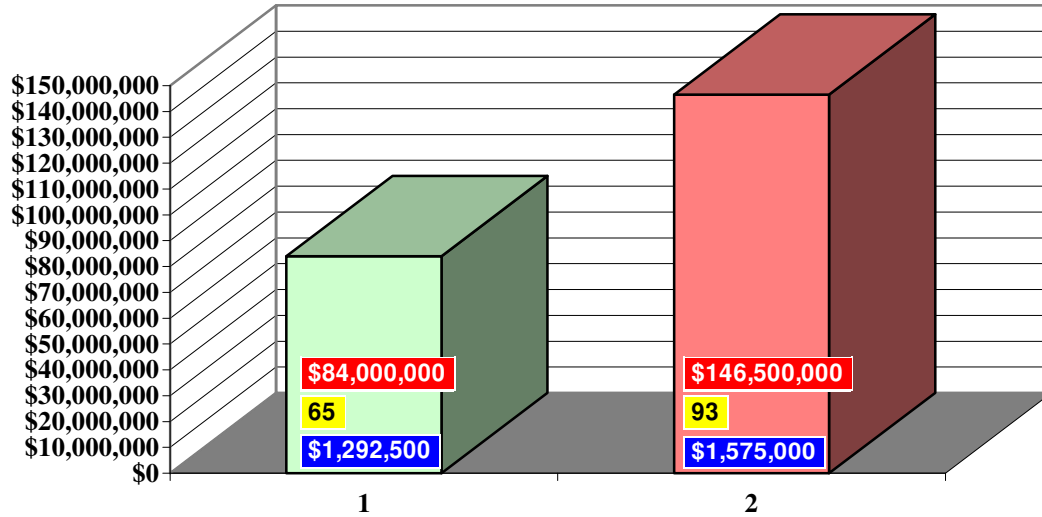
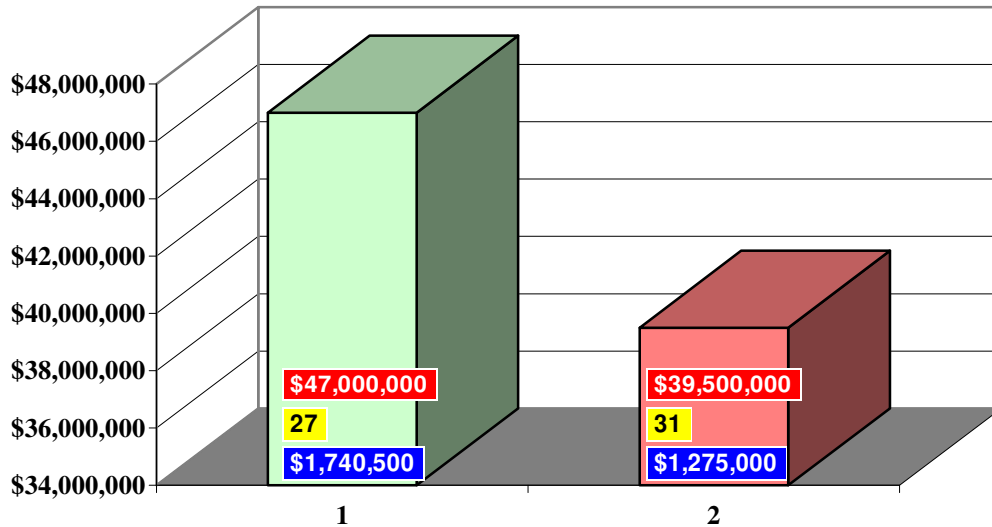


**OVERALL MARKET - 2005
1ST & 2ND QUARTERS**

AVALON



STONE HARBOR



TOTAL SALES VOLUME
 TOTAL NUMBER OF SALES
 AVG SALE PRICE

OVERALL MARKET SEGMENT

(SECOND QUARTER 2005)

SECOND QUARTER - 2005

SECOND QUARTER - 2004

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	93	31	113	61
Total Sales Volume	\$146,500,000	\$ 39,500,000	\$139,500,000	\$ 59,000,000
Price Range	\$ 185,000 to \$ 7,480,000	\$ 129,000 to \$ 3,200,000	\$ 335,000 to \$ 4,900,000	\$ 240,000 to \$ 2,675,000
Average Sale Price	\$ 1,575,000	\$ 1,275,000	\$ 1,234,500	\$ 967,000
Average % Sale Prices Discounted From Listed Prices	3 %	2.5 %	2.5 %	3 %
SALE LISTINGS				
Current	103	68	64	49
New	86	80	91	52
TOTAL	189	148	155	101

