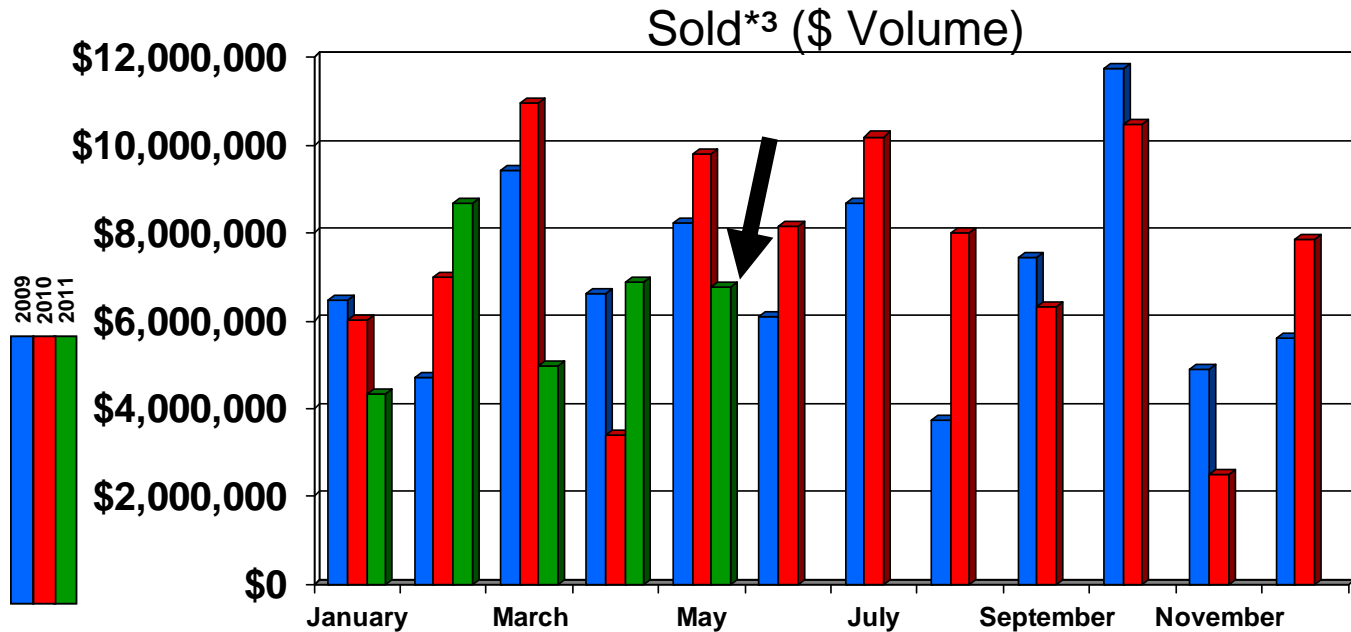


## ABOUT THE SAME – NIBBLING ON THE EDGE



Based on information from the Western Upstate Multiple Listing Service for the Period January 1, 2009 through May 31, 2011

### Lake Keowee Homes\*<sup>1</sup>

Three more “Mega homes” (homes asking \$1,000,000 or more) sold in in May. With an average Initial asking price of \$1,933,333 and an average Sold price of \$1,454,167, these three homes sold discounted about 25% on average. None were bank-owned or sold short. But of the remaining eight Lake Keowee homes selling in May, four were bank-own and most of those sold very cheaply. Not much happened in the middle. “Big Money” is coming in and putting spec home builders out of their misery and some folks are picking up some low end properties, but the vast mid-range of homes offered is going relatively untouched. It means opportunistic bargain hunting is still at work; nibbling away at both ends of the market spectrum. We interpret this as a hopeful sign. Some buyers are deciding “now is the time”.

The above chart includes both waterfront homes on Lake Keowee and interior homes in Lake Keowee waterfront subdivisions (“*The Market*”). In May, eleven such homes sold for a total of about \$6,783,000; about the same as in April of this year and down about 30% from May of a year ago. May is usually a very strong month typically showing 25% growth over the April sales.

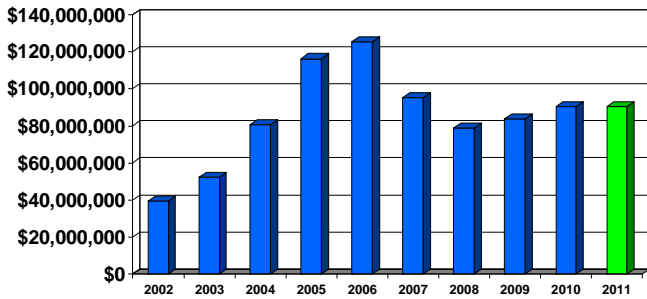
Our three month rolling average that compares 2011’s March, April and May to those months of a year ago remains depressed. Sales in those three months of this year of about \$19,000,000 are off about 23% from the sales experienced during the same period of 2010.

