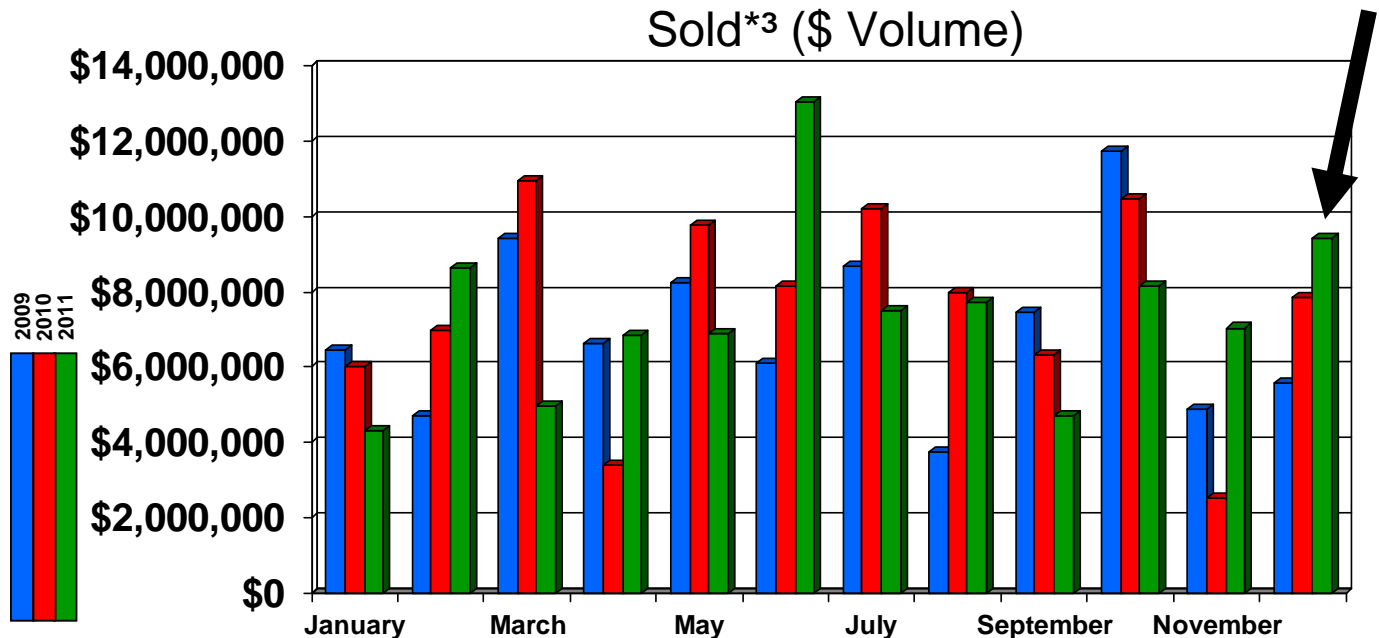


### YEAR ENDS ON A HIGH NOTE



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

### Lake Keowee Homes\*1

The Fourth Quarter of 2011 ended on somewhat of a high note as sales of sixteen Lake Keowee homes generating \$9,404,274 in December were reported by the Western Upstate Multiple Listing Service. This represented a 34% improvement over sales of \$7,044,000 in the prior month of November and a 20% improvement over sales of \$7,857,500 in the month of December, 2010. Overall, total sales in the Fourth Quarter 2011 of \$24,590,574 were up about 17% over sales of \$20,853,500 in the same quarter of 2010. This lift at the end of 2011 wasn't enough to overcome a sometimes sluggish year. A year ago we wrote in these pages "Our Early Estimate for 2011 is for an additional 10% growth and a total market of \$100,000,000. We sold 175 Lake Keowee Homes in 2010 and should see nearly 200 sold in 2011." That wasn't to be the case. Only 163 homes were sold. Total sales for 2011 came in at \$89,292,786 or 1.5% lower than sales in 2010. This reversed two years of year-over-year growth recorded in 2009 and 2010. Although having been burned once, we're still optimistic, only more cautious. Looking into 2012 we're forecasting a total market of about \$94,000,000 representing about 5% growth (yes, growth) over 2011.

Looking more closely to the results for December, in addition to the nearly obligatory monthly "Mega Home" sale, this time a well (37%) discounted home in Keowee Key that sold for \$1,150,000 after 879 days on-market, the remaining sales were across a broad spectrum of price points. Three of the homes were bank-owned. As a result, the average Selling Price discount from Original Listing Price moved to about 28%. Through most of the year, this discount was around 20%. The higher prices initially sought by Sellers had the singular effect of keeping homes on-market longer.