YEAR TO DATE - 2005

SALES	AVALON	STONE HARBOR
Number	158	58
Total Sales Volume	\$ 230,500,000	\$ 86,500,000
Price Range	\$ 178,000 to \$ 7,480,000	\$ 129,000 to \$ 4,200,000
Average Sale Price	\$ 1,500,000	\$ 1,500,000
Average % Sale Prices Discounted From Listed Prices	3 %	3 %
SALE LISTINGS		
Current (*)	103	68
New (Cumulative)	215	147

(*) Total for current quarter.

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

TRENDS 2005 (vs) 2004 (SECOND QUARTER 2005)

SALES

AVALON

- > 18% decrease in number of transactions.
- > 5% increase in total sales volume.
- > 27.5% 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.

STONE HARBOR

- > 50% decrease in number of transactions.
- > 33% decrease in total sales volume.
- > 32% increase in average sale price.
- > .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

- > 61% increase in current listings.
- > 5.5% decrease in new listings.
- > There was a (.92 to 1) ratio of new listings (86) to sale transactions (93) (vs) (.80 to 1) - (91 to 113) ratio.

STONE HARBOR

- > 38.5% increase in current listings.
- > 54% increase in new listings.
- > There was a (2.58 to 1) ratio of new listings (80) to sale transactions (31) (vs) (.85 to 1) - (52 to 61) ratio.

SUMMARY

There was a 6.5% decrease in the Total Sales Volume (\$186,000,000 (vs) \$198,500,000) and a 28.5% decrease in the number of transactions (124 (vs) 174) for the Second Quarter of 2005 (vs) 2004 in the overall marketplace for Seven Mile Beach Island. A very strong buyer demand for a second home at the shore continues in this seller's market. However, the higher sale prices continue to limit the number of transactions.

OCEANFRONT HOMES MARKET SEGMENT

(SECOND QUARTER 2005)

SECOND QUARTER - 2005 SECOND QUARTER - 2004

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	5	0	2	0
Total Sales Volume	\$ 26,000,000	\$ 0	\$ 8,800,000	\$ 0
Price Range	\$ 3,250,000 to \$ 7,480,000	\$ 0	\$ 3,900,000 to \$ 4,900,000	\$ 0
Average Sale Price	\$ 5,200,000	\$ 0	\$ 4,400,000	\$ 0
Average % Sale Prices Discounted From Listed Prices	7.5 %	0 %	4.5 %	0 %
SALE LISTINGS				
Current	7	0	5	5
New	2	0	5	0
TOTAL	9	0	10	5

YEAR TO DATE - 2005

SALES	AVALON	STONE HARBOR
Number	6	1
Total Sales Volume	\$ 30,000,000	\$ 4,200,000
Price Range	\$ 3,250,000 to \$ 7,480,000	\$ 4,200,000
Average Sale Price	\$ 5,000,000	\$ 4,200,000
Average % Sale Prices Discounted From Listed Prices	7.5 %	1 %
SALE LISTINGS		
Current (*)	7	0
New (Cumulative)	12	0

(*) Total for current quarter.

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

CONCLUSION:

Buyers continue to be very interested in this market segment. However, higher sale prices have limited the number of transactions.

BEACHBLOCK HOMES MARKET SEGMENT

(SECOND QUARTER 2005)

SECOND QUARTER - 2005 SECOND QUARTER - 2004

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	9	1	17	4
Total Sales Volume	\$ 23,500,000	\$ 2,000,000	\$ 37,400,000	\$ 8,400,000
Price Range	\$ 2,085,000 to \$ 3,683,000	\$ 2,000,000	\$ 1,410,000 to \$ 3,365,000	\$ 1,650,000 to \$ 2,675,000
Average Sale Price	\$ 2,600,000	\$ 2,000,000	\$ 2,200,000	\$ 2,100,000
Average % Sale Prices Discounted From Listed Prices	3.5 %	11 %	4.5 %	6.5 %
SALE LISTINGS				
Current	9	6	8	10
New	8	3	12	4
TOTAL	17	9	20	14

YEAR TO DATE - 2005

SALES	AVALON	STONE HARBOR
Number	13	6
Total Sales Volume	\$ 35,000,000	\$ 16,700,000
Price Range	\$ 2,085,000 to \$ 3,995,000	\$ 2,000,000 to \$ 3,175,000
Average Sale Price	\$ 2,700,000	\$ 2,800,000
Average % Sale Prices Discounted From Listed Prices	3.5 %	7.5 %
SALE LISTINGS		
Current (*)	9	6
New (Cumulative)	16	4

(*) Total for current quarter.

