



REAL ESTATE
CORPORATION

GOLD HILL 6-10:

The Avid Skier's New Frontier

Last summer, the ski resort's newly hired CEO climbed to Gold Hill and looked over the rocky, steep slopes plunging down on the west side. Within 15 minutes, Dave Riley says, he knew what he had to do. "It looked very skiable," he says. "It was obvious that we needed to make it available to the skiers." So, thanks to a historic snowfall and a hard-working ski patrol, the Telluride Ski Resort has opened never-before-seen parts of Gold Hill.



The chutes labeled Gold Hill 6 through 10 will be open to expert skiers and are accessed by hiking from the top of the Gold Hill Lift. Skiers will actually exit the ski resort boundaries through the Gold Hill gate. Then there will be openings in the rope line for the chutes that are skiable.

Since he got here, Riley has committed to opening or reopening steep new terrain. He opened some lower parts of Gold Hill earlier this year, opened the Black Iron Bowl and Palmyra Peak, some of the highest in-bounds hike-to terrain in North America. "A little imagineering is all it takes," Riley says. "Is imagineering a word?" Sure. Imagination and engineering. Why not?

Gold Hill chutes 1 through 5 are still closed, since some of them lead to cliffs that only the world's best skiers can conquer. But Riley said he's not ruling out opening those chutes. "I'll never say never," Riley said. "We're looking at different ways to open that in the future."

"These chutes are narrow," said Riley, who has skied Gold Hill 9, which he says is the easiest chute to ski. But none of them is easy. "They're just ribbons of good snow down between cliff bands," Riley said. "It's extreme terrain," he added. "This is not a place for intermediates."

Opening all this extreme terrain is an attempt to inch Telluride upward in the world rankings of the steepest resorts in the world. "We're generating many things to talk about from coast to coast about Telluride," Riley said. "There's no doubt that Telluride is once again going to be put at the top of the 'must ski' list of great resorts."

After opening Palmyra, opening the Gold Hill chutes was the natural next step, Riley said. Since the chutes run down into Prospect Bowl, where skiers from Palmyra Peak run out, the ski patrol already bombed them. "I am so happy that they're opening all this new terrain," said skier Brad Zaporski. "And God bless the ski patrol for doing so much work."

RARE DIAMOND SELLS AT \$6.87 MILLION AT CHRISTIE'S NEW YORK

An extremely rare 39.34-carat diamond was the star item at Jewels: The New York Sale on April 16. The sale totaled nearly \$50 million, making it the most valuable jewelry auction ever held in the U.S. The flawless cushion-cut diamond, which fetched \$175,000 per carat, resembles the Polar Star, one of the most famous diamonds in history that passed through the hands of many illustrious owners including Joseph Bonaparte and Princess Tatiana Youssouppoff of the Russian elite. The 332-lot sale featured a selection of important pieces from renowned jewelers Cartier, Van Cleef & Arpels, Bulgari, and Harry Winston from American estates, including the collection of author Danielle Steel.

RECORD SNOWFALL

Epic Precipitation, Ski Season and Beyond

This year in Telluride, snow accumulation rivaled some of the largest totals on record. By the time the ski area closed on April 6, 2008, the ski resort had received 353 inches of snow. That's almost 10 yards, or 30 feet of snow. To put these totals in perspective, if all of that snow had fallen all at once, it would have been enough to bury virtually every building in Telluride up to its roof. Of course, it fell over a span of four months, translating to an average of almost three inches of snowfall per day. This total accumulation is the most to hit the ski resort since 1996-97, according to the Telluride Ski Patrol. That year, 373 inches fell.

Without taking the date of the end of the ski season into effect, Telluride might have had one of the deepest snow years in decades. The days to follow the close of the mountain were blanketed with fresh powder, totaling 18 inches in the town of Telluride and upwards of 2 to 3 feet on the surrounding peaks. If these late accumulations were to be added to the snowfall during the regular season, Telluride may have seen more snow this year than in many years past.