At present, 2011 is trending lower than 2010.



## Annual Market Trending

Annual Market  
(Total Market by Year)

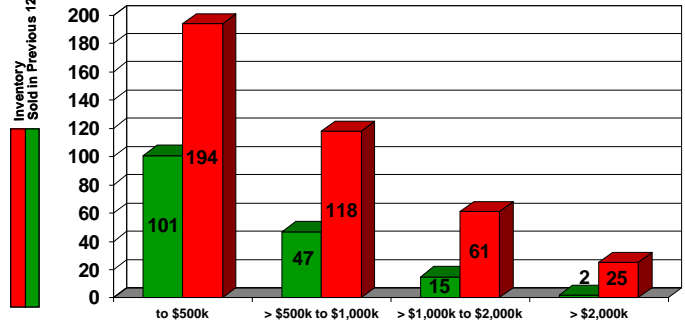


### Lake Keowee Homes\*1

This chart shows trends in *The Market* since 2002. Sales peaked in 2006 at just over \$120,000,000. It's clear that the market "bottomed out" in 2008. Based on the first quarter which typically accounts for 18% of annual sales, we now expect 2011 (estimated in green) sales to be \$100,000,000, about the same as 2010. Our outlook at the end of January was for about \$110,000,000 in 2011 sales.

## Inventory by Price Segment

Sales vs Inventory\*2 (Units)  
(Market Segmented by Price Range)



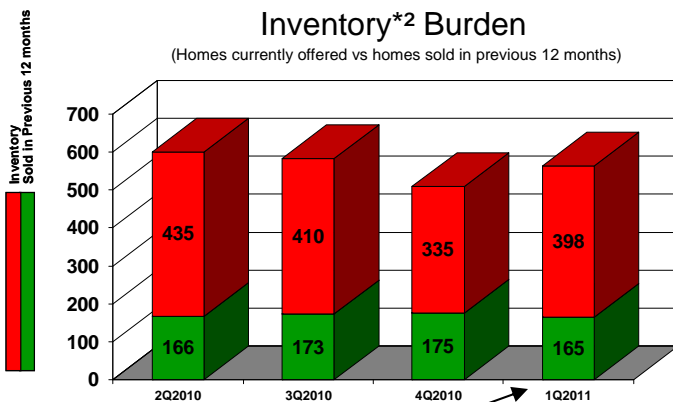
### Lake Keowee Homes\*1

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 April 8, 2011. Inventory is in better balance below \$500,000. At \$2,000,000 and above there's about \$64,000,000 of homes currently offered. There were two sales reported in that range in over the past twelve months.

## Inventory\*2 Dynamics

Inventory\*2 Burden

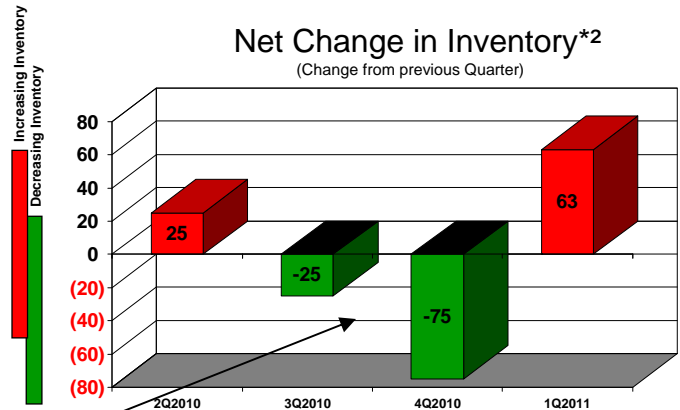
(Homes currently offered vs homes sold in previous 12 months)



### 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 March 31, 2011 (the "1Q2011" stack on the left hand chart above) 165 homes valued at \$90,500,000 sold. As of April 8, 2011 there was a total of 398 such home being offered asking an aggregate of \$262,000,000. The chart is annually cyclic. Homes are brought on-market in the first and second quarters only to be withdrawn unsold in the third and fourth. Although the average selling price of a home sold in *The Market* over the past 12 months was \$550,000, those 63 homes entering the market during 1Q2011 are asking \$660,000 on average. We suspect that they will be discounted about 17% on average before they are sold.



