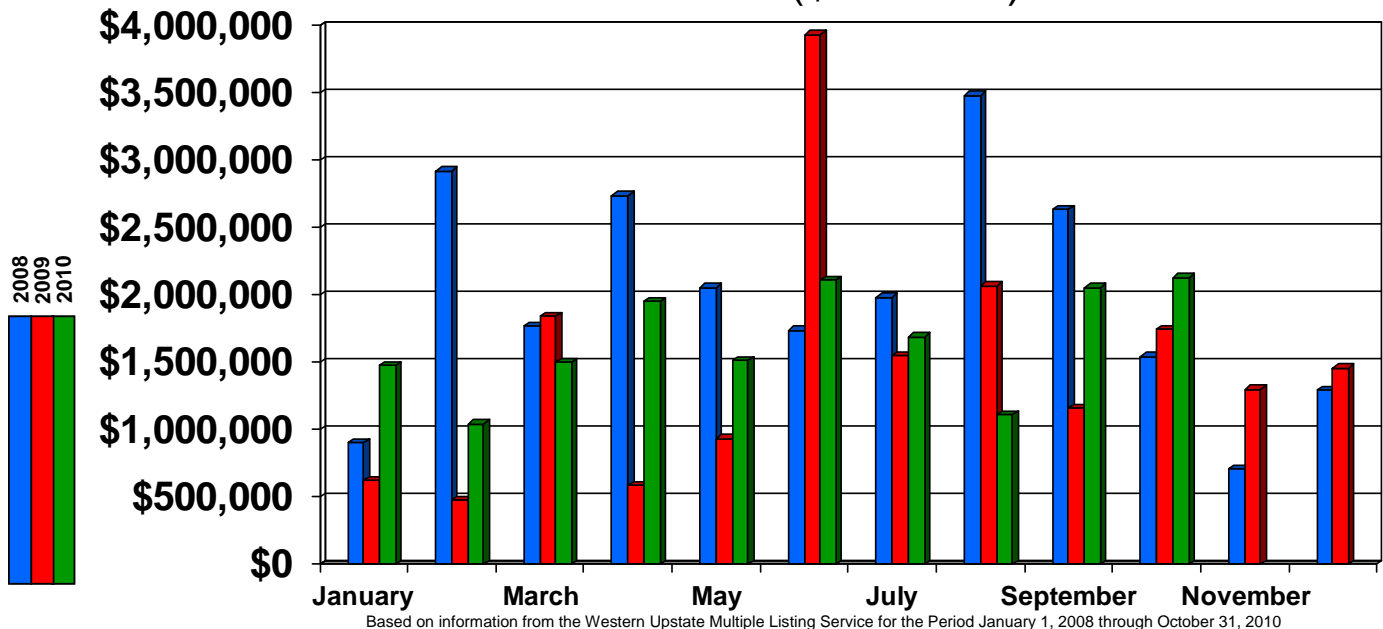


SALES UP, SLIGHTLY

Sold*3 (\$ Volume)



Lake Keowee Lots*1

The chart above shows Lake Keowee Lot sales from January 1, 2008 through October 31, 2010 as reported by the Western Upstate Multiple Listing Service. The chart includes only waterfront lots on Lake Keowee (“*The Market*”). A total of nineteen such lots sold during the months of August, September and October. These sales totaled about \$5,300,000 up about 6% from \$5,000,000 experienced in the comparable period of 2009. Higher priced lots continue to sell, often at substantial discounts, in the “premium” subdivisions; notably The Cliffs communities and The Reserve at Lake Keowee. The highest price achieved for a lot elsewhere during the past three months was the September sale of 306 Ashford Court (Lot 251) in WaterSide Crossing for \$330,000. This, a point lot with a modest view, sold discounted 56% from its initial asking price of \$749,000. It had been on-market 813 days.

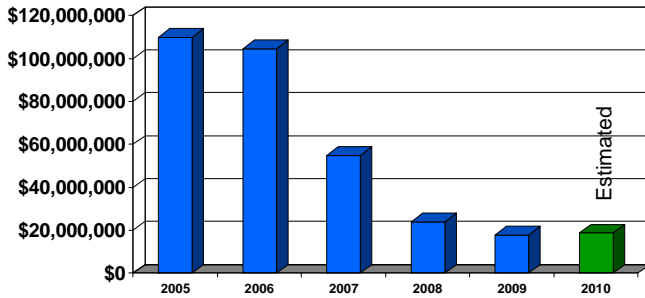
For the first time in recent memory, none of the October sales were short or bank-owned. But there is certainly a lot of them out there in inventory.

2010 remains on track to be a 10% improvement over 2009. In 2009, *The Market* produced about \$17,700,000 in sales. Our current outlook for 2010 is for about \$19,300,000. We’ve probably seen the bottom. But with so many bank-owned properties and a critical lack of purchase financing, the volume of sales will likely improve in 2011, but the price commanded by an individual lot is going to remain depressed.



