

First Quarter of 2005 Experiences Blizzard of Activity

The first quarter 2005 real estate market followed suit with the year's banner ski season, where record snowfalls attracted hoards of visitors. According to figures compiled by the Telluride Association of Realtors, dollar volumes totaled \$136 million with the total number of sales at 213.

Similar to the tremendous winter snowfalls that took January by storm, real estate sales in January were also deep, to say the least. Dollar volumes reached a total of \$46 million, a 62% increase over 2004, with total sales numbers at 73, a 48% increase over 2004. This was significantly higher than January 2004, which witnessed \$31 million in dollar volumes and 45 transactions. In comparison to recent years, January 2005 was leaps and bounds ahead in terms of total dollar volume as January 2003 recorded \$18 million, January 2002 recorded \$29 million and January 2001 recorded \$37 million.

January Dollar Volumes

January 2005	\$46 million
January 2004	\$31 million
January 2003	\$18 million
January 2002	\$29 million
January 2001	\$37 million

1ST QUARTER COMPARISON

While 2005's first quarter total dollar volume of \$136 million was virtually tied with 2004's first quarter dollar volume of \$138 million (a mere 1.5% difference), the first quarters for 2004 and 2005 were both drastically ahead of the first quarters from the past five years. The 2001 first quarter claimed the closest figures, but at \$96 million, it still trails 2004 and 2005 by more than 42%. As for the other two years, the first quarter of 2003 claimed \$66 million while 2002 claimed \$63 million.

SKI SEASON COMPARISON

With regard to the ski season as a whole, December 2004 through March 2005, was not only more impressive from a snow standpoint than the 2003-2004 season, it was from a real

estate standpoint as well. This year's ski season brought in \$175 million in total dollar volume compared to the \$160 million from last year, a 9% increase.

2004-2005 vs. 2003-2004 Ski Season

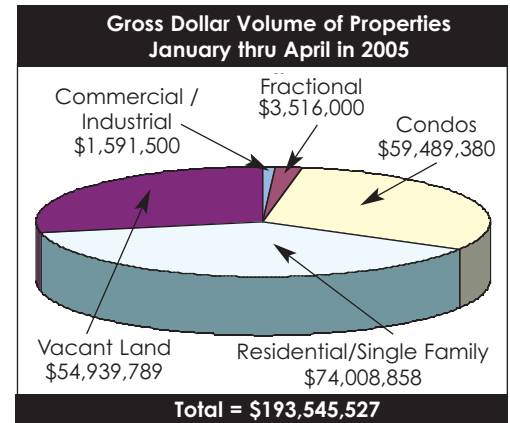
December 2003	\$22 million
December 2004	\$39 million
January 2004	\$31 million
January 2005	\$46 million
February 2004	\$47 million
February 2005	\$44 million
March 2004	\$60 million
March 2005	\$46 million
2004 Total	\$160 million
2005 Total	\$175 million

PROPERTY VALUES

While 2005's first quarter total dollar volume of \$136 million was virtually tied with 2004's first quarter dollar volume of \$138 million (a mere 1.5% difference), property values have risen significantly in 2005, indicating that the market is still climbing steadily. Average regional land values jumped from \$610,000 during the first quarter of 2004 to \$632,000 in 2005, a 4% increase.

Factors contributing to the boost in land values are the currently available Idarado lots. Five lots in the new Idarado subdivision, located at the east end of the Telluride valley, have already sold in 2005 for an average price of \$1.2 million. Additionally, 19 other vacant parcels sold during the first quarter of 2005 for over \$1 million, as opposed to only 4 parcels for over \$1 million in 2004.

Condominiums also boasted a significant increase in value, leaping from an average price of \$696,000 in 2004 to \$750,000 in 2005, an 8% increase. The highest first quarter condominium sale during 2004 was a \$2.5 million unit in Mountain Village, whereas the highest in 2005 was a \$3.25 million unit in the town of Telluride.



YEAR-TO-DATE

The second quarter of 2005 is underway with April off to a fantastic start with \$57 million in total dollar volume and 65 in total sales numbers. While April was not the highest month this year for sales numbers (January had 73 total transactions and March had 82), it was the highest revenue-producing month for the year thus far by 24%, another indicator of a strong ski season as properties contracted during the season are now closing.

Condominiums continued to present themselves impressively within the market during April with \$20 million in total dollar volume, compared to only \$12 million in April 2004. Single-family residential homes sales were also strong with \$28 million in total dollar volume and a total of 21 transactions. April was actually the highest month so far this year for single-family residential homes by a large margin. Compared to April's \$28 million and 21 transactions, January brought in \$12 million and 17 transactions, February brought in \$15.5 million and 15 transactions and March brought in \$19 million and 30 transactions.

Year-to-Date Single-Family Residential Sales

	\$ Volume	# of Sales
Jan.	\$12 million	17
Feb.	\$15.5 million	15
March	\$19 million	30
April	\$28 million	21