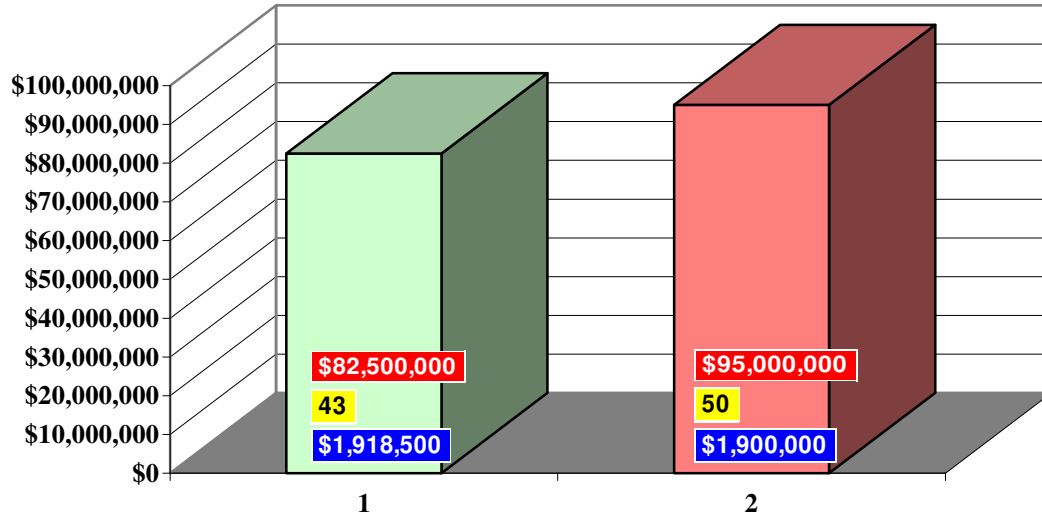
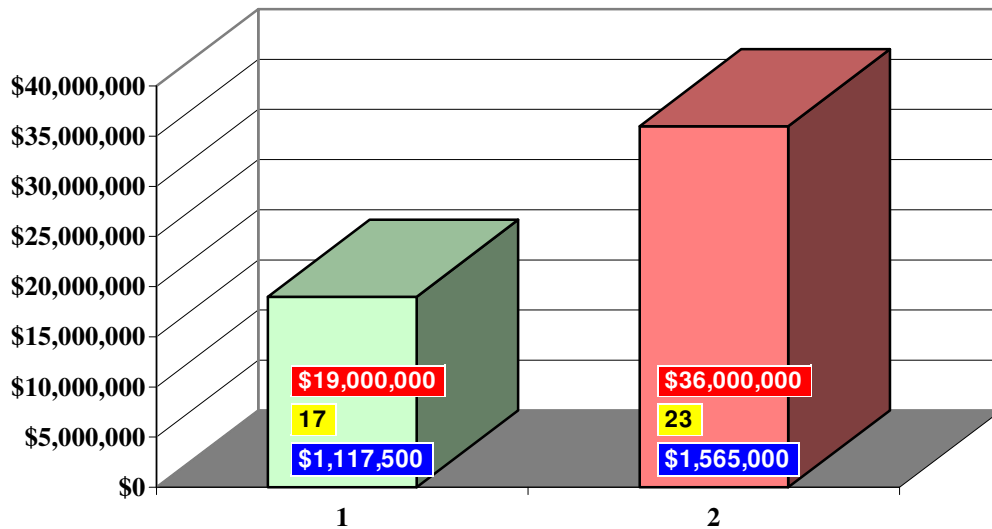


OVERALL MARKET - 2006
1ST & 2ND QUARTERS

AVALON



STONE HARBOR



■ **TOTAL SALES VOLUME**
■ **TOTAL NUMBER OF SALES**
■ **AVG SALE PRICE**

OVERALL MARKET SEGMENT

(SECOND QUARTER 2006)

