

OVER 7 FEET OF FRESH POWDER IN JANUARY



PARADISE EXPANDS

Resort to Open Palmyra Peak

While quite an abundance of snow has accumulated up on the ski area, there will be even more opportunities for “freshies” once Palmyra Peak opens to the public. The Telluride Ski Resort recently announced that it is adding the north face of 13,320-foot Palmyra Peak to its bag of powdery tricks—hike-to terrain that will undoubtedly provide some of the most spectacular in-bounds skiing and boarding in the country. “With the addition of the new avalauncher [on Gold Hill #5] and ski patrol resources, we are now able to control Palmyra Peak for access to the area,” said Jeff Proteau, Telski’s vice president of mountain operations.

Palmyra Peak is the craggy and breathtaking mountain located atop the Prospect Bowl ridge beyond Black Iron Bowl, which also opened to the public this season. The new terrain, recommended to expert skiers and boarders only, is expected to open as soon as conditions permit and includes more than 200 acres and almost 2,000 vertical feet. Runs have already been dubbed Tram Shot, Sunrise and Electric Shock.

“Palmyra Peak was the natural next step in expanding the area,” said Telski’s CEO Dave Riley. “Telluride has always been known for its legendary terrain, and opening Palmyra Peak will further demonstrate that the Telluride Ski Resort is unmatched in North America.”

GOING STRONG

A Brief Synopsis of Mountain Village 2007 Stats

According to recent data compiled on regional real estate sales throughout the majority of the 2007 calendar year, figures remain very favorable in the Telluride area. Using Mountain Village homes as an example of the market’s current strength, year-to-date totals (through most of December 2007) show that 37 homes sold in Mountain Village, a 32% increase from the 28 that sold in 2006. The average sold price per square foot for Mountain Village homes increased 9% in 2007 (from \$675 per square foot in 2006 to \$736 per square foot in 2007), while the average price for purchasing a home in Mountain Village also witnessed a notable increase of 11%, jumping from \$3.4 million to \$3.825 million. And with regard to year-to-date total dollar volume, Mountain Village home sales netted \$142 million, compared to \$96 million from 2006—a 46% increase.

TREC ANGELS

TREC Gives Back During the Holidays

Recently, an opportunity to make the holidays a little brighter for those less-fortunate presented itself, and Telluride Real Estate Corporation rallied behind the cause. Angel Baskets is a local non-profit organization that provides food, monetary assistance, toys, and gifts to needy families in San Miguel County during the holiday season. Angel Baskets collects donations from many of the local businesses each year and in 2007 TREC was recognized for bringing in the highest amount in monetary donations!

TREC ATTENDS CHRISTIE'S GLOBAL ANNUAL CONFERENCE

Telluride Real Estate Corporation took part in the Christie's Great Estates Global Annual Conference this fall in Washington, D.C. Several TREC brokers and staff members attended the multi-day event, a large gathering that brought in affiliate representatives from more than 15 countries world-wide. After a keynote speech by Kay Coughlin, President and CEO of Christie's Great Estates, which kicked off the conference, the business and marketing program began. Industry experts and guest speakers provided valuable insight on such subjects as how to better market real estate to qualified buyers and sellers and how to unleash the power of the Web as a useful selling tool. They also offered a deeper understanding as to what consumers of luxury goods are looking for in today's economy and real estate industry.

The 2007 Global Annual Conference also marked the 20th anniversary of Christie's Great Estates, the largest international network of real estate brokers dedicated to the marketing and sale of high-end properties, and the only luxury real estate program that is a wholly-owned subsidiary of a fine art auction house. “The Christie's name is synonymous with quality, integrity and customer satisfaction,” said Coughlin. “The marketing efforts of Christie's and Christie's Great Estates provide far-reaching global exposure to a qualified audience of proven luxury consumers.”

OUT WITH THE OLD, IN WITH THE NEW

New Mayors for both Telluride and Mountain Village

It was a close race for mayor in the town of Telluride election back in November. Fifteen votes separated opponents Stu Fraser and Terry Tice and in the end, Fraser triumphed. "This is the weakest point I can have in the next four years," said an elated Fraser after the results were tallied. "I'm blown away."

Both candidates brought ample support and experience to the table, as Fraser was a town council member up until his victory, and Tice, a 35-year local, was a former town council member. The final count left Fraser with 365 votes, compared to the 350 brought in by Tice. A third candidate, Chance Leoff, gathered 81 votes.

By assuming his position as mayor, Fraser vacated his seat on council, thus freeing up three seats. Those seats, also determined by the same election, went to Thom Carnevale (528 votes), David Oyster (432 votes) and Lulu Hunt (349 votes). Jerry Greene, lone candidate for town meeting moderator, was also elected with 523 votes.

