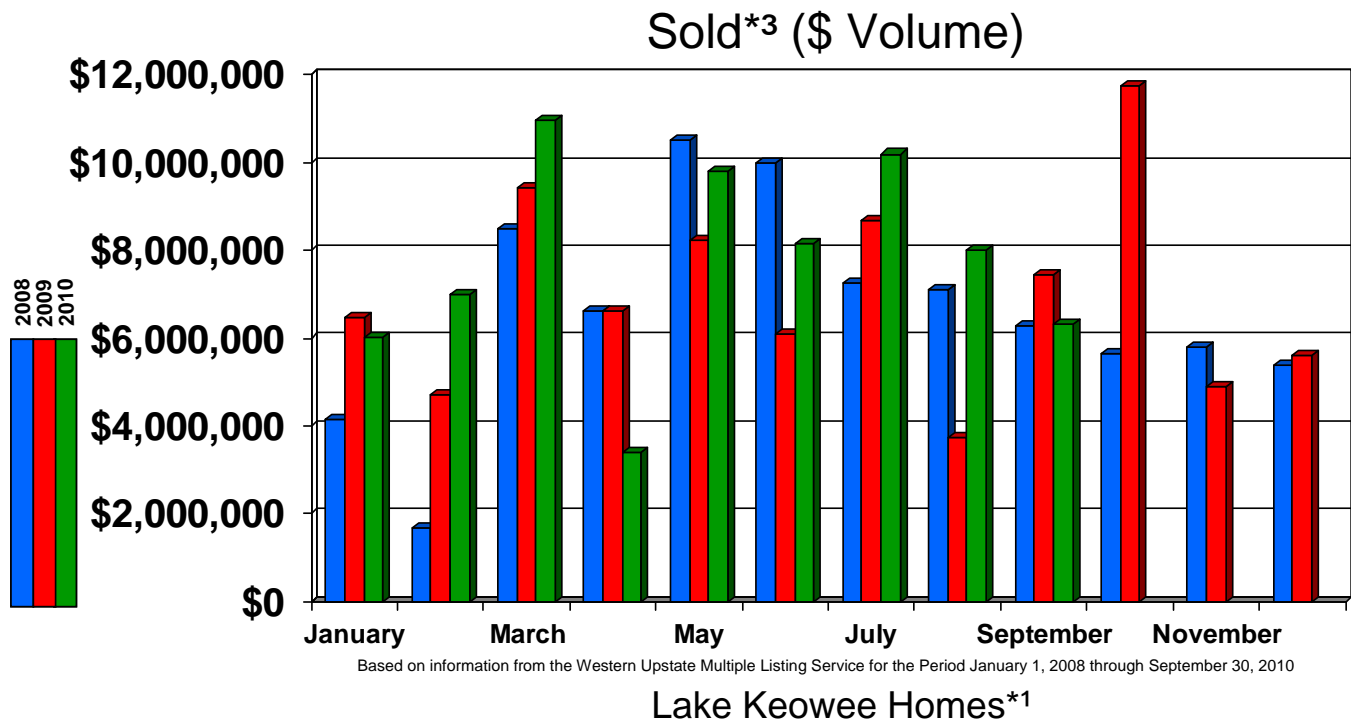


SALES STILL TRENDING HIGHER



This chart shows Lake Keowee Home sales from January 1, 2008 through September 30, 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 July, August and September were about \$24,600,000 up about 24% over the comparable period of 2009. Buyers returned to the high end in September. A home in The Cliffs sold for \$1,800,000 although it was discounted about 28% from its Initial Price and remained on-market slightly less than two years.

Although September sales were slightly depressed compared to a year ago, The Market remains on track for 2010 to better 2009. We now estimate that improvement at about 8.5%. Looking forward, we expect fourth quarter results to be depressed from those experienced a year ago, but October 2009 was an unusual month and most of 2010 has already been "baked in". Overall, the trend toward an improving market since its low in 2008 seemed to be consolidating. Discounts remain high, however. The average sale was at an average 22% discount from the average home's Initial Price.