SALES	SECOND QUARTER - 2006		SECOND QUARTER - 2005	
	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	50	23	93	31
Total Sales Volume	\$ 95,000,000	\$ 36,000,000	\$146,500,000	\$ 39,500,000
Price Range	\$ 199,000 to \$ 9,000,000	\$ 210,000 to \$ 3,800,000	\$ 185,000 to \$ 7,480,000	\$ 129,000 to \$ 3,200,000
Average Sale Price	\$ 1,900,000	\$ 1,565,000	\$ 1,575,000	\$ 1,275,000
Average % Sale Prices Discounted From Listed Prices	5.5 %	5.5 %	3 %	2.5 %
SALE LISTINGS				
Current	266	173	103	68
New	93	41	86	80
TOTAL	359	214	189	148

YEAR TO DATE - 2006

SALES	AVALON	STONE HARBOR
Number	93	40
Total Sales Volume	\$ 177,500,000	\$ 55,000,000
Price Range	\$ 199,000 to \$ 9,000,000	\$ 210,000 to \$ 3,800,000
Average Sale Price	\$ 1,908,000	\$ 1,375,000
Average % Sale Prices Discounted From Listed Prices	5.5 %	5 %
SALE LISTINGS		
Current (*)	266	173
New (Cumulative)	189	94

(*) 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 2006 (vs) 2005 (SECOND QUARTER 2006)

SALES

AVALON

- > 46.5% decrease in number of transactions.
- > 35% decrease in total sales volume.
- > 20.5% increase in average sale price.
- > 2.5% 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

- > 26% decrease in number of transactions.
- > 9% decrease in total sales volume.
- > 22.5% increase in average sale price.
- > 3% 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

- > 258% increase in current listings.
- > 8% increase in new listings.
- > There was a (1.86 to 1) ratio of new listings (93) to sale transactions (50) (vs) (.925 to 1) - (86 to 93) ratio.

STONE HARBOR

- > 254% increase in current listings.
- > 49% decrease in new listings.
- > There was a (1.78 to 1) ratio of new listings (41) to sale transactions (23) (vs) (2.58 to 1) - (80 to 31) ratio.

SUMMARY

There was a 29.5% decrease in the Total Sales Volume (\$131,000,000 (vs) \$186,000,000) and a 41% decrease in the number of transactions (73 (vs) 124) for the Second Quarter of 2006 (vs) 2005 in the overall marketplace for Seven Mile Beach Island. Indicators reflect we are in a buyers 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 and at lower sale prices.

OCEANFRONT HOMES MARKET SEGMENT

(SECOND QUARTER 2006)

	SECOND QUARTER - 2006		SECOND QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	4	0	5	0
Total Sales Volume	\$ 23,000,000	\$ 0	\$ 26,000,000	\$ 0
Price Range	\$ 3,850,000 to \$ 9,000,000	\$ 0	\$ 3,250,000 to \$ 7,480,000	\$ 0
Average Sale Price	\$ 5,750,000	\$ 0	\$ 5,200,000	\$ 0
Average % Sale Prices Discounted From Listed Prices	7 %	0 %	7.5 %	0 %
SALE LISTINGS				
Current	4	4	7	0
New	2	0	2	0
TOTAL	6	4	9	0

YEAR TO DATE - 2006

SALES	AVALON	STONE HARBOR
Number	6	0
Total Sales Volume	\$ 32,000,000	\$ 0
Price Range	\$ 3,600,000 to \$ 9,000,000	\$ 0
Average Sale Price	\$ 5,333,500	\$ 0
Average % Sale Prices Discounted From Listed Prices	7 %	0 %
SALE LISTINGS		
Current (*)	4	4
New (Cumulative)	2	3

(*) 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 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

(SECOND QUARTER 2006)

	SECOND QUARTER - 2006		SECOND QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	3	3	9	1
Total Sales Volume	\$ 11,000,000	\$ 8,600,000	\$ 23,500,000	\$ 2,000,000
Price Range	\$ 3,200,000 to \$ 3,900,000	\$ 2,375,000 to \$ 3,200,000	\$ 2,085,000 to \$ 3,683,000	\$ 2,000,000
Average Sale Price	\$ 3,666,500	\$ 2,866,500	\$ 2,600,000	\$ 2,000,000
Average % Sale Prices Discounted From Listed Prices	9 %	7.5 %	3.5 %	11 %
SALE LISTINGS				
Current	26	11	9	6
New	12	1	8	3
TOTAL	38	12	17	9