The 2007-08 ski season in Telluride will go down in history as one of the best on record. Skiers will be holding their breath to see what Mother Nature has in store for the resort next year.

OCCUPANCY STATS 2007-08

MONTH OF OCCUPANCY	AS OF FEBRUARY 29, 2008 (2007-08 SEASON)	AS OF FEBRUARY 28, 2007 (2006-07 SEASON)	PERCENT CHANGE YEAR-TO-DATE
SEPTEMBER	40.7%	42.5%	-4.2%
OCTOBER	21.1%	18.7%	13.0%
NOVEMBER	15.7%	13.8%	13.9%
DECEMBER	41.9%	39.0%	7.7%
JANUARY	57.6%	56.5%	1.9%
FEBRUARY	62.4%	57.1%	9.2%
GRAND TOTAL	39.9%	37.9%	2.0%

TREC'S BIG SPRING

TREC Closes Out the Winter Season With Record-Breaking April Sales

Although sales throughout San Miguel county were down through the first quarter of 2008, Telluride Real Estate Corp. experienced a truly remarkable April. That month brought over \$39 million in sales transacted on at least one side by TREC—a greater volume than that of any other April on record.

Most notably, TREC was involved in two separate sales at over \$10 million each—the first home named 'Two Trails', located in the Mountain Village and the second, a home in Sunnyside Ranch, for sales totaling \$21,875,000. TREC is proud to have been the selling brokerage for both transactions; Jim Nerlin and TD Smith represented their respective buyers and Buzz Fedorka was the listing agent of 'Two Trails', thereby placing TREC agents on both sides of the transaction. "Premier properties (homes over \$10 million) are still transacting in the Telluride market," said Fedorka. "The two \$10+ million properties that closed in April are indicative that savvy buyers realize this is a very opportune time to be a buyer in Telluride."

The \$21+ million dollars represented by the two sales outlined above were bolstered by additional high sales volume by TREC agents during the month of April. Two Mountain Village homes, one on Russell Drive and one on Granite Ridge Road, both listed by TREC, sold for \$4.1 million and \$6 million, respectively.

It appears that not only the high-end of the market experienced sales during the month, but also several properties under \$1 million transacted. This is an indication that Telluride locals and entry-level second homeowners choose now as the time to buy as well. Among the under \$1 million sales category were a deed-restricted in-town condominium, a Mountain Lodge unit, a single family home in the Hillside neighborhood, lots at Cornerstone Golf Community, and even fractional units.

Investors still desire to be in Telluride now, just as they have in the past. This has been indicated with the month's strong sales and the cross section of buyers that chose to purchase this spring. TREC looks forward to what this summer has in store—and to uniting more families with their Telluride dream properties.

NEW MEDICAL CENTER

New Telluride Medical Center Takes Next Steps Forward

The Telluride Hospital District, in the next step toward developing a new Telluride Medical Center, has announced its intent to negotiate with the Portland, Ore.-based Mahlum Architects for the design of a new medical center that could be built on the RV Lot at the south end of Mahoney Drive. For both the community and the district, Mahlum stood out amongst the other two finalists, Perkins + Will, which has offices around the world, and the Colorado-based Heery HLM Design.

"We are bursting at the seams right now," said Bill Grun, Telluride Hospital District Board President. "People have to understand what it is we want to build. It is not a hospital. It is more of a continuation of what we are doing right now [at the current medical center]. There isn't a lot of need for a hospital, but right now, for overnight observations, we have to send people off to Montrose or we have to send them home. We think there may be an easier way to do this."

The current medical center is on land located in town on the corner of Pacific and Townsend and owned by the Idarado Mining Co., with that lease ending in 2032. Grun reasoned that if the community is going to put the funds into building a new facility, it should be done on land owned by the hospital district. And furthermore, if the district decided to rebuild on the current site, the whole building would have to be demolished and then rebuilt, potentially leaving the region without a health care facility during its construction.

