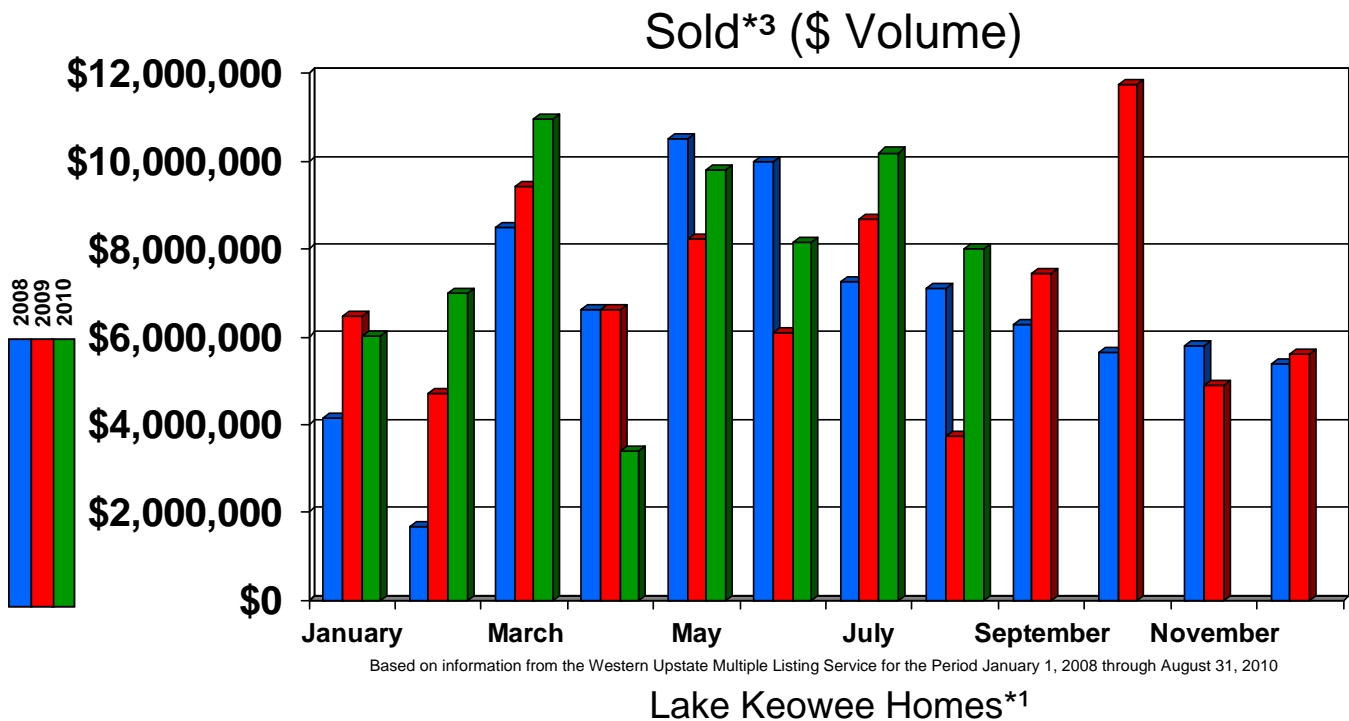


SALES APPEAR STRONGER



This chart shows Lake Keowee Home sales from January 1, 2008 through August 31, 2010 as reported by the Western Upstate Multiple Listing Service. The chart includes both waterfront homes on Lake Keowee and interior homes in Lake Keowee waterfront subdivisions (*"The Market"*). Sales of these homes for the months of June, July and August were about \$26,300,000 up about 42% over the comparable period of 2009. Although sales are showing some strength, for the first time since last December, no homes sold in August for \$1,000,000 or more. This could mean that the high end buyers who have been finding bargains are tapped out. The bargains are still there at the high end. It's just the buyers weren't there in August..