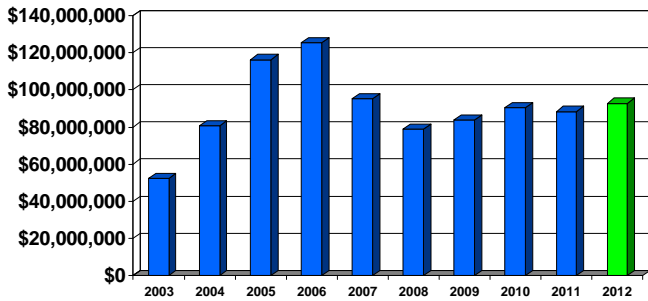
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## Annual Market Trending

Annual Market  
(Total Market by Year)

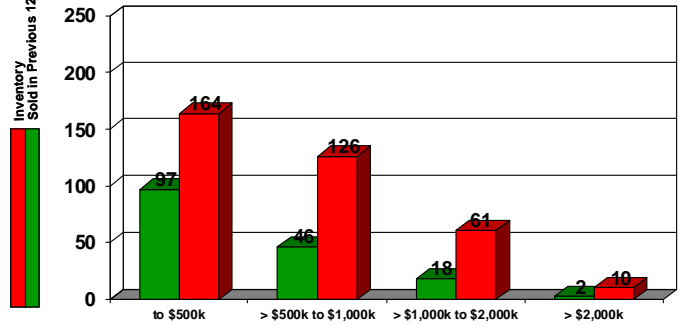


### Lake Keowee Homes\*1

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. Sales increased in 2009 and 2010. 2011 reversed this trend as sales fell slightly. Our current outlook for 2012 is for sales of \$94,000,000 representing about 5% growth over 2011.

## Inventory by Price Segment

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



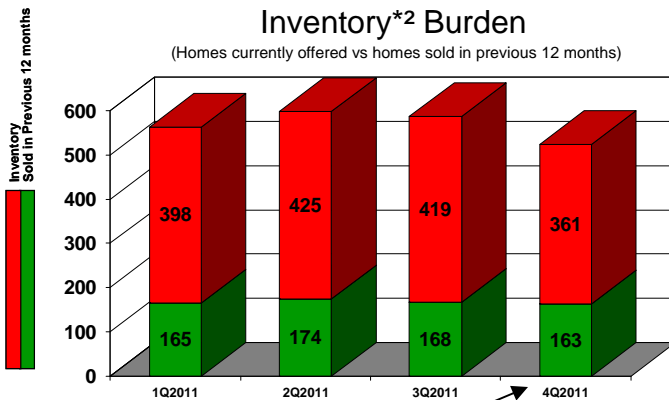
### Lake Keowee Homes\*1

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 January 6, 2012. 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 two sales reported in that range in over the past twelve months.

## Inventory\*2 Dynamics

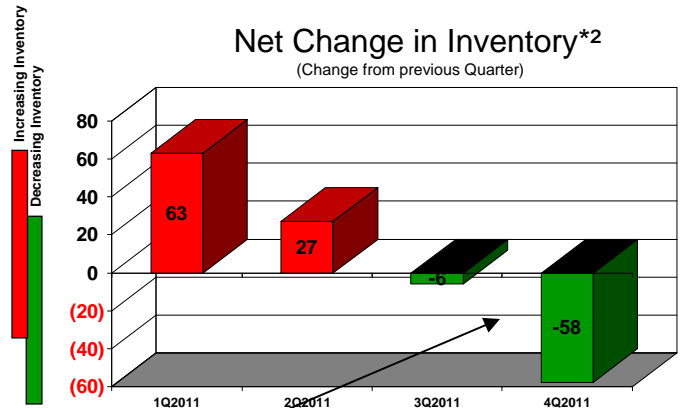
Inventory\*2 Burden

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



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 December 31, 2011 (the "4Q2011" stack on the left hand chart above) 163 homes valued at \$89,262,786 sold. As of January 6, 2012 there was a total of 361 such home being offered asking an aggregate of \$261,300,000. 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 only to return again. The average selling price of a home sold in *The Market* over the past 12 months was \$548,000. The average asking price for a home in the inventory is currently about \$724,000. There is a trend toward convergence. At the end of the Third Quarter, that discount was 34%. It moved to 24% at the end of the Fourth Quarter. We take that as a sign of a stabilizing market.



