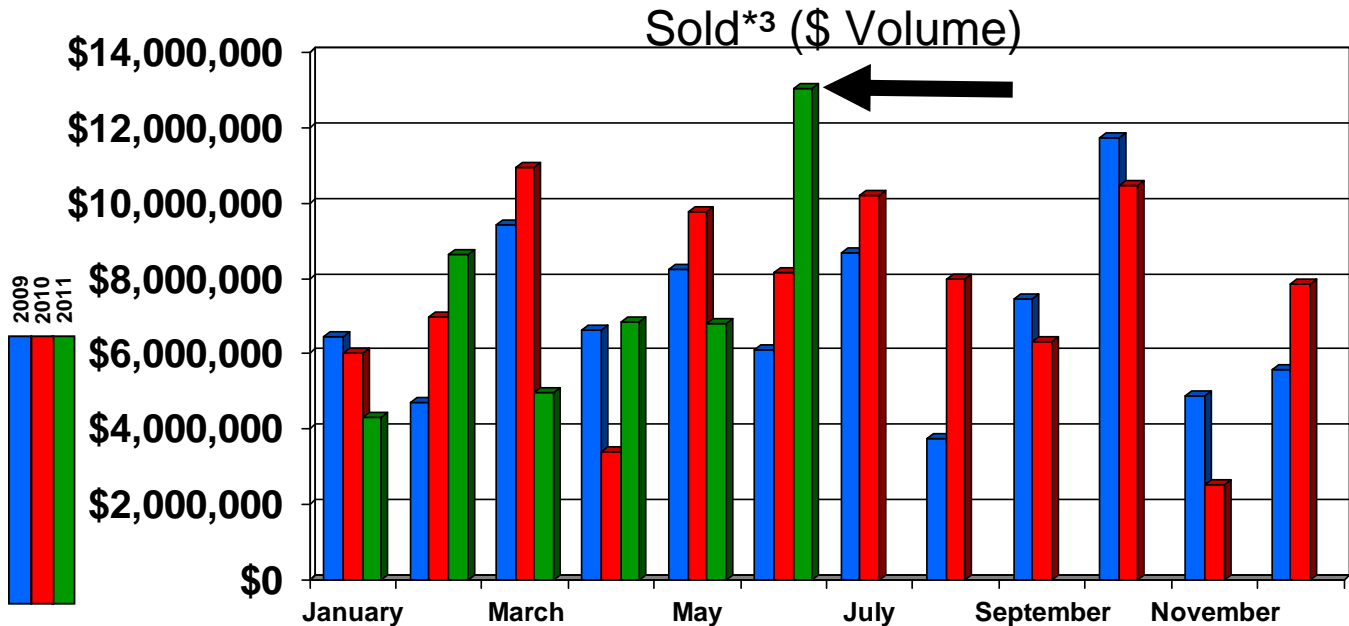


# Integrity Market Report Lake Keowee Homes\*<sup>1</sup>

Second Quarter - June 2011

## STILL NIBBLING, BUT BIGGER BITES



Based on information from the Western Upstate Multiple Listing Service for the Period January 1, 2009 through June 30, 2011

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

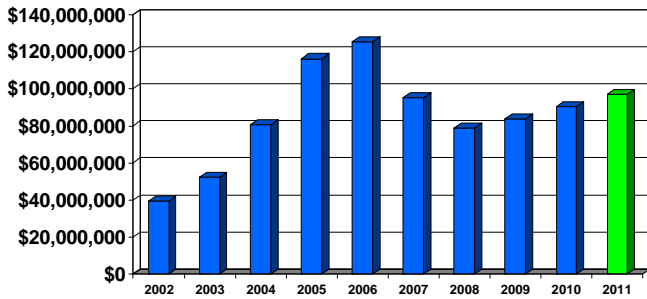
We have been reporting for several months that the Lake Keowee Home market was being “nibbled” away at both ends with higher sales volumes for very high priced homes and for very low priced homes; leaving the vast mid-range of such home relatively untouched. This trend continued in June although the “nibbles” became bigger bites with June sales of twenty-six homes totaling about \$13,000,000. This was a good bump upward. The June sales were about 60% higher than about \$8,000,000 experienced in June of 2010 and nearly double the \$6,800,000 sales from the prior month of May 2011. Although that May’s sales performance was low, the bounce in June took the second quarter 2011 total sales to about \$27,000,000; an increase of about 25% over sales in the same quarter of 2010. These results are encouraging especially in the context of the national real estate market which continues to deteriorate. And they bolster our belief that smart buyers continue to believe that “now is the time” to purchase premiere properties.