YEAR TO DATE - 2006

SALES	AVALON	STONE HARBOR
Number	6	3
Total Sales Volume	\$ 19,500,000	\$ 8,600,000
Price Range	\$ 2,150,000 to \$ 3,900,000	\$ 2,375,000 to \$ 3,200,000
Average Sale Price	\$ 3,250,000	\$ 2,866,500
Average % Sale Prices Discounted From Listed Prices	8.5 %	7.5 %
SALE LISTINGS		
Current (*)	26	11
New (Cumulative)	18	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:

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

(SECOND QUARTER 2006)

	SECOND QUARTER - 2006		SECOND QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	2	1	5	2
Total Sales Volume	\$ 5,024,000	\$ 2,600,000	\$ 12,000,000	\$ 6,050,000
Price Range	\$ 1,755,000 to \$ 3,269,000	\$ 2,600,000	\$ 1,500,000 to \$ 3,300,000	\$ 2,850,000 to \$ 3,200,000
Average Sale Price	\$ 2,512,000	\$ 2,600,000	\$ 2,400,000	\$ 3,025,000
Average % Sale Prices Discounted From Listed Prices	3.5 %	10.5 %	3.5 %	2.5 %
SALE LISTINGS				
Current	17	9	9	3
New	7	5	5	5
TOTAL	24	14	14	8

YEAR TO DATE - 2006

SALES	AVALON	STONE HARBOR
Number	8	1
Total Sales Volume	\$ 29,000,000	\$ 2,600,000
Price Range	\$ 1,755,000 to \$ 4,995,000	\$ 2,600,000
Average Sale Price	\$ 3,600,000	\$ 2,600,000
Average % Sale Prices Discounted From Listed Prices	3.5 %	10.5 %
SALE LISTINGS		
Current (*)	17	9
New (Cumulative)	11	6

(*) 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 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

(SECOND QUARTER 2006)

SECOND QUARTER - 2006

SECOND QUARTER - 2005

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	25	8	33	12
Total Sales Volume	\$ 40,500,000	\$ 14,500,000	\$ 52,500,000	\$ 20,000,000
Price Range	\$ 750,000 to \$ 2,880,000	\$ 460,000 to \$ 3,800,000	\$ 805,000 to \$ 2,550,000	\$ 495,000 to \$ 3,100,000
Average Sale Price	\$ 1,620,000	\$ 1,812,500	\$ 1,600,000	\$ 1,666,500
Average % Sale Prices Discounted From Listed Prices	5.5 %	4.5 %	3.5 %	3.5 %
SALE LISTINGS				
Current	112	60	32	25
New	26	14	27	21
TOTAL	138	74	59	46

YEAR TO DATE - 2006

SALES	AVALON	STONE HARBOR
Number	38	12
Total Sales Volume	\$ 63,500,000	\$ 23,500,000
Price Range	\$ 750,000 to \$ 2,880,000	\$ 460,000 to \$ 3,800,000
Average Sale Price	\$ 1,671,000	\$ 1,958,500
Average % Sale Prices Discounted From Listed Prices	5 %	5.5 %
SALE LISTINGS		
Current (*)	112	60
New (Cumulative)	64	31

(*) 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 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

(SECOND QUARTER 2006)

	SECOND QUARTER - 2006		SECOND QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	10	7	36	12
Total Sales Volume	\$ 10,000,000	\$ 5,900,000	\$ 28,500,000	\$ 8,700,000
Price Range	\$ 270,000 to \$ 1,300,000	\$ 545,000 to \$ 2,095,000	\$ 185,000 to \$ 1,700,000	\$ 380,000 to \$ 1,080,000
Average Sale Price	\$ 1,000,000	\$ 983,500	\$ 791,500	\$ 725,000
Average % Sale Prices Discounted From Listed Prices	4 %	5 %	2 %	3 %
SALE LISTINGS				
Current	82	60	36	21
New	33	12	25	21
TOTAL	115	72	61	42

