

Just when you think you've got that dog trained he bites your hand. And we were bitten in April. After about seven months of more or less steady growth, the lot market decided to dive back to its 2009 bottom.

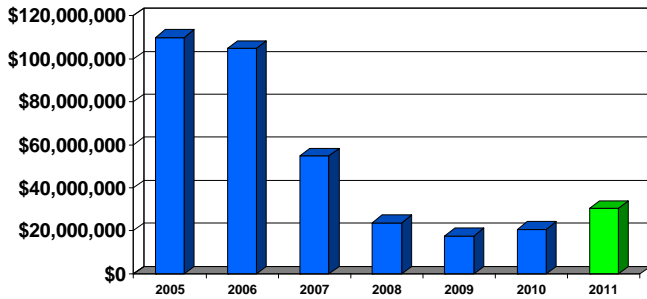
The chart shows Lake Keowee Lot sales from January 1, 2009 through April, 2011 as reported by the Western Upstate Multiple Listing Service. The chart includes only waterfront lots on Lake Keowee (*"The Market"*). Sales of these lots amounted to a feeble \$441,500 in April, 2011. Three (count 'em, three) lots were sold at an average sales price of about \$147,000.

The April 2011 sales performance varied so much relative to March and to that of April from a year ago as to be irrelevant. We are just going to have to wait to see what is happening in May before drawing any conclusions.



## Annual Market Trending

Annual Market  
(Total Market by Year)

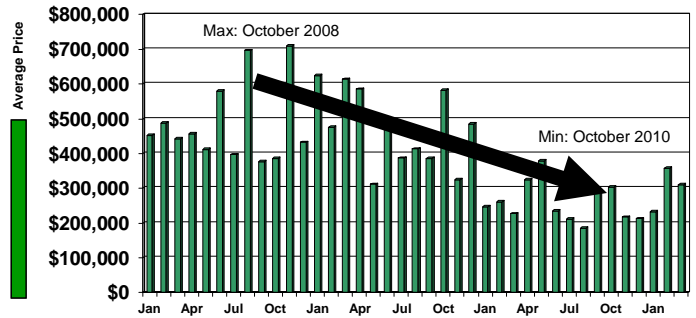


Lake Keowee Lots\*1

This chart shows trends in *The Market* since 2005. Sales volume peaked in 2005 at just about \$110,000,000. It's clear that the market "bottomed out" in 2009. We now expect 2011 (estimated in green) sales to be about \$30,000,000, almost 50% increase over 2010. But that doesn't mean prices are going up.

## Average Price of Lot Sold

(January, 2008 through March, 2011)



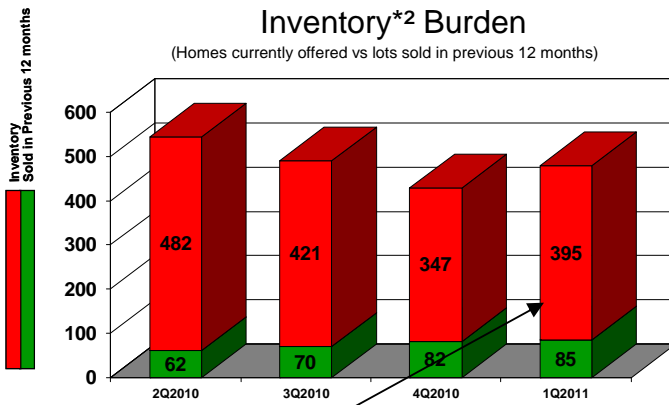
Lake Keowee Lots\*1

The average price of a lot sold peaked in October, 2008. Since then this market measure has dropped rapidly. Because sales volume diminished rapidly as well, the sale (or lack of sale) of very high-end lots greatly influenced these averages. What is clear is that high-end lots that were selling in 2008 are not selling now.

## Inventory\*2 Dynamics

Inventory\*2 Burden

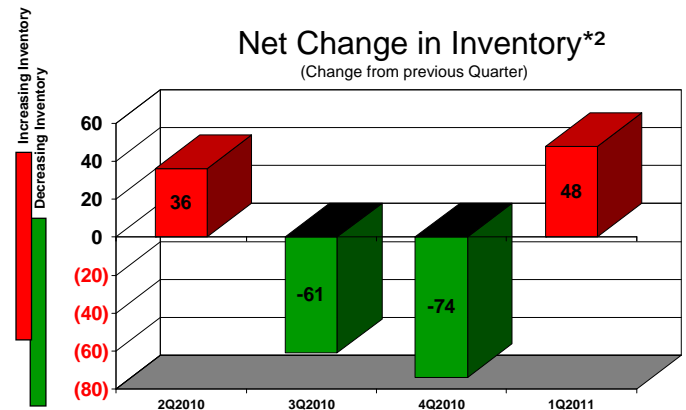
(Homes currently offered vs lots sold in previous 12 months)



Lake Keowee Lots\*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 lots being offered (red). In the twelve months that ended on March 31, 2011 (the "1Q2011" stack on the left hand chart above) 85 lots valued at \$23,000,000 sold. As of April 8, 2011 there was a total of 395 such lots being offered asking an aggregate of \$162,000,000. The inventory is cyclic. It builds in the first and second quarter of each year as new properties are brought to market. When most of these properties remain unsold, they are withdrawn over the third and fourth quarters; only to return in the following year. By dollar volume, the current unsold inventory represents about seven years sales. By lot count, the inventory is about five years. Although we expect that the volume of lot sales will increase, incoming inventory will keep prices depressed.