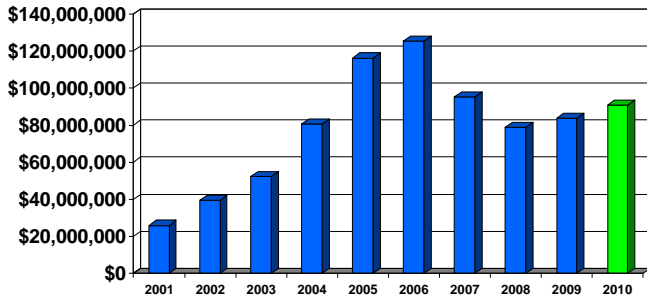
Inventory was down whereas it usually builds slightly in the third quarter of a year. For a variety of reasons, homes will be taken off-market in the fourth quarter only to be returned in the first quarter of the following year. **Get ready for 2011.** The first three months should be exciting!



Annual Market Trending

Annual Market

(Total Market by Year)



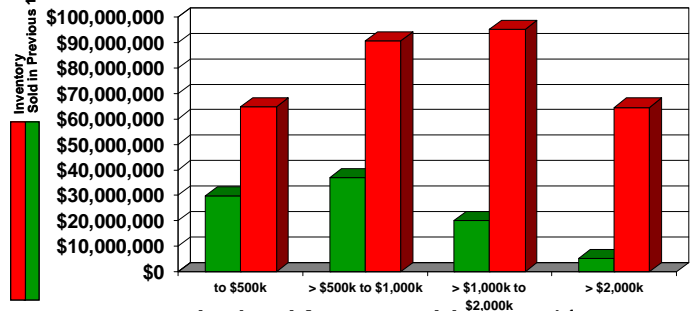
Lake Keowee Homes*1

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 now expect 2010 (estimated in green) sales to be about \$90,700,000, an 8.5% 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)



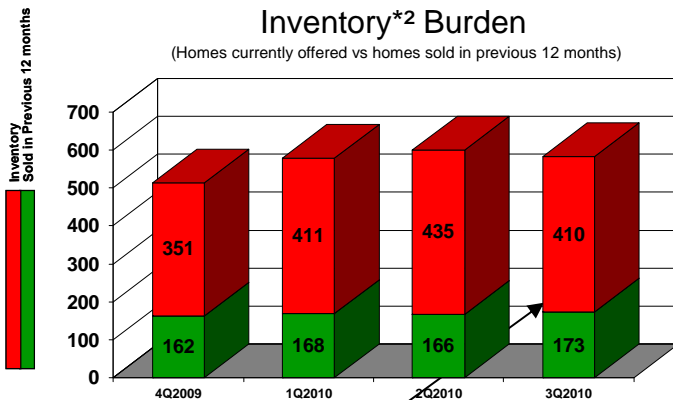
Lake Keowee Homes*1

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 October 2010. Inventory is in better balance below \$500,000. At \$2,000,000 and above there about \$65,000,000 of homes currently offered. There were two sales reported in that range in over the past twelve months,

Inventory*2 Dynamics

Inventory*2 Burden

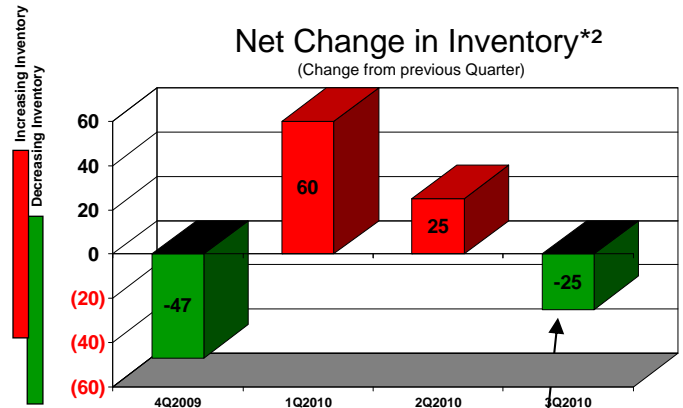
(Homes currently offered vs homes sold in previous 12 months)



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 September 30, 2010 (the "3Q2010" stack on the left hand chart above) 173 homes valued at \$92,00,000 sold. As of October 10, 2010 there was a total of 410 such home being offered asking an aggregate of \$315,000,000. That's like having a little less than 3 1/2 years of inventory on hand. The weight of the red block is still crushing the green one.

Forty six homes sold for \$24,600,000 in 3Q2010. There was a net 25 home, \$28,200,000, decrease in total inventory across all pricing segments.