As far as the Hospital District is concerned, building on the RV Lot is the only viable scenario; to that end, the owner of the RV Lot, the Town of Telluride, has written a letter of intent to sell the parcel of land to the hospital district.

"There are a number of encumbrances on that lot that have to be dealt with before we can consider building on that lot," Grun said. "Over the next month or so we will be working with those encumbrances so we can come up with a number," a price, "that works for both sides."

Although the district has selected Mahlum as prospective architects of the project, an agreement with the firm will not be finalized until the RV Lot has been purchased from the town. With the current medical center at capacity, TMC Administrator Gordon Reichard wants to get the ball rolling, with initial planning phases on track for a bonding issue to go before voters next November.

"Going forward, we are looking at negotiating with Mahlum and we will engage them when we know we have the property," Reichard said. "After that, we know there is going to be an election in November and we will need to find a way to fund this. We are going to be coming to the taxpayers this year looking for a bond to fund this project, the magnitude of which we are not certain."

Reichard reiterated the notion that a new Telluride Medical Center will not be possible without community involvement.

"We are a community organization and we are beholden to the community," he said. "As a consequence to that, there has been a lot of assistance in this first phase. We will definitely be having the community advisory group involved in the planning and the design of this. We know we will have to go to community forums and town hall meetings and will be conducting those in the next six months. We will go as many places as we need to, to discuss this with the community."



REVELATION BOWL

Ski Resort to Open New Lift and Terrain

The Telluride Ski Resort is thrilled to announce the opening of spectacular Revelation Bowl for the 2008-09 winter season. This European-style terrain, located directly off the back side of famous Gold Hill and Chair 14, will be serviced by a new, locally manufactured Leitner-Poma quad lift. Construction of the new lift will take place this summer. Situated above the tree line, the natural, wide-open bowl offers advanced and expert skiing in an unbelievably scenic setting. From the top of the Revelation lift, skiers and riders will be able to choose ridgelines in either direction, offering steeper pitches and rock features on the far side of the powder bowl. The expanse of rolling advanced terrain will incorporate a groomed path for cruising runs down the center and will stretch from the base of Revelation Bowl up to the Gold Hill ridge. Including the opening of public hike-to access of Black Iron Bowl in December of 2005 and the mid-season extension of Palmyra Peak and Gold Hill Chutes 6-10 this year, the resort has expanded by nearly 400 acres. Telluride now offers some of the most stunning skiing and riding on the continent, boasting a vertical drop of 3,845 feet, one of the largest in North America.

JUNE

- 1 Telluride Dance Academy Recital
- 5 Ah Haa Exhibition Opening
"Innocence and Experience"
- 5-8 Telluride Jazz Celebration
- 6-8 Telluride Hot-Air Balloon Rally
- 6-15 Telluride Musicfest
- 7 Huck Finn Day
- 7 Jazz Brunch
- 9 Art Talk and Potluck
- 9 Wild West Fest
- 10 Telluride Playwrights Festival
- 19-22 Telluride Bluegrass Festival
- 21 Bluegrass Brunch
- 22-28 Bike Week
- 26-29 Telluride Wine Festival
- 29-7/5 Plein-Air Festival

JULY

- 4 Firemen's Fourth of July Celebration
- 5 Red, White & Blues Concert
- 5 Telluride Fur Ball
- 11-12 Circus Holus Bolus
- 11-12 Hardrock 100
- 11-13 Telluride Yoga Festival
- 12-13 KOTO Yankee Doodle Doo-Dah Concert
- 13-19 San Miguel Basin Fair
- 18-20 Nothing Festival
- 19-20 San Miguel Basin Rodeo
- 25-27 Rotary 4x4 Rally
- 27 Ah Haa Art Auction

