	22	9
Total Sales Volume	\$ 16,000,000	\$ 4,500,000	\$ 13,000,000	\$ 6,600,000
Price Range	\$ 430,000 to \$ 1,850,000	\$ 387,000 to \$ 952,000	\$ 178,000 to \$ 891,000	\$ 235,000 to \$ 1,485,000
Average Sale Price	\$ 941,000	\$ 643,000	\$ 590,000	\$ 733,500
Average % Sale Prices Discounted From Listed Prices	5.5 %	5 %	2 %	2 %
SALE LISTINGS				
Current	78	47	43	9
New	35	22	57	27
TOTAL	113	69	100	36

This analysis is based upon statistics of the Greater Cape May County Multiple Listing Service and is subject to errors and omissions.

CONCLUSION:

There remains many Buyers who want to purchase a property in this market segment. However, they are showing resistance to the higher sale prices resulting in sales occurring at a slower pace.

MULTI-FAMILY MARKET SEGMENT

(FIRST QUARTER 2006)

SALES	FIRST QUARTER - 2006		FIRST QUARTER - 2005	
	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	1	4	3	1
Total Sales Volume	\$ 1,250,000	\$ 3,500,000	\$ 3,600,000	\$ 2,350,000
Price Range	\$ 1,250,000	\$ 710,000 to \$ 1,300,000	\$ 1,085,000 to \$ 1,398,000	\$ 2,350,000
Average Sale Price	\$ 1,250,000	\$ 875,000	\$ 1,200,000	\$ 2,350,000
Average % Sale Prices Discounted From Listed Prices	10.5 %	3.5 %	4.5 %	15 %
SALE LISTINGS				
Current	5	15	6	3
New	2	2	2	6
TOTAL	7	17	8	9

This analysis is based upon statistics of the Greater Cape May County Multiple Listing Service and is subject to errors and omissions.

CONCLUSION:

There continues to be a minimum number of buyers for this market segment and higher sale prices have limited the number of transactions.

LOTS MARKET SEGMENT

(FIRST QUARTER 2006)

	FIRST QUARTER - 2006		FIRST QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	1	2	1	1
Total Sales Volume	\$ 550,000	\$ 1,924,500	\$ 2,100,000	\$ 1,975,000
Price Range	\$ 550,000	\$ 925,000 to \$ 999,500	\$ 2,100,000	\$ 1,975,000
Average Sale Price	\$ 550,000	\$ 962,250	\$ 2,100,000	\$ 1,975,000
Average % Sale Prices Discounted From Listed Prices	0 %	1.5 %	2.5 %	1 %
SALE LISTINGS				
Current	11	0	6	4
New	3	5	5	3
TOTAL	14	14	11	7

This analysis is based upon statistics of the Greater Cape May County Multiple Listing Service and is subject to errors and omissions.

CONCLUSION:

Buyer demand remains strong for this market segment because of the interest in building new homes; however, due to the limited inventory of lots, many buyers are purchasing existing homes which are demolished and new homes constructed. Also, higher sale prices have limited the number of transactions.

COMMERCIAL MARKET SEGMENT

(FIRST QUARTER 2006)

	FIRST QUARTER - 2006		FIRST QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	0	0	1	1
Total Sales Volume	\$ 0	\$ 0	\$ 1,800,000	\$ 625,000
Price Range	\$ 0	\$ 0	\$ 1,800,000	\$ 625,000
Average Sale Price	\$ 0	\$ 0	\$ 1,800,000	\$ 625,000
Average % Sale Prices Discounted From Listed Prices	0 %	0 %	0 %	0 %
SALE LISTINGS				
Current	4	4	6	0
New	8	0	0	4
TOTAL	12	4	6	4

This analysis is based upon statistics of the Greater Cape May County Multiple Listing Service and is subject to errors and omissions.

CONCLUSION:

There continues to be limited buyer demand for this market segment.