In June, two thirds of the sales by dollar volume occurred at the extreme ends of the market spectrum. Fifteen homes were sold in *Keowee Key* for a total of about \$5,400,000; an average sales price of about \$370,000. Six were waterfront homes. Nine were interior homes. Another four homes were sold among the various *Cliffs* communities and in *The Reserve* for a total of \$4,700,000; an average sales price of about \$1,200,000. One home in *The Cliffs at Keowee* that was originally asking \$2,950,000 sold for \$2,300,000. Another home sale in *The Cliffs at Keowee Vineyards* was of a bank-owned home. And there was a short sale of a home in *The Reserve*. In general, these sales in both Keowee Key and up-market communities came at greater discounts (about 25%) from the original asking prices and took longer (about 408 days in Keowee Key and about 538 days in the up-market communities).



## Annual Market Trending

Annual Market  
(Total Market by Year)

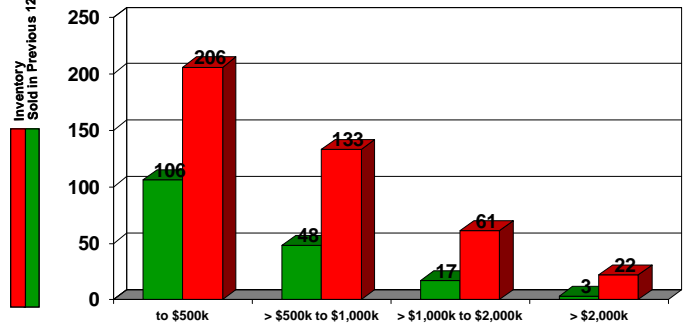


### Lake Keowee Homes\*1

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 two quarters, which typically account for 46% of annual sales, we now expect 2011 (estimated in green) sales to be \$97,000,000, about 7% better than 2010.

## Inventory by Price Segment

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



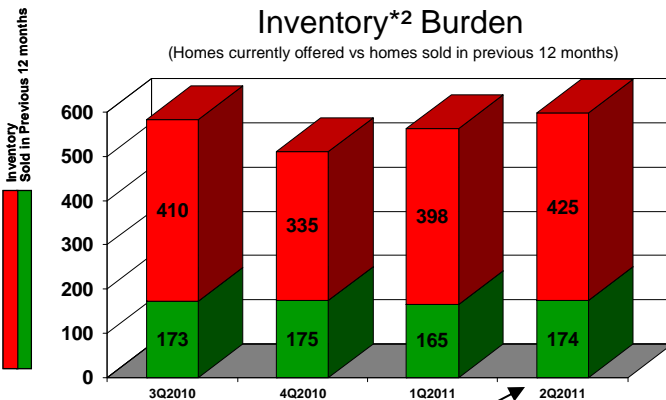
### Lake Keowee Homes\*1

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 July 20, 2011. Inventory is in better balance below \$500,000. At \$2,000,000 and above there's about \$58,000,000 of homes currently offered. There were three sales reported in that range in over the past twelve months.