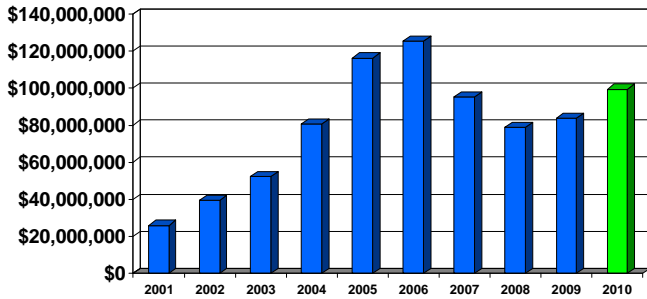
There seems to be a fairly strong market in the low \$500,000 range. Buyers are willing to pay that much, however Sellers are still having to discount substantially from their initial asking prices to achieve a sale. In August, the average closed sale discount from an Initial price was 22%. The average discount experienced over June, July and August was 24%. That different reflects that when higher end homes are sold, they are being sold at deeper discounts. The key thing to do to sell a home these days is to put it in top condition and price it close to its market valuation. Just because the market is discounting homes, don't think it means you should bring one to market at top price. It took 260 days on average for a home to sell over that past three months. The buyers are willing to wait.



Annual Market Trending

Annual Market

(Total Market by Year)



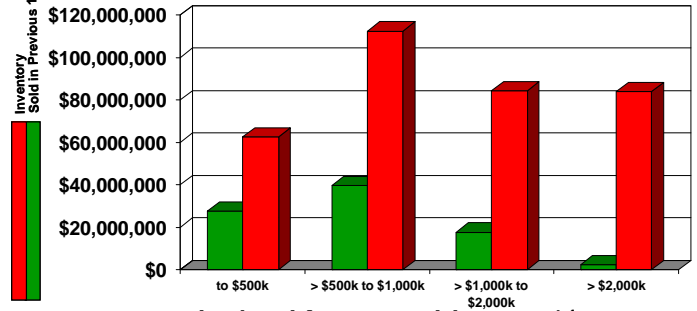
Lake Keowee Homes*1

This chart shows trends in *The Market* since 2001. Sales peaked in 2006 at just over \$120,000,000. It's clear that the market "bottomed out" in 2008. We expect 2010 (estimated in green) sales to be about \$99,400,000, an 18% increase over 2009. But that doesn't mean prices are going up.

Inventory by Price Segment

Sales vs Inventory*2

(Market Segmented by Price Range)



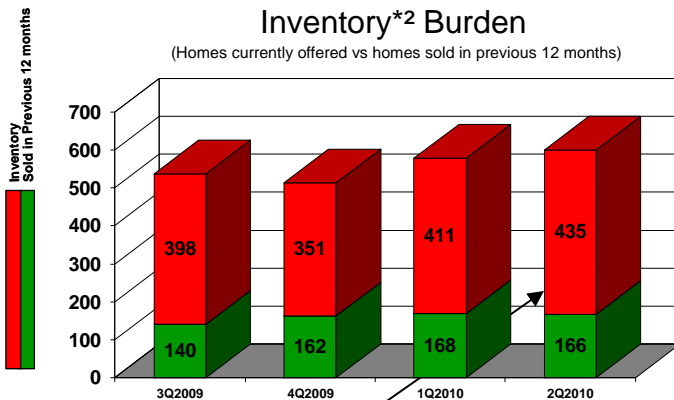
Lake Keowee Homes*1

This chart compares the total sales in a given price range (green) over the past twelve months versus the current inventory (red) of homes in that price range offered as of mid July 2010. Inventory is in better balance below \$500,000. At \$2,000,000 and above there slightly over \$80,000,000 of homes currently offered. There was one sales reported in that range in over the past twelve months,

Inventory*2 Dynamics

Inventory*2 Burden

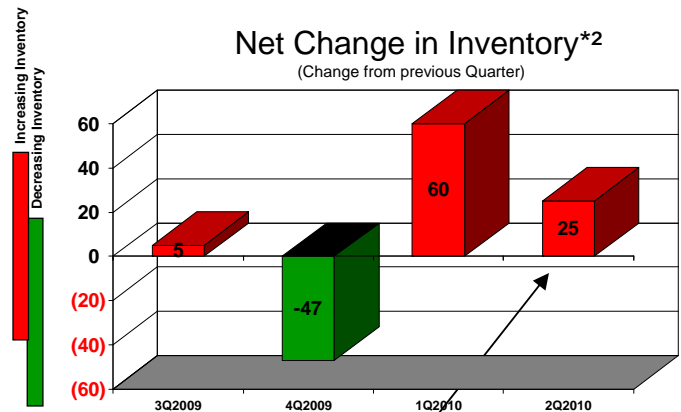
(Homes currently offered vs homes sold in previous 12 months)