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

CONCLUSION:

Buyers continue to be very interested in this market segment. However, higher sale prices have limited the number of transactions.

BAYFRONT HOMES MARKET SEGMENT

(SECOND QUARTER 2005)

SECOND QUARTER - 2005

SECOND QUARTER - 2004

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	5	2	6	2
Total Sales Volume	\$ 12,000,000	\$ 6,050,000	\$ 11,650,000	\$ 4,250,000
Price Range	\$ 1,500,000 to \$ 3,300,000	\$ 2,850,000 to \$ 3,200,000	\$ 935,000 to \$ 2,350,000	\$ 2,000,000 to \$ 2,250,000
Average Sale Price	\$ 2,400,000	\$ 3,025,000	\$ 1,950,000	\$ 2,125,000
Average % Sale Prices Discounted From Listed Prices	3.5 %	2.5 %	3.5 %	3 %
SALE LISTINGS				
Current	9	3	8	1
New	5	5	6	3
TOTAL	14	8	14	4

YEAR TO DATE - 2005

SALES	AVALON	STONE HARBOR
Number	7	3
Total Sales Volume	\$ 18,000,000	\$ 9,000,000
Price Range	\$ 1,500,000 to \$ 3,300,000	\$ 2,850,000 to \$ 3,200,000
Average Sale Price	\$ 2,575,000	\$ 3,000,000
Average % Sale Prices Discounted From Listed Prices	3 %	1.5 %
SALE LISTINGS		
Current (*)	9	3
New (Cumulative)	12	8

(*) Total for current quarter.

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

CONCLUSION:

Buyers continue to be very interested in this market segment. However, higher sale prices have limited the number of transactions.

INSIDE HOMES MARKET SEGMENT

(SECOND QUARTER 2005)

SECOND QUARTER - 2005 SECOND QUARTER - 2004

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	33	12	40	18
Total Sales Volume	\$ 52,500,000	\$ 20,000,000	\$ 47,500,000	\$ 24,300,000
Price Range	\$ 805,000 to \$ 2,550,000	\$ 495,000 to \$ 3,100,000	\$ 540,000 to \$ 1,945,000	\$ 580,000 to \$ 2,175,000
Average Sale Price	\$ 1,600,000	\$ 1,666,500	\$ 1,187,500	\$ 1,350,000
Average % Sale Prices Discounted From Listed Prices	3.5 %	3.5 %	2 %	2.5 %
SALE LISTINGS				
Current	32	25	19	17
New	27	21	32	25
TOTAL	59	46	51	42

YEAR TO DATE - 2005

SALES	AVALON	STONE HARBOR
Number	64	20
Total Sales Volume	\$ 94,500,000	\$ 33,500,000
Price Range	\$ 785,000 to \$ 2,550,000	\$ 495,000 to \$ 3,100,000
Average Sale Price	\$ 1,475,000	\$ 1,675,000
Average % Sale Prices Discounted From Listed Prices	3.5 %	3.5 %
SALE LISTINGS		
Current (*)	32	25
New (Cumulative)	67	44

(*) Total for current quarter.

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

CONCLUSION:

Buyers continue to be very interested in this market segment. However, higher sale prices have limited the number of transactions.

CONDOMINIUMS/TOWNHOMES MARKET SEGMENT

(SECOND QUARTER 2005)

SECOND QUARTER - 2005

SECOND QUARTER - 2004

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	36	12	41	30
Total Sales Volume	\$ 28,500,000	\$ 8,700,000	\$ 26,850,000	\$ 15,200,000
Price Range	\$ 185,000 to \$ 1,700,000	\$ 380,000 to \$ 1,080,000	\$ 335,000 to \$ 1,395,000	\$ 240,000 to \$ 1,150,000
Average Sale Price	\$ 791,500	\$ 725,000	\$ 655,000	\$ 506,500
Average % Sale Prices Discounted From Listed Prices	2 %	3 %	2 %	3 %
SALE LISTINGS				
Current	36	21	15	6
New	25	21	31	14
TOTAL	61	42	46	20

YEAR TO DATE - 2005

SALES	AVALON	STONE HARBOR
Number	58	21
Total Sales Volume	\$ 41,500,000	\$ 15,300,000
Price Range	\$ 178,000 to \$ 1,700,000	\$ 235,000 to \$ 1,485,000
Average Sale Price	\$ 715,500	\$ 728,500
Average % Sale Prices Discounted From Listed Prices	2 %	2.5 %
SALE LISTINGS		
Current (*)	36	21
New (Cumulative)	82	48

(*) Total for current quarter.