## Inventory\*2 Dynamics

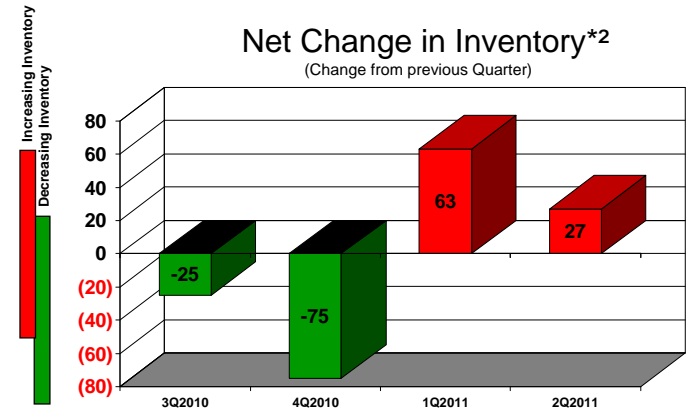
Inventory\*2 Burden

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



Net Change in Inventory\*2

(Change from previous Quarter)



### Lake Keowee Homes\*1

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, 2011 (the "2Q2011" stack on the left hand chart above) 174 homes valued at \$91,000,000 sold. As of July 20, 2011 there was a total of 425 such home being offered asking an aggregate of \$313,000,000. The inventory is annually cyclic. Homes are brought on-market in the first and second quarters only to be withdrawn unsold in the third and fourth. The average selling price of a home sold in *The Market* over the past 12 months was \$523,000. The average asking price for a home in the inventory is currently about \$736,000.