Lake Keowee Homes*1

Net Change in Inventory*2

(Change from previous Quarter)



To put *The Market* into perspective, you need to look at how a years worth of sales (green) stacks up to the current inventory of homes being offered (red). In the twelve months that ended on June 30, 2010 (the "1Q2010" stack on the left hand chart above) 166 homes valued at \$87,30,000 sold. As of July 17, 2010 there was a total of 435 such home being offered asking an aggregate of \$343,000,000. That's like having about four years of inventory on hand. The weight of the red block is still crushing the green one.

Although 40 homes sold for \$21,300,000 in 2Q2010, there was a net 25 home, \$9,200,000, increase in total inventory across all pricing segments. Homes continue to be brought to market faster than they are being sold.



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Lake Keowee Homes*1 - Sold*3 June through August, 2010

Community	Type	Address	City	Beds	Bath	Half	Garage	SqFt	Closed	Sold	Initial	Discount	% DOM		
EASTSHORES	Waterfront	216 Wynmere Way	Seneca	6	4	1	3	5800	6/2/2010	\$1,700,000	\$2,100,000	\$400,000	19% 40		
KEOWEE KEY	Waterfront	10 Skipper Lane	Salem	4	3	1	2	3370	6/7/2010	\$530,000	\$729,000	\$199,000	27% 333		
KEOWEE KEY	Waterfront	614 N Flagship	Salem	3	3	1	2	3973	6/11/2010	\$732,777	\$875,000	\$142,223	16% 220		
RIVERSTONE	Waterfront	604 Riverglenn Court	Salem	3	2	1	2	3547	6/11/2010	\$800,000	\$1,149,000	\$349,000	30% 393		
KEOWEE KEY	Waterfront	8 Sextant	Salem	4	4	0	2	3250	6/15/2010	\$344,500	\$459,000	\$114,500	25% 473		
MCDONALD POINTE	Waterfront	23072 McDonald Point	Seneca	3	3	0	2	2972	6/23/2010	\$475,000	\$580,000	\$105,000	18% 266		
ELEVEN OAKS	Waterfront	308 Devon Way	Seneca	3	2	0	2	2324	6/25/2010	\$278,500	\$289,900	\$11,400	4% 25		
WATERS EDGE	Waterfront	180 W Waters Edge	West Union	4	3	0	2	1912	6/28/2010	\$290,000	\$317,900	\$27,900	9% 53		
WATERFORD SUB	Waterfront	133 E Waterford Drive	Seneca	4	3	1	2	4500	6/28/2010	\$387,000	\$650,000	\$263,000	40% 726		
SUNSET SHORES	Waterfront	206 Shoreline Drive	Seneca	4	3	1	3	4002	6/28/2010	\$525,000	\$589,000	\$64,000	11%		
KEOWEE KEY	Waterfront	24 Mizzen Lane	Salem	4	3	0	2	3800	6/28/2010	\$532,000	\$775,000	\$243,000	31% 460		
KEOWEE KEY	Waterfront	1 Day Beacon Court	Salem	3	2	1	2	2894	6/29/2010	\$327,000	\$339,900	\$12,900	4% 434		
KEOWEE KEY	Waterfront	23 Lighthouse Way Drive	Salem	4	3	1	4	3500	6/29/2010	\$416,111	\$410,000	(\$6,111)	-1% 118		
CLIFFS @ VINYRD	Waterfront	507 Merganser Way	Salem	3	4	1	2	5554	6/30/2010	\$800,000	\$1,199,000	\$399,000	33% 293		
Count:	14			Average:	3.71	3.00	0.64	2.29	3,671	Totals:	\$8,137,888	\$10,462,700	\$2,324,812		
											\$581,278	\$747,336	\$166,058	22%	295