Mountain Village had its new mayor, Bob Delves, take office in July 2007 (taking the reigns from former mayor and TREC broker Rube Felicelli). Delves was appointed by the Mountain Village town council—Mountain Village mayors are appointed by council as opposed to being voted in—and is greatly enjoying his position so far. "Mountain Village continues to undergo significant changes, all of which are very positive in my book," said Delves. "As mayor, it's challenging, but more importantly, very exciting, to be part of those changes." Delves, a "Chicago guy," has been a second homeowner for 10 years and full-time resident for the past four.

FIRST BIODIESEL PUMP OPENS IN COUNTY Telluride recently took another step toward utilizing alternative energy. In addition to the eco-friendly Gondola, Grassolean-juiced Galloping Goose (the town bus that runs on Grassolean fuel), and numerous electric cars seen zipping around, biodiesel fuel is now available at the San Miguel Country Store, home of the Shell gas station just outside town. This is the first biodiesel retail outlet in San Miguel County.

Made from certain seeds and grains (in this case soybean oil), biodiesel is a form of diesel that boasts reduced emissions. Kauflin offers B20, a 20% biodiesel/80% diesel blend, but hopes to increase to B50. He also plans to make the fuel affordable by reducing his profit margin. Kauflin said the response has been very positive as customers who don't even own diesel vehicles are buying unleaded fuel at the Shell station simply to show support for the product. "It was a bold move for our little town, but this is the wave of the future," said station owner Bob Kauflin. "We've got to get less dependent on foreign oil."

REC CENTER VISIONS STILL LIVE STRONG

Mountain Village Hopes to Find a New Location for Family Adventure Center

Although Monument Realty, developers of the Silverline project, won't be the creators of the Family Adventure Center on Lot 161CR, Mountain Village town council members are still fairly confident that a rec center remains in the community's future. At a recent council meeting, lawyers suggested holding the \$14 million in bonds until December 2009 in hopes of another location presenting itself. Certain council members questioned holding the bonds due to the accruing interest, as well as the present uncertainty of another project gaining approval, but Mayor Bob Delves agreed with the recommendation. "...we have all of 2008 and 2009..." he said. "My message is that if there is a group that wants to come forward with a detailed plan for a rec center and wants council to consider it, time is of the essence."

This fall an agreement was reached between Monument Realty and the Concerned Citizens Group to remove the Family Adventure Center from the Silverline project in the Village Center. Following the agreement, the group sent a letter to the community stating, "Since the new project [Silverline 2] will not house the proposed Family Adventure Center, we will continue to work with the Town of Mountain Village Owners Association and the town to seek other alternatives for an affordable and community-oriented recreation center."

By holding the bonds, which is what's currently happening, Delves hopes to find another group interested in taking on the project. "In the spirit of accountability, I look forward to seeing a group coming forward with a plan," he said.

JUST WHAT THE DOCTOR ORDERED

Progress on Proposed Medical Center Inches Forward

Many are keeping their fingers crossed that the proposed medical facility will come to fruition on the western end of Telluride. Although still very much in its planning and formative stages, the hoped-for project could consist of a 30,000-square-foot, three-story building that would be located near the base of Lift 7 on what is now known as the RV Lot.

In mid-November, an advisory committee meeting, comprised of planners, medical staff, green building advocates and citizens, gathered to discuss the future of a bolstered facility. The property is presently owned by the town of Telluride, but in November, a large step was taken when town council signed a letter of intent to transfer the parcel to the Telluride Hospital District—the entity that oversees the Telluride Medical Center's administration and is in charge of launching the new facility.

The next move is to find an architectural firm, one that can come up with a design that covers Telluride's healthcare needs, incorporates green building elements and addresses the sensitive wetland topography of the site. Interviews began in December with 13 interested firms that were eventually sized down to three—Heery HLM, a Denver-based firm with ample experience in designing healthcare facilities; Perkins & Will, a firm with multiple office locations that touts its sustainable building practices; and Mahlum, a Pacific Northwest firm specializing in education, healthcare and housing. The district will now choose one firm after receiving fee proposals from each. "It just humbles me that these firms are interested in little old Telluride," said Gordon Reichard, Telluride Medical Center Administrator.

Proponents of the project feel the community has not only matured beyond the scope of the existing facility, but needs a more advanced center that offers increased privacy and a broader range of services. "We've outgrown ourselves here," said Reichard. Being that there is no option for expanding the existing facility, the family practice and emergency room care—with their 40-plus-member staff and patient load that could likely hit 15,000 this year—needs more room to spread out. "The big issue is privacy," said Medical Staff Chair Dan Hehir, M.D., a board-certified E.R. doctor.