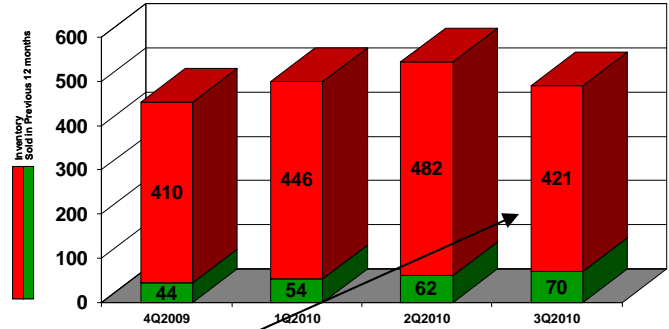
Annual Market Market Dynamics

(Total Market by Year)



Inventory*2 Burden

(Lots currently offered vs lots sold in previous 12 months)



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 lots being offered (red). In the twelve months that ended on September 30, 2010, 70 lots valued at \$18,950,000 sold. As of October 10, 2010 there was a total of 471 such lots being offered asking an aggregate of \$180,000,000. That's like having about nine and a half years of inventory on hand; a heavy burden on pricing. The weight of the red block is crushing the green one.

Lake Keowee Lots*1 - Sold*3 August through October 2010

Community	Type	Address	City	Closed	Sold	Initial	Discount	%	DOM
PETTY COVE	Waterfront	Lot 3 Petty Cove	Seneca	8/3/2010	\$255,000	\$385,900	\$130,900	34%	587
KEOWEE BAY	Waterfront	318 Fernwood Drive	Salem	8/4/2010	\$91,500	\$95,000	\$3,500	4%	400
LOW COUNTRY COVE	Waterfront	Lot 7 Waterfall Road	Seneca	8/13/2010	\$180,000	\$295,000	\$115,000	39%	308
KEOWEE SHORES	Waterfront	Lot 11	Seneca	8/25/2010	\$245,000	\$295,000	\$50,000	17%	228
FOUR POINTS NORTH	Waterfront	Lot 3	Salem	8/26/2010	\$150,900	\$145,900	(\$5,000)	-3%	95
RIVERSTONE	Waterfront	Lot 58	Salem	8/30/2010	\$190,000	\$299,000	\$109,000	36%	270
RIVERSTONE	Waterfront	Lot 82	Salem	9/3/2010	\$210,000	\$399,000	\$189,000	47%	941
WATERSIDECROSSI	Waterfront	306 Ashford Court	Seneca	9/3/2010	\$330,000	\$749,000	\$419,000	56%	813
LANDING AT BAREFOOT COVE	Waterfront	Lot 10 Barefoot Cove Drive	West Union	9/10/2010	\$245,000	\$466,500	\$221,500	47%	522
OAK STONE SHORE	Waterfront	Lot 27	West Union	9/27/2010	\$130,000	\$185,000	\$55,000	30%	696
THE RESERVE AT LAKE KEOWEE	Waterfront	Lot F-50	Sunset	9/28/2010	\$487,500	\$499,000	\$11,500	2%	210
THE RESERVE AT LAKE KEOWEE	Waterfront	318 East Fort Goerge Way	Sunset	9/30/2010	\$650,000	\$1,335,000	\$685,000	51%	13
HIGHLND LK KEOW	Waterfront	Lot 34 The Highlands	Six Mile	10/8/2010	\$290,000	\$625,000	\$335,000	54%	774
THE RESERVE AT LAKE KEOWEE	Waterfront	312 South Cove Road, B-002	Sunset	10/13/2010	\$158,000	\$158,000	\$0	0%	21
THE RESERVE AT LAKE KEOWEE	Waterfront	429 Pileated Woodpecker Lane	Sunset	10/14/2010	\$334,000	\$590,000	\$256,000	43%	351
WATERFORD POINTE - OCONEE	Waterfront	Lot 226 Waterford Pointe	Seneca	10/29/2010	\$85,000	\$298,000	\$213,000	71%	947
THE RESERVE AT LAKE KEOWEE	Waterfront	121 Burwood Ct., F-005	Sunset	10/29/2010	\$480,000	\$885,000	\$405,000	46%	344
LAUREL RIDGE	Waterfront	Lot 35 Laurel Ridge	Seneca	10/29/2010	\$180,000	\$350,000	\$170,000	49%	1143
CLIFFS AT VINYARD	Waterfront	206 Feather Bells Lane	Sunset	10/29/2010	\$600,000	\$969,000	\$369,000	38%	548
Count:	19				Totals:	\$5,291,900	\$9,024,300	\$3,732,400	
					Average:	\$278,521	\$474,963	\$196,442	41%

Bank Owned Property
Short Sale

Range: Lake Keowee Subdivision Lots

Closed: Based on information from the Western Upstate Multiple Listing Service for the period August 1, 2010 through October 31, 2010

Footnotes:

Lake Keowee Lots*1 means waterfront on Lake Keowee.

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

Sold*3 means aggregate value (in units or dollars) of Lake Keowee Lots 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.



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