YEAR TO DATE - 2006

SALES	AVALON	STONE HARBOR
Number	27	14
Total Sales Volume	\$ 26,000,000	\$ 10,400,000
Price Range	\$ 270,000 to \$ 1,850,000	\$ 387,000 to \$ 2,095,000
Average Sale Price	\$ 963,000	\$ 743,000
Average % Sale Prices Discounted From Listed Prices	5 %	5 %
SALE LISTINGS		
Current (*)	112	60
New (Cumulative)	68	34

(*) 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 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

(SECOND QUARTER 2006)

	SECOND QUARTER - 2006		SECOND QUARTER - 2005	
SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	1	2	1	1
Total Sales Volume	\$ 1,665,000	\$ 3,074,000	\$ 1,300,000	\$ 1,600,000
Price Range	\$ 1,665,000	\$ 999,000 to \$ 2,075,000	\$ 1,300,000	\$ 1,600,000
Average Sale Price	\$ 1,665,000	\$ 1,537,000	\$ 1,300,000	\$ 1,600,000
Average % Sale Prices Discounted From Listed Prices	7.5 %	5.5 %	0 %	(+) 16 %
SALE LISTINGS				
Current	5	14	5	7
New	3	2	0	5
TOTAL	8	16	5	12

YEAR TO DATE - 2006

SALES	AVALON	STONE HARBOR
Number	2	6
Total Sales Volume	\$ 2,900,000	\$ 6,574,000
Price Range	\$ 1,250,000 to \$ 1,665,000	\$ 710,000 to \$ 2,075,000
Average Sale Price	\$ 1,450,000	\$ 1,095,000
Average % Sale Prices Discounted From Listed Prices	9 %	4 %
SALE LISTINGS		
Current (*)	5	14
New (Cumulative)	5	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:

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 2006)

SECOND QUARTER - 2006

SECOND QUARTER - 2005

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	2	1	1	0
Total Sales Volume	\$ 3,279,000	\$ 999,000	\$ 1,910,562	\$ 0
Price Range	\$ 1,279,000 to \$ 2,000,000	\$ 999,000	\$ 1,910,562	\$ 0
Average Sale Price	\$ 1,639,500	\$ 999,000	\$ 1,910,562	\$ 0
Average % Sale Prices Discounted From Listed Prices	7.5 %	9 %	4.5 %	0 %
SALE LISTINGS				
Current	10	12	4	4
New	6	4	12	6
TOTAL	16	16	16	10

YEAR TO DATE - 2006

SALES	AVALON	STONE HARBOR
Number	3	3
Total Sales Volume	\$ 3,800,000	\$ 2,900,000
Price Range	\$ 550,000 to \$ 2,000,000	\$ 925,000 to \$ 999,500
Average Sale Price	\$ 1,266,500	\$ 966,500
Average % Sale Prices Discounted From Listed Prices	5 %	2 %
SALE LISTINGS		
Current (*)	10	12
New (Cumulative)	9	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 2006)

SECOND QUARTER - 2006

SECOND QUARTER - 2005

SALES	AVALON	STONE HARBOR	AVALON	STONE HARBOR
Number	3	1	3	3
Total Sales Volume	\$ 800,000	\$ 210,000	\$ 714,000	\$ 1,000,000
Price Range	\$ 199,000 to \$ 390,000	\$ 210,000	\$ 225,000 to \$ 264,000	\$ 129,000 to \$ 610,000
Average Sale Price	\$ 266,500	\$ 210,000	\$ 238,000	\$ 333,500
Average % Sale Prices Discounted From Listed Prices	6.5 %	8.5 %	2 %	.5 %
SALE LISTINGS				
Current	10	3	1	2
New	4	1	7	19
TOTAL	14	4	8	21

YEAR TO DATE - 2006

SALES	AVALON	STONE HARBOR
Number	3	1
Total Sales Volume	\$ 800,000	\$ 210,000
Price Range	\$ 199,000 to \$ 390,000	\$ 210,000
Average Sale Price	\$ 266,500	\$ 210,000
Average % Sale Prices Discounted From Listed Prices	6 %	8.5 %
SALE LISTINGS		
Current (*)	10	3
New (Cumulative)	12	1

(*) 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.