## Lake Keowee Homes\*1 - Sold\*3 April, 2011 through June, 2011

Community	Type	Address	City	Beds	Bath	Half	arage	SqFt	Closed	Sold	Initial	Discount	%	DOM				
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:</b> 9										<b>Totals:</b> \$6,868,000				\$8,187,800	\$1,319,800			
<b>Results for April</b>										<b>Monthly Averages:</b> 4.00 3.56 0.67 2.11 4,060				\$763,111	\$909,756	\$146,644	16%	326
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:</b> 11										<b>Totals:</b> \$6,782,631				\$8,476,800	\$1,694,169			
<b>Results for May</b>										<b>Monthly Averages:</b> 3.55 3.00 0.82 2.00 3,331				\$616,603	\$770,618	\$154,015	20%	248
SPANISH COVE		900 Doubloon Street	West Union	3	2	0	2	1452	6/1/2011	\$175,000	\$189,900	\$14,900	8%	97				
WATERFORD POINTE - OCONEE		140 Westlake Drive	Seneca	4	2	1	2	3000	6/1/2011	\$420,000	\$596,000	\$176,000	30%	418				
KEOWEE KEY		2 Bowsprit Ln	Salem	3	2	1	2	2390	6/1/2011	\$185,000	\$258,000	\$73,000	28%	460				
KEOWEE KEY	Waterfront	3 Lanyard Circle	Salem	4	2	1	2	4200	6/7/2011	\$510,000	\$699,500	\$189,500	27%	828				
KEOWEE KEY		26 Iron Clad Drive	Salem	4	4	0	2	3620	6/8/2011	\$350,000	\$459,000	\$109,000	24%	131				
KEOWEE KEY		4 Mainsail Drive	Salem	2	3	0	2	2800	6/8/2011	\$145,900	\$159,000	\$13,100	8%	289				
THE RESERVE AT LAKE KEOWEE		105 N Lawn Drive	Sunset	5	5	1	2	5000	6/9/2011	\$975,000	\$1,350,000	\$375,000	28%	450				
KEOWEE KEY	Waterfront	616 N Flagship Drive	Salem	4	3	1	2	4102	6/11/2011	\$790,000	\$949,000	\$159,000	17%	273				
KEOWEE KEY		27 Iron Clad	Salem	3	2	1	2	2300	6/14/2011	\$215,000	\$249,000	\$34,000	14%	117				
KEOWEE KEY		55 Par Harbor Way	Salem	3	3	1	1	2600	6/15/2011	\$230,000	\$259,000	\$29,000	11%	210				
KEOWEE KEY	Waterfront	14 Sextant	Salem	5	3	0	2	3600	6/16/2011	\$525,000	\$649,900	\$124,900	19%	366				
BEACON SHORES	Waterfront	758 Navigators Pointe	Seneca	3	3	1	3	3500	6/17/2011	\$700,000	\$895,000	\$195,000	22%	234				
KEOWEE KEY		329 Long Reach	Salem	4	2	1	2	2400	6/20/2011	\$215,000	\$450,000	\$235,000	52%	1205				
KEOWEE KEY	Waterfront	4 High Water Court	Salem	4	3	0	2	900	6/23/2011	\$489,000	\$549,000	\$60,000	11%	54				
CANE CREEK COVE	Waterfront	139 Warrior Creek Drive	West Union	4	4	1	2	4100	6/23/2011	\$418,200	\$497,500	\$79,300	16%	92				
KEOWEE KEY		505 Long Reach	Salem	3	2	0	2	2200	6/23/2011	\$235,000	\$245,000	\$10,000	4%	92				
CLIFFS @ VINYRD	Waterfront	878 Clubhouse Drive	Sunset	3	3	2	0	3143	6/24/2011	\$750,000	\$1,195,000	\$445,000	37%	633				
CLIFFS AT KEOWEE	Waterfront	106 Young Deer Trail	Sunset	5	4	0	2	4250	6/24/2011	\$636,000	\$759,000	\$123,000	16%	631				
WYNWARD POINTE	Waterfront	112 Wynward Pointe Drive	Salem	4	4	1	3	4200	6/27/2011	\$640,000	\$774,900	\$134,900	17%	440				
KEOWEE KEY		14 Admiral Lane	Salem	4	2	1	2	3000	6/27/2011	\$346,000	\$414,900	\$68,900	17%	369				
KEOWEE KEY		5 Tide Turn	Salem	3	3	0	2	2700	6/27/2011	\$191,000	\$299,900	\$108,900	36%	875				
KEOWEE KEY	Waterfront	111 Shipmaster Drive	Salem	4	3	1	4	3550	6/28/2011	\$560,000	\$699,000	\$139,000	20%	343				
CANE CREEK COVE	Waterfront	175 Warrior Creek Dr.	West Union	3	4	0	2	3200	6/29/2011	\$420,000	\$459,000	\$39,000	8%	138				
CLIFFS AT KEOWEE	Waterfront	125 Kingfisher Way	Sunset	4	4	1	3	7698	6/29/2011	\$2,300,000	\$2,950,000	\$650,000	22%	441				
PORT SANTORINI		309 Delphi Dr	Seneca	4	3	0	2	3800	6/30/2011	\$226,000	\$244,000	\$18,000	7%	113				
KEOWEE KEY	Waterfront	29 Spyglass Lane	Salem	3	3	0	2	2000	6/30/2011	\$412,500	\$549,000	\$136,500	25%	518				
<b>Count:</b> 26										<b>Totals:</b> \$13,059,600				\$16,799,500	\$3,739,900			
<b>Results for June</b>										<b>Monthly Averages:</b> 3.65 3.00 0.62 2.08 3,296				\$502,292	\$646,135	\$143,842	22%	378
<b>Three Month Count:</b> 46										<b>Three Month Total:</b> \$26,710,231				\$33,464,100	\$6,753,869			
<b>Results for Three Months</b>										<b>Three Month Averages:</b> 3.70 3.11 0.67 2.07 3,454				\$580,657	\$727,480	\$146,823	20%	337

**Bank Owned Property**  
Short Sale

Range: Lake Keowee Subdivision Homes

Closed: Based on information from the Western Upstate Multiple Listing Service for the period April 1, 2011 thru June 30, 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.





"Denied the wind" ©Copyright 2011 Integrity Realty, Inc.

**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 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.