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Lake Keowee Homes*1 - Sold*3 July through September, 2010

Community	Type	Address	City	Beds	Bath	Half	Garage	SqFt	Closed	Sold	Initial	Discount	% DOM
KEOWEE KEY		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		10 Lead Line	Salem	4	3	1	2	2400	7/8/2010	\$272,900	\$359,000	\$86,100	24% 496
SOUTH PORT VILL		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		209 Indian Trail	Seneca	3	2	0	2	1360	7/22/2010	\$125,000	\$169,000	\$44,000	26% 224
LORAN POINTE		1707 Merrimac Circle	Seneca	4	2	1	2	2405	7/22/2010	\$299,000	\$326,900	\$27,900	9% 127
LAKESHORE 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		615 Northampton Road	Seneca	4	3	0	2	3100	7/23/2010	\$130,000	\$122,900	(\$7,100)	-6% 108
KEOWEE KEY		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		316 Eastatoe Pkwy	Sunset	4	3	1	2	3999	7/30/2010	\$1,050,000	\$1,489,500	\$439,500	30% 276
Count:	16								Totals:	\$10,189,900	\$12,505,100	\$2,315,200	
				Average:	3.50	2.94	0.63	2.13	3,229	\$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		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		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		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		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								Totals:	\$8,003,050	\$10,581,200	\$2,578,150	
				Average:	3.53	2.71	0.53	1.88	2,924	\$470,768	\$622,424	\$151,656	24% 268
CLIFFS AT KEOWEE FALLS SOUTH	Waterfront	702 Picture Point Way	Salem	6	6	1	3	4500	9/8/2010	\$1,800,000	\$2,495,000	\$695,000	28% 666
ROYAL RESERVE	Waterfront	120 Saint Stephens Drive	Sunset	5	4	1	2	4118	9/8/2010	\$491,000	\$849,000	\$358,000	42% 170
KEOWEE KEY		3 Channel Lane	Salem	3	2	0	2	2000	9/10/2010	\$150,000	\$259,000	\$109,000	42% 406
HARBOR PLUS ON KEOWEE	Waterfront	213 New Timber Trail	Seneca	3	2	0	2	1200	9/14/2010	\$300,250	\$529,000	\$228,750	43% 859
WATERSIDECROSSI	Waterfront	504 Wendover Court	Seneca	4	3	1	2	3567	9/17/2010	\$525,000	\$685,000	\$160,000	23% 824
LAKE SHORES SUB		191 Summers Way	Seneca	5	3	0	2	2253	9/17/2010	\$280,000	\$319,900	\$39,900	12% 200
LORAN POINTE		1505 Enterprise Lane	Seneca	3	3	0	2	2400	9/17/2010	\$275,000	\$325,000	\$50,000	15% 532
FAIRVIEW COVE	Waterfront	203 Fairview Cove Rd.	Seneca	5	3	0	3	3414	9/22/2010	\$555,000	\$599,900	\$44,900	7% 57
BEACON SHORES	Waterfront	901 Southwind Court	Seneca	4	4	0	2	4028	9/22/2010	\$780,000	\$839,000	\$59,000	7% 111
KEOWEE KEY		18 Channel	Salem	2	2	0	1	1700	9/23/2010	\$159,900	\$169,900	\$10,000	6% 49
SOUTH OAK POINT		304 Willow Oak Court	Seneca	3	2	0	2	2004	9/24/2010	\$370,000	\$400,000	\$30,000	8% 55
KEOWEE KEY	Waterfront	8 White Cap Court	Salem	3	2	1	2	3250	9/28/2010	\$439,000	\$539,000	\$100,000	19% 232
PORT SANTORINI		500 Delphi Drive	Seneca	4	3	0	2	2500	9/29/2010	\$210,000	\$233,000	\$23,000	10% 294
Count:	13								Totals:	\$6,335,150	\$8,242,700	\$1,907,550	
				Average:	3.85	3.00	0.31	2.08	2,841	\$487,319	\$634,054	\$146,735	23% 343
Three Month Count:	46								Three Month Total:	\$24,528,100	\$31,329,000	\$6,800,900	
				Three Month Average:	3.61	2.87	0.50	2.02	3,006	\$533,220	\$681,065	\$147,846	22% 273

Bank Owned Property Range: Lake Keowee Subdivision Homes

Short Sale Closed: Based on information from the Western Upstate Multiple Listing Service for the period July 1, 2010 September 30, 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.