KEOWEE KEY	Waterfront	3 Narrows Court	Salem	3	3	0	2	2800	7/1/2010	\$140,000	\$229,000	\$89,000	39% 165		
CLIFFS @ VINYRD	Waterfront	122 Sun Drop Court	Sunset	4	5	1	3	7300	7/7/2010	\$3,000,000	\$3,395,000	\$395,000	12% 70		
KEOWEE KEY	Waterfront	10 Lead Line	Salem	4	3	1	2	2400	7/8/2010	\$272,900	\$359,000	\$86,100	24% 496		
SOUTH PORT VILL	Waterfront	413 Arbor Way	Seneca	3	2	0	2	2100	7/12/2010	\$262,000	\$262,000	\$0	0% 184		
KNOTTS LANDING	Waterfront	129 Knots Lane	Six Mile	3	3	1	0	1981	7/13/2010	\$409,000	\$489,000	\$80,000	16% 144		
WINDSWEPT	Waterfront	203 Fourwinds Trail	Seneca	3	2	1	1	2082	7/15/2010	\$400,000	\$475,000	\$75,000	16% 162		
CANE CREEK HARB	Waterfront	119 Cane Creek Harbor Road	Seneca	4	4	1	3	3697	7/19/2010	\$580,000	\$699,900	\$119,900	17% 124		
INDIAN OAKS	Waterfront	209 Indian Trail	Seneca	3	2	0	2	1360	7/22/2010	\$125,000	\$169,000	\$44,000	26% 224		
LORAN POINTE	Waterfront	1707 Merrimac Circle	Seneca	4	2	1	2	2405	7/22/2010	\$299,000	\$326,900	\$27,900	9% 127		
LAKE SHORE EAST	Waterfront	108 W Sunset Court	Seneca	4	2	1	3	2865	7/22/2010	\$535,000	\$599,900	\$64,900	11% 99		
KEOWEE HARBOURS	Waterfront	12 Beacon Ridge Circle	Salem	3	3	1	3	4200	7/22/2010	\$1,180,000	\$1,475,000	\$295,000	20% 139		
NORMANDY SHORES	Waterfront	615 Northampton Road	Seneca	4	3	0	2	3100	7/23/2010	\$130,000	\$122,900	(\$7,100)	-6% 108		
KEOWEE KEY	Waterfront	15 Spy Glass Lane	Salem	3	3	0	2	3000	7/23/2010	\$190,000	\$439,000	\$249,000	57% 1110		
WATERFORD POINTE - OCONEE	Waterfront	206 Hillview Dr	Seneca	3	3	1	2	4768	7/30/2010	\$617,000	\$725,000	\$108,000	15% 83		
WATERSIDECROSSI	Waterfront	159 Northshores Drive	Seneca	4	4	0	3	3600	7/30/2010	\$1,000,000	\$1,249,000	\$249,000	20% 51		
CLIFFS @ VINYRD	Waterfront	316 Eastatoe Pkwy	Sunset	4	3	1	2	3999	7/30/2010	\$1,050,000	\$1,489,500	\$439,500	30% 276		
Count:	16			Average:	3.50	2.94	0.63	2.13	3,229	Totals:	\$10,189,900	\$12,505,100	\$2,315,200		
											\$636,869	\$781,569	\$144,700	19%	223
HARBOUR POINTE	Waterfront	144 Harbour Pointe Unit E	Six Mile	3	2	0	0	1249	8/4/2010	\$310,000	\$334,000	\$24,000	7% 527		
MOONLIGHT BAY	Waterfront	307 Stardust Lane	Seneca	5	3	0	3	3540	8/6/2010	\$415,000	\$579,900	\$164,900	28% 120		
KEOWEE KEY	Waterfront	408 South Way Court	Salem	3	2	1	2	2100	8/10/2010	\$230,000	\$695,000	\$465,000	67% 266		
LAUREL POINTE	Waterfront	221 Dodgins Road	Seneca	5	4	0	2	3300	8/10/2010	\$587,020	\$879,000	\$291,980	33% 802		
KEOWEE KEY	Waterfront	51 Mainsail Drive	Salem	4	2	0	2	2800	8/10/2010	\$442,000	\$485,000	\$43,000	9% 75		
CLIFFS AT KEOWEE FALLS SOUTH	Waterfront	901 Hawthorn Way	Salem	3	3	1	0	2300	8/13/2010	\$400,000	\$299,000	(\$101,000)	-34% 41		
KEOWEE BAY	Waterfront	317 Fernwood Drive	Salem	3	3	0	0	2430	8/13/2010	\$575,000	\$669,000	\$94,000	14% 161		