Reichard expressed optimism that an architectural firm will be selected soon and said that hopefully, the Hospital District and the town will be able to successfully negotiate a deal for the purchase of the land in the near future.

GOIN' OUT WITH A BANG—SKI RESORT TALLIES RECORD SNOWFALL FOR DECEMBER While Mother Nature took her time easing into winter in the San Juans this year, she came in with quite a force come December. According to the Telluride Ski Resort, December's snow total was over 82 inches, the largest December in resort history. The month kicked off with a two-foot storm, followed by 33 inches the following week, and then another 25-plus inches throughout the remainder of the month. "With the abundance of snow, the mountain has had one of the best openings ever," said Dave Riley, Telski's CEO. "Conditions are incredible all over the mountain, and Gold Hill, Bald Mountain and Black Iron Bowl all opened earlier than expected." As of press time, the ski resort was reporting a 62-inch base, one of the deepest in the state.

FEBRUARY

- 1 KOTO Lip Sync
- 1-2 Gorrone Ranch Sleighride Dinner (ongoing throughout season on Friday & Saturday)
- 2 Texas Ski Council Arrives
- 2-3 "Blowing Whistles" at SOH
- 3, 17 USASA Snowboard Halfpipe/Slopestyle
- 4 TASP "Expand Your Horizons" Ski Camp
- 7-9 "Hello Dolly" at SOH
- 7-10 US Freeskiing Competition
- 10 Local's Telemark Clinic
- 10-14 Women's Week
- 14-17 9th Annual Telluride Comedy Fest
- 17 USASA Snowboard Halfpipe & Slopestyle
- 20 TGR's "Shack Therapy" at SOH
- 21-24 Jim Drew Memorial F.I.S. Race on Milk Run
- 21-3 "Your Telluride Story" Ah Haa Exhibition
- 22 Telluride Mardi Gras Celebration
- 23-1 Gay Ski Week
- 28 Telluride AIDS Benefit Sneak Peek Fashion Show & Auction
- 29 Rocky Mountain Freestyle Divisional Championships

MARCH

- 1 Telluride AIDS Benefit 15th Annual Gala Fashion Show & Auction
- 1 Telluride AIDS Benefit After the Show Party
- 3 Telluride AIDS Benefit Designer Trunk Sale
- 3-7 Women's Week
- 4 "A Year with Frog and Toad" at the Palm
- 7 Telluride Adaptive Ski Program Fundraiser
- 7 "Beg, Barter & Steel" Ah Haa Exhibition
- 8 Top-a-Ten 10K Nordic Race
- 8 Outformation at SOH
- 14, 21, 28 Winter Concert Series
- 14-16 Rocky Mountain Freestyle Devo Championships
- 16 Cardboard Sled Derby
- 17 St. Patrick's Day
- 20-23 Colorado Jr. F.I.S. Race on Milk Run
- 22 Special Olympics Family Day
- 23 Easter Egg Hunt
- 29 Telluride Lindy Society Presents "Swing Camp Telluride"

APRIL

- 4 Winter Concert Series
- 4 KOTO Street Dance
- 6 Closing Day at the Telluride Ski Area
- 6 Gondola Closes for Spring Maintenance

IN BUSINESS



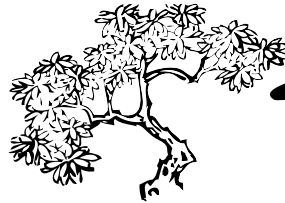
TELLURIDE TRUFFLE WELCOMES

PATRONS Look Out Willy Wonka — Over the years, local Patty Denny has made quite a name for herself in Telluride and beyond with her mouth-watering Telluride Truffles. Hand-crafted from Belgian chocolate, the tasty morsels are neatly packaged and available at various regional shops, as well as online at www.telluridetruffles.com. Now however, chocoholics can visit the source directly as Denny recently made her Telluride Truffle Chocolate Factory at Lawson Hill open to the public. "People kept finding us and coming by,

and it was just a factory," said Denny. "It became apparent that I needed to put in a retail area that looked nice, and now I can invite people to come out and see us." By creating a shop at the factory, patrons can visit, choose from a broader selection, buy what they want, and be in the heart of all the truffle-making action—a busy business that whips up roughly 55,000 truffles at Christmas time, alone. "There are two big advantages to the store. One is that you can get a custom box and the other is that we are selling things only available at the store," said Denny. For more information, contact 970.728.9565.