# Lake Keowee Homes\*1 - Sold\*3 October, 2011 through December, 2011

Community	Type	Address	City	Beds	Bath	Half arage	SqFt	Closed	Sold	Initial	Discount	% DOM				
KEOWEE HAVEN	Waterfront	9021 Maughan Trail	Seneca	5	4	1	4 3750	10/7/2011	\$785,000	\$879,000	\$94,000	11%	67			
BACKWATER LANDING		#56 Melton Road	West Union	2	2	0	0 1200	10/7/2011	\$115,000	\$149,000	\$34,000	23%	343			
ELROD SOUND	Waterfront	234 Petty Road	Seneca	3	2	0	2 2254	10/7/2011	\$475,000	\$579,900	\$104,900	18%	184			
BACKWATER LANDING		1230 Melton Road Unit #21	West Union	2	2	0	0 1000	10/11/2011	\$65,500	\$92,000	\$26,500	29%	321			
THE RESERVE AT LAKE KEOWEE		103 Laurel Pond Way	Sunset	3	3	1	0 3850	10/12/2011	\$648,500	\$499,900	(\$148,600)	-30%	120			
KEOWEE KEY		1 Inlet Way	Salem	3	2	1	2 2900	10/14/2011	\$345,000	\$389,500	\$44,500	11%	278			
WATERFORD POINTE - OCONEE	Waterfront	160 Westlake Drive	Seneca	5	4	0	2 2750	10/14/2011	\$675,000	\$925,000	\$250,000	27%	808			
SOUTH OAK POINT	Waterfront	312 Willow Oak Court	Seneca	6	4	1	3 5200	10/19/2011	\$840,000	\$1,250,000	\$410,000	33%	959			
WATERSTONE	Waterfront	326 Forest Stone Drive	West Union	3	3	1	1 5400	10/19/2011	\$485,000	\$499,000	\$14,000	3%	422			
KEOWEE INLET	Waterfront	514 Inlet Drive	Seneca	3	3	0	0 2216	10/20/2011	\$300,000	\$324,900	\$24,900	8%	195			
ELROD SOUND	Waterfront	206 Petty Rd	Seneca	3	2	1	2 2427	10/26/2011	\$187,000	\$249,900	\$62,900	25%	119			
KEOWEE KEY	Waterfront	20 First Mate	Salem	4	3	1	2 1591	10/26/2011	\$350,000	\$549,000	\$199,000	36%	439			
KEOWEE KEY		509 Long Reach	Salem	3	2	1	2 2250	10/26/2011	\$330,000	\$369,900	\$39,900	11%	393			
KEOWEE KEY		14 Anchorage Lane	Salem	4	3	0	2 3300	10/26/2011	\$185,000	\$359,000	\$174,000	48%	615			
CRESTVIEW SUBD.	Waterfront	110 Crest Pointe Drive	Seneca	4	3	0	3 4709	10/27/2011	\$905,000	\$1,395,000	\$490,000	35%	870			
BERWICK		205 Berwick Court	Seneca	3	3	0	2 2400	10/28/2011	\$226,000	\$249,900	\$23,900	10%	239			
THE RESERVE AT LAKE KEOWEE	Waterfront	224 Palmer Way	Sunset	4	3	1	2 4900	10/31/2011	\$1,225,000	\$1,225,000	\$0	0%	148			
<b>Count:</b>				<b>17</b>						<b>Totals:</b>		<b>\$8,142,000</b>	<b>\$9,985,900</b>	<b>\$1,843,900</b>		
<b>Results for October</b>						<b>Monthly Averages:</b>		<b>3.53 2.82 0.53 1.71 3,065</b>	<b>\$478,941</b>	<b>\$587,406</b>	<b>\$108,465</b>	<b>18%</b>	<b>384</b>			
HARBOR PLUS ON KEOWEE	Waterfront	201 New Timber Trail	Seneca	3	3	0	2 2025	11/3/2011	\$460,000	\$475,000	\$15,000	3%	173			
WATERFORD SUB	Waterfront	801 Clearlake Pt	Seneca	4	4	1	3 5400	11/3/2011	\$1,660,000	\$1,700,000	\$40,000	2%	41			
BACKWATER LANDING		1230 Melton Rd	West Union	2	2	0	0 1200	11/4/2011	\$115,000	\$120,000	\$5,000	4%	501			
COTTAGES AT BELLS COVE	Waterfront	605 Restful Lane	Seneca	2	2	0	1 1874	11/10/2011	\$375,000	\$399,000	\$24,000	6%	125			
CLIFFS @ VINYRD	Waterfront	201 Paw Paw Way	Sunset	4	3	1	2 4400	11/14/2011	\$1,500,000	\$1,695,000	\$195,000	12%	55			
WHITE OAK CLIFF	Waterfront	306 Hillandale Road	Seneca	3	3	0	2 1646	11/15/2011	\$387,000	\$549,000	\$162,000	30%	586			
KEOWEE KEY		45 Port Tack Drive	Salem	3	2	0	2 1826	11/18/2011	\$185,000	\$185,000	\$0	0%	55			
KEOWEE KEY		29 Calm Sea	Salem	4	3	0	2 3800	11/21/2011	\$325,000	\$379,000	\$54,000	14%	404			