AUGUST

- 1-3 Telluride Tech Festival
- 7 Ah Haa Exhibition Opening
"Solo", a juried exhibition
- 7-16 Chamber Music Festival
- 7 Summer Ballet Performance
- 8 KOTO Duck Race
- 9 Art Talk
- 14-17 Telluride Festival of the Arts
- 15-17 Mudd Butts Mystery Theatre Troupe
- 19-24 Telluride Repertory Theatre Company
- 20 Mushroom Banquet
- 21-24 Telluride Mushroom Festival
- 22-24 Glory: Many Nations, One Voice
A Christian Celebration
- 29-9/1 Telluride Film Festival
- 31-9/1 Ouray County Rodeo

TREC GOES GREEN

In an effort to reduce waste and reduce our carbon footprint, this will be the last paper newsletter TREC will be printing. Please contact your TREC agent with your email address. If you don't have a specific agent, please send your email address to lauren@telluridecolorado.net to continue to receive our e-newsletter. All email addresses will be kept confidential.



IN BUSINESS



WHISKER'S AND TAILS Come to Telluride on any day of the season and something you are sure to notice is the abundance of dogs on the streets of town. Big dogs. Little dogs. Dogs strolling down the sidewalk. Dogs sitting on store steps. One thing is clear...locals and visitors alike love their dogs! Whether you are a resident or a frequent visitor to the area, you may find that your pooch needs a little extra TLC while in town. Whiskers and Tails, a full service grooming and pet supply shop, is just the place to pamper your pet. Stacey Plunkett, who opened the store a year ago this June, had lived in town for nine years and always thought that Telluride needed

a local place to wash your pet. "Telluride is a town that's easy for dogs to get dirty in", says Plunkett. She now offers not only a drop-and-go service, ranging in price from \$50-\$100, but also a do-it-yourself pet wash which allows you to come into the shop and utilize the wash tubs and supplies on your own. This service averages \$20. In addition to grooming, Whiskers and Tails offers a wide variety of pet food, treats, toys and grooming tools that are of the highest quality. Plunkett takes pride in stocking her shelves with only products that are produced in the United States and have a history of doing right by both animals and the environment. Whiskers and Tails is located at 266 West Colorado Avenue in the alley. For more information, call 970.728.3664 or visit www.telluridedogwash.com.

INSTITUTE FOR ALTITUDE MEDICINE

Opens Second Office in Mountain Village

The Institute For Altitude Medicine (IFAM), which has been operating at the Telluride Medical Center since last summer, has opened a second office in the Blue Mesa building at 113 Lost Creek Lane in Mountain Village. The office will provide phone and email consultations related to high altitude health problems. With 600,000 people living above 7,000 feet in Colorado and 25 million tourists traveling into Colorado's high country communities each year, health problems related to or exaggerated by high altitude are common. The IFAM will treat these problems and produce research on the effect of high altitude on common health issues such as heart disease and pregnancy.

The IFAM is closely affiliated with the University of Colorado School of Medicine in Denver. "The presence of IFAM will attract academic and highly skilled physicians who will be available for consultations to our residents and visitors," stated Telluride Mountain Village Owners Association Board President Mike Wisniewski in the press release. "This expansion of medical services offered to our community is outstanding, and it is exciting to support IFAM's research."

Peter Hackett, Executive Director of IFAM, said the new facility will also be used to research altitude related sleep disorders. "We will be able to conduct sleep studies there, which will be done to figure out why people have sleep apnea or other types of sleep disorders. It will be the highest medical facility to do sleep studies and the only facility in Colorado devoted to high altitude medical problems."

AIRPORT UPGRADES

Next Phase of Construction Underway

The next phase of Telluride Regional Airport's runway reconstruction project began April 14, with the airport remaining open for the duration. "All the work is being done outside the runway safety areas," said Airport Manager Rich Nuttall. "We won't have to close because of the construction. This phase will reinforce the dip area, and when we do fill in and raise the dip [at a later phase], it will support the weight." This phase is scheduled for completion by Sept. 25. The complete airport expansion project is planned to be finished by 2012. If and when that occurs, larger capacity airplanes like the Bombardier Q400 (capacity 74), which is currently being operated by Frontier Airlines, would be certified to land. For more information about Telluride Regional Airport visit www.tellurideairport.com.