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

CONCLUSION:

Buyers continue to be very interested in this market segment. However, higher sale prices have limited the number of transactions.

MULTI-FAMILY MARKET SEGMENT

(SECOND QUARTER 2005)

SECOND QUARTER - 2005

SECOND QUARTER - 2004

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	1	1	3	6
Total Sales Volume	\$ 1,300,000	\$ 1,600,000	\$ 2,200,000	\$ 5,600,000
Price Range	\$ 1,300,000	\$ 1,600,000	\$ 662,000 to \$ 875,000	\$ 850,000 to \$ 980,000
Average Sale Price	\$ 1,300,000	\$ 1,600,000	\$ 733,500	\$ 933,500
Average % Sale Prices Discounted From Listed Prices	0 %	(+) 16 %	1 %	2.5 %
SALE LISTINGS				
Current	5	7	2	3
New	0	5	0	1
TOTAL	5	12	2	4

YEAR TO DATE - 2005

SALES	AVALON	STONE HARBOR
Number	4	2
Total Sales Volume	\$ 4,900,000	\$ 3,950,000
Price Range	\$ 1,085,000 to \$ 1,398,000	\$ 1,600,000 to \$ 2,350,000
Average Sale Price	\$ 1,225,000	\$ 1,975,500
Average % Sale Prices Discounted From Listed Prices	3.5 %	0 %
SALE LISTINGS		
Current (*)	5	7
New (Cumulative)	2	11

(*) Total for current quarter.

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

(SECOND QUARTER 2005)

SECOND QUARTER - 2005 SECOND QUARTER - 2004

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	1	0	3	1
Total Sales Volume	\$ 1,910,562	\$ 0	\$ 4,700,000	\$ 1,225,000
Price Range	\$ 1,910,562	\$ 0	\$ 1,150,000 to \$ 2,075,000	\$ 1,225,000
Average Sale Price	\$ 1,910,562	\$ 0	\$ 1,550,000	\$ 1,225,000
Average % Sale Prices Discounted From Listed Prices	4.5 %	0 %	6.5 %	5.5 %
SALE LISTINGS				
Current	4	4	5	3
New	12	6	3	4
TOTAL	16	10	8	7

YEAR TO DATE - 2005

SALES	AVALON	STONE HARBOR
Number	2	1
Total Sales Volume	\$ 4,000,000	\$ 1,975,000
Price Range	\$ 1,910,562 to \$ 2,100,000	\$ 1,975,000
Average Sale Price	\$ 2,000,000	\$ 1,975,000
Average % Sale Prices Discounted From Listed Prices	3.5 %	1 %
SALE LISTINGS		
Current (*)	4	4
New (Cumulative)	17	9

(*) Total for current quarter.

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

(SECOND QUARTER 2005)

SECOND QUARTER - 2005

SECOND QUARTER - 2004

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	3	3	1	0
Total Sales Volume	\$ 714,000	\$ 1,000,000	\$ 400,000	\$ 0
Price Range	\$ 225,000 to \$ 264,000	\$ 129,000 to \$ 610,000	\$ 400,000	\$ 0
Average Sale Price	\$ 238,000	\$ 333,500	\$ 400,000	\$ 0
Average % Sale Prices Discounted From Listed Prices	2 %	.5 %	26 %	0 %
SALE LISTINGS				
Current	1	2	2	0
New	7	19	2	0
TOTAL	8	21	4	0

YEAR TO DATE - 2005

SALES	AVALON	STONE HARBOR
Number	4	4
Total Sales Volume	\$ 2,500,000	\$ 1,600,000
Price Range	\$ 225,000 to \$ 1,800,000	\$ 129,000 to \$ 625,000
Average Sale Price	\$ 780,000	\$ 400,000
Average % Sale Prices Discounted From Listed Prices	.5 %	1.5 %
SALE LISTINGS		
Current (*)	1	2
New (Cumulative)	7	23

(*) Total for current quarter.

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.