KEOWEE KEY	Waterfront	35 Spy Glass Lane	Salem	5	4	0	2 3850	11/29/2011	\$509,000	\$698,500	\$189,500	27%	757			
CRAGGMORE	Waterfront	307 Galax Ridge	Salem	5	4	1	4 6558	11/30/2011	\$1,450,000	\$2,250,000	\$800,000	36%	546			
WHITE OAK CLIFF		207 Mockingbird St	Seneca	3	2	0	1 2096	11/30/2011	\$78,000	\$155,000	\$77,000	50%	512			
<b>Count:</b>				<b>11</b>						<b>Totals:</b>		<b>\$7,044,000</b>	<b>\$8,605,500</b>	<b>\$1,561,500</b>		
<b>Results for November</b>						<b>Monthly Averages:</b>		<b>3.45 2.91 0.27 1.91 3,152</b>	<b>\$640,364</b>	<b>\$782,318</b>	<b>\$141,955</b>	<b>18%</b>	<b>341</b>			
BEACON SHORES		507 Beacon Shores Drive	Seneca	4	4	0	2 3500	12/2/2011	\$495,000	\$524,000	\$29,000	6%	115			
BEACON SHORES		900 Southwind Court	Seneca	4	3	1	2 2519	12/5/2011	\$269,900	\$319,000	\$49,100	15%	357			
KEOWEE KEY	Waterfront	7 Dinghy Court	Salem	5	4	2	3 6400	12/9/2011	\$1,150,000	\$1,900,000	\$750,000	39%	879			
CLIFFS @ VINYRD	Waterfront	115 Sun Drop Court	Sunset	4	4	1	2 4000	12/12/2011	\$960,000	\$1,535,000	\$575,000	37%	606			
KEOWEE KEY		205 Night Cap Lane	Salem	3	3	1	2 2250	12/13/2011	\$150,000	\$284,500	\$134,500	47%	130			
	Waterfront	3003 Lake Keowee Lane	Seneca	3	3	0	2 2920	12/13/2011	\$575,000	\$769,000	\$194,000	25%	437			
PORT SANTORINI	Waterfront	133 Lindos Drive	Seneca	3	3	0	2 3500	12/16/2011	\$245,000	\$279,000	\$34,000	12%	91			
BEACON SHORES		500 Beacon Shores Dr	Seneca	3	2	0	2 2600	12/19/2011	\$230,000	\$265,000	\$35,000	13%	228			
WATERFORD POINTE - OCONEE	Waterfront	214 Hillview Drive	Seneca	4	3	0	2 3385	12/20/2011	\$650,000	\$925,000	\$275,000	30%	540			
SUNSET SHORES	Waterfront	204 Shoreline Drive	Seneca	4	3	1	2 3095	12/27/2011	\$442,674	\$475,000	\$32,326	7%	111			
CLIFFS AT KEOWEE	Waterfront	329 Trottingwolf Trail	Sunset	4	5	1	2 5000	12/29/2011	\$635,000	\$1,095,000	\$460,000	42%	817			
CLIFFS @ VINYRD	Waterfront	115 Mist Flower Lane	Sunset	6+	5	0	2 2585	12/29/2011	\$750,000	\$899,900	\$149,900	17%	119			
	Waterfront	225 Greer Drive	Six Mile	5	3	0	1 2145	12/30/2011	\$514,000	\$695,000	\$181,000	26%	337			
WYNWARD PT III	Waterfront	1305 Stamp Creek Road	Salem	3	3	1	2 3700	12/30/2011	\$710,000	\$775,000	\$65,000	8%	129			
BEACON SHORES	Waterfront	515 Beacon Shores Drive	Seneca	4	4	1	2 3800	12/30/2011	\$755,000	\$899,000	\$144,000	16%	700			
THE SUMMIT	Waterfront	415 Woodridge Drive	Seneca	4	4	1	2 4900	12/30/2011	\$873,000	\$1,375,000	\$502,000	37%	1247			
<b>Count:</b>				<b>16</b>						<b>Totals:</b>		<b>\$9,404,574</b>	<b>\$13,014,400</b>	<b>\$3,609,826</b>		
<b>Results for December</b>						<b>Monthly Averages:</b>		<b>3.80 3.50 0.63 2.00 3,519</b>	<b>\$587,786</b>	<b>\$813,400</b>	<b>\$225,614</b>	<b>28%</b>	<b>428</b>			
<b>Three Month Count:</b>				<b>44</b>						<b>Three Month Total:</b>		<b>\$24,590,574</b>	<b>\$31,605,800</b>	<b>\$7,015,226</b>		
<b>Results for Three Months</b>						<b>Three Month Averages:</b>		<b>3.60 3.09 0.50 1.86 3,252</b>	<b>\$558,877</b>	<b>\$718,314</b>	<b>\$159,437</b>	<b>22%</b>	<b>389</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 October 1, 2011 thru December 31, 2011



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"The Lighthouse takes shape" ©Copyright 2012 Integrity Realty, Inc.

### 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.