## Lake Keowee Homes\*1 - Sold\*3 March, 2011 through May, 2011

Community	Type	Address	City	Beds	Bath	Half arage	SqFt	Closed	Sold	Initial	Discount	% DOM											
MOUNTAIN VIEW POINT	Waterfront	304 Falling Leaf Court	Seneca	3	2	1	2	2800	3/2/2011	\$499,500	\$499,000	(\$500) 0%	74										
SOUTH OAK POINT	Waterfront	120 South Oak Pointe Drive	Seneca	6	4	1	3	2597	3/3/2011	\$820,000	\$1,175,000	\$355,000	30%	336									
WATERFORD RIDGE		614 Winterpine Court	Seneca	4	3	1	2	3800	3/4/2011	\$421,000	\$749,000	\$328,000	44%	739									
LAKESIDE ESTATE	Waterfront	105 Meadowcrest Dr.	Seneca	4	3	0	2	3826	3/9/2011	\$400,000	\$625,000	\$225,000	36%	462									
WATERSIDECROSSI		111 N Waterside Drive	Seneca	4	3	1	2	3229	3/14/2011	\$405,000	\$499,500	\$94,500	19%	235									
KEOWEE KEY		1 Breakers Court	Salem	4	3	0	2	3000	3/15/2011	\$200,000	\$259,900	\$59,900	23%	183									
BACKWATER LANDING		#96 Melton Road	West Union	2	2	0	0	1100	3/15/2011	\$160,000	\$195,000	\$35,000	18%	347									
KEOWEE BAY		503 Keowee Bay Circle	Salem	3	2	0	0	1800	3/15/2011	\$175,000	\$285,000	\$110,000	39%	770									
KEOWEE KEY		18 Golf Green Lane	Salem	3	2	1	2	2350	3/18/2011	\$242,500	\$329,000	\$86,500	26%	1068									
HARBOR PLUS ON KEOWEE		131 Briar Ct	Seneca	3	2	0	1	1177	3/23/2011	\$110,000	\$149,000	\$39,000	26%	33									
KEOWEE KEY		6 Golf Green Lane	Salem	3	2	1	2	2100	3/24/2011	\$160,000	\$249,000	\$89,000	36%	374									
WATERS EDGE		300 Ridgeside Court	West Union	3	3	0	2	2300	3/25/2011	\$169,671	\$188,000	\$18,329	10%	144									
THE RESERVE AT LAKE KEOWEE	Waterfront	217 Governor Glen Drive	Sunset	4	4	1	2	5200	3/30/2011	\$1,200,000	\$2,420,000	\$1,220,000	50%	791									
<b>Count: 13</b>									<b>Totals:</b>	<b>\$4,962,671</b>	<b>\$7,622,400</b>	<b>\$2,659,729</b>											
<b>Results for March</b>									<b>Monthly Averages:</b>	<b>3.54</b>	<b>2.69</b>	<b>0.54</b>	<b>1.69</b>	<b>2,714</b>	<b>\$381,744</b>	<b>\$586,338</b>	<b>\$204,595</b>	<b>35%</b>	<b>427</b>				
KEOWEE KEY		12 Coxswain Place	Salem	4	3	1	2	4500	4/4/2011	\$355,000	\$464,900	\$109,900	24%	445									
WATERFORD POINTE - OCONEE	Waterfront	805 Treehaven Court	Seneca	5	5	1	3	5135	4/11/2011	\$1,100,000	\$1,295,000	\$195,000	15%	233									
KEOWEE KEY	Waterfront	8 Skipper	Salem	3	3	1	2	5010	4/11/2011	\$620,000	\$799,000	\$179,000	22%	269									
KEOWEE KEY	Waterfront	40 Quartermaster Drive	Salem	5	4	0	2	3717	4/14/2011	\$1,100,000	\$1,250,000	\$150,000	12%	240									
FAIRVIEW COVE	Waterfront	209 Fairview Cove Road	Seneca	5	4	1	2	4242	4/18/2011	\$875,000	\$1,199,900	\$324,900	27%	544									
KEOWEE KEY	Waterfront	9 Rum Row Court	Salem	4	4	1	2	4600	4/25/2011	\$600,000	\$749,000	\$149,000	20%	298									
KEOWEE KEY		201 Long Reach Drive	Salem	3	2	0	2	1650	4/27/2011	\$228,000	\$240,000	\$12,000	5%	230									
KEOWEE KEY		23 Tide Turn Drive	Salem	2	2	0	2	1700	4/27/2011	\$140,000	\$195,000	\$55,000	28%	266									
CLIFFS AT KEOWEE FALLS NORTH	Waterfront	688 Lake Breeze Lane	Salem	5	5	1	2	5990	4/29/2011	\$1,850,000	\$1,995,000	\$145,000	7%	413									