## Lake Keowee Lots\*1 - Sold\*3 February, 2011 through April, 2011

Community	Type	Address	City	Closed	Sold	Initial	Discount	%	DOM
THE RESERVE AT LAKE KEOWEE	Waterfront	222 Long Ridge Road, E-222	Sunset	2/4/2011	\$720,000	\$799,900	\$79,900	10%	100
THE RESERVE AT LAKE KEOWEE	Waterfront	J-4	Sunset	2/14/2011	\$315,000	\$375,000	\$60,000	16%	300
THEWOODS@KEOWEE	Waterfront	Lot 39	West Union	2/14/2011	\$160,000	\$320,000	\$160,000	50%	695
POINTE HARBOR	Waterfront	Lot 11	Seneca	2/23/2011	\$325,000	\$399,000	\$74,000	19%	213
CLIFFS AT KEOWEE FALLS SOUTH	Waterfront	lot 92 Towne Landing	Salem	2/25/2011	\$235,000	\$375,000	\$140,000	37%	191
	Waterfront	Lot 2 McAlister Road	West Union	2/25/2011	\$175,000	\$399,000	\$224,000	56%	690
THE RESERVE AT LAKE KEOWEE	Waterfront	113 Burwood Court, F-7	Sunset	2/28/2011	\$625,000	\$675,000	\$50,000	7%	343
HARBOR OAKS	Waterfront	Lot 16	Seneca	2/28/2011	\$300,000	\$490,500	\$190,500	39%	398
<b>Count:</b>				<b>8</b>	<b>Totals: \$2,855,000</b>		<b>\$3,833,400</b>	<b>\$978,400</b>	
<b>Results for February</b>					<b>Average: \$356,875</b>	<b>\$479,175</b>	<b>\$122,300</b>	<b>26%</b>	<b>366</b>
WATERSIDECROSSI	Waterfront	Lot 25 Waterside Crossing	Seneca	3/1/2011	\$150,000	\$259,000	\$109,000	42%	576
THE RESERVE AT LAKE KEOWEE	Waterfront	234 Long Ridge Road	Sunset	3/3/2011	\$550,000	\$695,000	\$145,000	21%	208
WATERSIDECROSSI	Waterfront	18 Waterside Crossing	Seneca	3/4/2011	\$425,000	\$450,000	\$25,000	6%	1
LAUREL RIDGE	Waterfront	29 Laurel Ridge	Seneca	3/15/2011	\$215,000	\$310,000	\$95,000	31%	410
WATERSIDECROSSI	Waterfront	Lot 134 Waterside Crossing	Seneca	3/15/2011	\$250,000	\$449,000	\$199,000	44%	671
HARBOR OAKS	Waterfront	14 Harbor Oaks	Seneca	3/24/2011	\$242,500	\$375,000	\$132,500	35%	422
WATERFORD POINTE - OCONEE	Waterfront	Lot 18 Waterford Pointe	Seneca	3/25/2011	\$325,000	\$350,000	\$25,000	7%	12
MOUNTAIN VIEW POINTE	Waterfront	Lot 13 Mountain View Pointe	Seneca	3/31/2011	\$325,000	\$545,000	\$220,000	40%	575
<b>Count:</b>				<b>8</b>	<b>Totals: \$2,482,500</b>		<b>\$3,433,000</b>	<b>\$950,500</b>	
<b>Results for March</b>					<b>Average: \$310,313</b>	<b>\$429,125</b>	<b>\$118,813</b>	<b>28%</b>	<b>359</b>
	Waterfront	Lot 9 Meares Road	Seneca	4/11/2011	\$141,500	\$150,000	\$8,500	6%	586
NORTHLAKE ESTAT	Waterfront	Lot 30	Seneca	4/15/2011	\$150,000	\$199,000	\$49,000	25%	590
MOONLIGHT BAY ON KEOWEE	Waterfront	Lot 31 Stardust Lane	Seneca	4/29/2011	\$150,000	\$175,000	\$25,000	14%	604
<b>Count:</b>				<b>3</b>	<b>Totals: \$441,500</b>		<b>\$524,000</b>	<b>\$82,500</b>	
<b>Results for April</b>					<b>Average: \$147,167</b>	<b>\$174,667</b>	<b>\$27,500</b>	<b>16%</b>	<b>593</b>
<b>Count:</b>				<b>19</b>	<b>Totals: \$5,779,000</b>		<b>\$7,790,400</b>	<b>\$2,011,400</b>	
<b>Results for Three Months</b>					<b>Average: \$304,158</b>	<b>\$410,021</b>	<b>\$105,863</b>	<b>26%</b>	<b>399</b>

**Bank Owned Property**  
**Short Sale**

Range: Lake Keowee Subdivision Lots  
Closed: Based on information from the Western Upstate Multiple Listing Service for the period February 1, 2011 through April 30, 2011

**We Understand how to deal in this market.** It takes three things to sell a lot. We call them the three Ps of real estate: **Preparation, Positioning and Promotion.** Give us a call and we'll tell you more. There's no obligation on your part.





"Stormy Cove" ©Copyright 2011 Integrity Realty, Inc.

**Footnotes:**

**Lake Keowee Lots\*1** means waterfront lots.

**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 Lot 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.