MORE AEMONO

Local Catering Company Opens New In-Town Location — Already renowned for some of the finest catering and take-out cuisine in the Telluride valley, Aemono



aemono
fine foods & catering

Fine Foods & Catering is making itself even more available to the public. Come mid-January, owners Mike Guskea and Sophia Kyriakakis will open an in-town Telluride location across the street from Siam restaurant. The new spot is in addition to Aemono's already established space at Lawson Hill. Guskea and Kyriakakis provide full-service catering and personal chef services, as well as gourmet take-out with such delectably fresh menu items as baked pastas, calzones, salads, soups, and numerous other Asian- and Mediterranean-inspired specialties. They also offer sandwiches, salads, baked goods, appetizers, desserts, breakfast and lunch boxes, and party platters. Catering is available seven days a week and the new Telluride location will feature a breakfast menu, as well as extended hours. Aemono is no longer available at The Market at Mountain Village deli.

Visit Aemono at 156 Society Drive, (Monday-Friday, 11 am to 6 pm) for lunch and dinner items, or at 107 South Davis Street (Monday-Friday, 9 am to 6 pm; Saturday 10 am to 4 pm) for breakfast, lunch and dinner items. For more information, contact 970.728.2085.

WINTER AIR SERVICE SCHEDULE 2007/2008

DEPART	ARRIVE	FLIGHTS	AIRLINE
Phoenix	Telluride	2 Daily	America West
Chicago	Montrose	1 Saturdays	American
Dallas/Fort Worth	Montrose	1 Daily	American
Houston	Montrose	1 Daily (Sunday thru Friday) 2 Saturdays	Continental
Newark	Montrose	1 Saturdays	Continental
Atlanta	Montrose	1 Saturdays 1 Sundays	Delta
Salt Lake City	Montrose	1-2 Daily	Delta
Denver	Telluride	5 Daily	Great Lakes
Los Angeles	Montrose	1 Saturdays	United
Denver	Montrose	5 Daily 1 Saturday	United

*Nonstop jet service operates December 13, 2007 through April 8, 2008. Some flights have reduced schedules/changes in aircraft sizes prior to December 13 and from January 6 through February 16; please call respective airlines for details or visit www.tellurideskiresort.com for a full airline schedule.

NEW LISTINGS



106 HIGHLANDS WAY

This classic ski-in/out Colorado log home sits on a private one-acre parcel backing up to a large open space belt. The impressive 13,500+ sq. ft. estate features rugged alpine architecture, combined with every modern convenience and the highest levels of finishes. 6 bedrooms, including 3 master suites, a gourmet kitchen, rec room, media room, ski/fitness room, 3 bars, 5 fireplaces, a wine cellar, 4-car garage, caretaker's unit/pilot's quarters and more. Stunning views of the San Sophia range and ski area are enjoyed from inside the residence, as well as from the many decks. Fully furnished. \$11,900,000



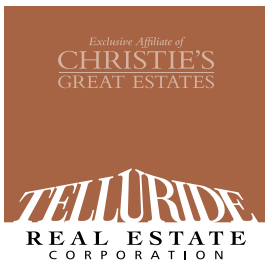
SHINN PARK RANCH

This incredible property is approx 2,365 acres—1,734 acres of high country summer grazing land with multiple ponds and a headquarters parcel; approx 631 acres of which 327 are irrigated hay meadows and pasture land with abundant water rights. Extensive livestock working facilities and indoor arena, as well as several barns, corrals, pens and shops. Also includes a 3-bedroom manager's home and main 6-bedroom/5-bath, 7,200-sq.-ft. cedar log home with two large decks and in-floor heat. Stunning views of the Cimarrons, San Juans, Horsefly Peak and the Uncompahgre Plateau. Can be subdivided. Price upon request.

HOT OFF THE PRESSES

The 2008 winter/spring issue of *The Collection* arrived in plenty of time for Christmas and is available at any of Telluride Real Estate Corporation's prime locations. Launched in 2004, *The Collection* is a complimentary publication released semi-annually in order to remain as current as possible, as well as highlight the Telluride region's summer and winter seasons. The 100-page full-color piece is the largest and most detailed of its kind in the region. New and updated information is compiled every six months with each issue elegantly showcasing the area's ever-evolving real estate market. *The Collection* recently earned high honors from the Print & Imaging Association Mountain States (PIAMS), receiving Best of Category in the Catalogue Division, Best of Category in the Advertising/Point of Sale Division, and the coveted Award of Excellence. For more information on Telluride Real Estate Corporation, please visit the company's interactive Web site at

www.telluriderealtors.com



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