<b>Count: 9</b>									<b>Totals:</b>	<b>\$6,868,000</b>	<b>\$8,187,800</b>	<b>\$1,319,800</b>											
<b>Results for April</b>									<b>Monthly Averages:</b>	<b>4.00</b>	<b>3.56</b>	<b>0.67</b>	<b>2.11</b>	<b>4,060</b>	<b>\$763,111</b>	<b>\$909,756</b>	<b>\$146,644</b>	<b>16%</b>	<b>326</b>				
CLIFFS AT KEOWEE FALLS SOUTH	Waterfront	146 Blue Water Trail	Salem	4	4	2	3	4174	5/4/2011	\$1,050,000	\$1,980,000	\$930,000	47%	341									
KEOWEE KEY		2 Golf Green Lane	Salem	3	2	1	2	2100	5/6/2011	\$235,000	\$285,900	\$50,900	18%	249									
CRYSTAL FALLS	Waterfront	320 Bridgeport Drive	West Union	3	2	1	2	1900	5/6/2011	\$280,000	\$309,000	\$29,000	9%	315									
KEOWEE KEY		16 Foremast	Salem	4	2	1	2	3642	5/16/2011	\$285,000	\$339,000	\$54,000	16%	206									
WATERSIDECROSSI	Waterfront	405 Baywood Court	Seneca	4	5	2	3	7000	5/17/2011	\$1,512,500	\$1,925,000	\$412,500	21%	438									
WATERSIDECROSSI	Waterfront	425 E Waterside Drive	Seneca	5	5	1	3	5400	5/20/2011	\$1,800,000	\$1,895,000	\$95,000	5%	31									
		245 Joe Hopkins Road	West Union	3	2	0	2	1594	5/25/2011	\$101,231	\$210,000	\$108,769	52%	386									
WATERSIDECROSSI		105 N Waterside Drive	Seneca	3	3	0	2	2932	5/26/2011	\$400,000	\$485,000	\$85,000	18%	561									
HARBOR PLUS ON KEOWEE		123 Briar Court	Seneca	3	2	0	1	1200	5/27/2011	\$91,000	\$104,000	\$13,000	13%	102									
SOUTHWIND BAY	Waterfront	114 Southwind Bay Dr.	Seneca	4	3	0	2	4850	5/31/2011	\$533,000	\$449,000	(\$84,000)	-19%	35									
THE RESERVE AT LAKE KEOWEE		111 Guest House Court	Sunset	3	3	1	0	1850	5/31/2011	\$494,900	\$494,900	\$0	0%	62									
<b>Count: 11</b>									<b>Totals:</b>	<b>\$6,782,631</b>	<b>\$8,476,800</b>	<b>\$1,694,169</b>											
<b>Results for May</b>									<b>Monthly Averages:</b>	<b>3.55</b>	<b>3.00</b>	<b>0.82</b>	<b>2.00</b>	<b>3,331</b>	<b>\$616,603</b>	<b>\$770,618</b>	<b>\$154,015</b>	<b>20%</b>	<b>248</b>				
<b>Three Month Count: 33</b>									<b>Three Month Total:</b>					<b>\$18,613,302</b>	<b>\$24,287,000</b>	<b>\$5,673,698</b>							
<b>Results for Three Months</b>									<b>Three Month Averages:</b>					<b>3.67</b>	<b>3.03</b>	<b>0.67</b>	<b>1.91</b>	<b>3,287</b>	<b>\$564,039</b>	<b>\$735,970</b>	<b>\$171,930</b>	<b>23%</b>	<b>340</b>

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

Range: Lake Keowee Subdivision Homes  
Closed: Based on information from the Western Upstate Multiple Listing Service for the period March 1, 2011 thru May 31, 2011

**We Understand how to deal in this market.** It takes three things to sell a home. 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.





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### **Footnotes:**

**Lake Keowee Homes\*<sup>1</sup>** means waterfront and interior homes in subdivisions that share a boundary with Lake Keowee.

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

**Sold\*<sup>3</sup>** means aggregate value (in units or dollars) of Lake Keowee Home 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.