KEOWEE KEY	Waterfront	4 Davys Locker	Salem	3	2	1	2	2600	8/16/2010	\$700,000	\$719,500	\$19,500	3% 62		
THE RESERVE AT LAKE KEOWEE	Waterfront	409 Keowee Ave	Sunset	4	3	1	2	3238	8/18/2010	\$411,030	\$441,900	\$30,870	7% 99		
THE WOODS ATKEOWEE	Waterfront	218 Long Bay Drive	West Union	4	4	1	4	4500	8/19/2010	\$675,000	\$895,000	\$220,000	25% 90		
KEOWEE KEY	Waterfront	17 Admiral	Salem	3	2	0	2	1608	8/20/2010	\$380,000	\$385,000	\$5,000	1% 59		
KEOWEE KEY	Waterfront	5 Navigator Court	Salem	4	3	0	2	2800	8/20/2010	\$465,000	\$495,000	\$30,000	6% 53		
EMERALD POINTE	Waterfront	611 Topaz Court	Seneca	3	2	1	2	3014	8/25/2010	\$550,000	\$769,000	\$219,000	28% 323		
CARDINAL POINT	Waterfront	26 Westwind Court	Seneca	3	3	1	2	3400	8/26/2010	\$525,000	\$789,900	\$264,900	34% 1060		
BERWICK	Waterfront	206 Berwick Court	Seneca	3	2	0	2	2900	8/26/2010	\$219,000	\$255,000	\$36,000	14% 171		
KEOWEE KEY	Waterfront	425 Long Reach Drive	Salem	3	2	1	2	2250	8/27/2010	\$319,000	\$395,000	\$76,000	19% 125		
KEOWEE KEY	Waterfront	34 Skipper	Salem	4	4	1	3	5677	8/28/2010	\$800,000	\$1,495,000	\$695,000	46% 524		
Count:	17			Average:	3.53	2.71	0.53	1.88	2,924	Totals:	\$8,003,050	\$10,581,200	\$2,578,150		
											\$470,768	\$622,424	\$151,656	24%	268
Three Month Count:	47			Three Month Total:	\$26,330,838	\$33,549,000	\$7,218,162								
				Three Month Average:	3.57	2.87	0.60	2.09	3,250		\$560,231	\$713,809	\$153,578	22%	260

Bank Owned Property Range: Lake Keowee Subdivision Homes

Short Sale Closed: Based on information from the Western Upstate Multiple Listing Service for the period June 1, 2010 August 31, 2010

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Footnotes:

Lake Keowee Homes*¹ means waterfront and interior homes in subdivisions that share a boundary with Lake Keowee.

Inventory*² means current volume (in units or dollars) of Lake Keowee Homes offered for sale.

Sold*³ means aggregate value (in units or dollars) of Lake Keowee Homes contracts reported as closed during the period indicated.

Source: Western Upstate Multiple Listing Service for the periods indicated. Some transactions are not reported by the MLS. Examples include but are not limited to: sales by unrepresented sellers, sales by large developers not actively participating in the MLS (*Cliffs Communities Real Estate, Inc., The Reserve at Lake Keowee®*, etc.), sales resulting from foreclosure auctions and tax sales. "On Market" time may be longer and "Original Price" may have been higher. These statistics are only reported for the most recent listing. There may have been one or more earlier listings of a given property. The data is deemed reliable but is not guaranteed. This *Integrity Market Report* does not provide investment advice.

