



Members at The Reserve at Lake Keowee enjoy an array of amenities, including dining, golf at a Jack Nicklaus-signature course and a marina. Courtesy The Reserve at Lake Keowee

LAKE DEVELOPERS GET ECONOMIC LIFT 12/19/10



Fine dining is one of the perks offered to members of The Reserve at Lake Keowee.

Recovery generating higher sales, greater interest in The Reserve at Lake Keowee

By David Dykes

STAFF WRITER
ddykes@greenvillenews.com

A village by the water known as The Reserve at Lake Keowee has been a mirror of the local economy.

Since the first of November, inquiries from prospective owners and real-estate sales have begun to rebound at the 10-year-old lake, mountain and golf community.

It's a sign, developers say, that the economy is on the mend. But, like so much real-

estate development, it's not out totally of the economic woods, they say.

"We continued into the fall with seeing a pretty stagnant economy," said Charles W. "Chuck" Pigg, vice president of Greenwood Communities and Resorts, which manages The Reserve. "We still rocked along with a few sales, but we really didn't see an improvement in attitude, and really any significant improvement, until the

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first of November."

"Interestingly enough," he said, "we've had a — I don't want to say a block-buster fall — but given this economy I would probably characterize it as a block-buster fall."

In the last six weeks, 13 properties have gone under sales contracts, Pigg said. "That's a significant improvement over what we have seen through the year," he said.

He expects to end the year "somewhere north of 40 sales," Pigg said.

"It meets our expectations relative to the state of the economy," he said. "Given a perfect world, no, it's not what we want it to be. But given where we are in the economy, yes, we feel pretty good about having reached that level."

"I feel good about the up-

tick in activity that we've had over the past month and a half or so, but I'm not about to say we're out of the woods yet," Pigg said.

The project is a partnership between Greenwood Development Corp. and Keowee Toxaway Co. LLC, a group of about 50 Upstate investors that still is in place, Pigg said.

The development, tucked into the landscape of the Blue Ridge Mountains, has 1,500 planned home sites, with 640, or about 43 percent, sold through the middle of this month. Close to 180 homes have been completed and 23 are under construction.

As most developers do, Pigg and Jay Nexsen, chief executive officer of Greenwood Communities and Resorts, are watching closely for any shifts in the economy. Yet, they are bullish on their project, formerly undeveloped woodlands that had been owned by Crescent Resources, a real estate com-

pany formed by Duke Power.

Economists with Wells Fargo Securities said Friday, in their weekly economic and financial commentary, "in what was a very busy week for economic indicators, the theme was generally better-than-expected readings on the economy, which is consistent with our outlook for steadily improving growth in the next couple of years."

Wells Fargo is The Reserve's development lender, Pigg said.

While he's optimistic the economy will continue to recover, Pigg said the lending environment "continues to still be tough. It has not improved significantly."

Lenders seem willing to grant loans on an owner-occupied home and somewhat less likely to approve borrowing for a second home, depending on the strength of the borrower, he said.

"But then lots — it doesn't matter about the strength of the borrower," Pigg said. "They (lenders) just don't want to lend on lot purchases."

At The Reserve, the developers sell a community stretching across 3,900 acres, including 30 miles of shoreline on Lake Keowee.

It offers more than \$100 million in completed, family friendly amenities, including a 200-slip marina, village center complete with a guest house and a Jack Nicklaus-signature golf course.

Members pay \$457 a month, or about \$5,500 a year, for all property privileges, but no food or beverage minimum.

The Reserve recently made a change to its membership structure, Pigg said. It now has the "legacy membership," which extends member benefits to parents, grandparents, children and grandchildren without additional fees or an increase in dues.

It underscores the family orientation of The Reserve, he said.