

# TELLURIDE REPORT

President's Week 2011

EXCLUSIVE AFFILIATE OF  
**CHRISTIE'S**  
INTERNATIONAL REAL ESTATE



## CHRISTIE'S REPORTS 2010 A RECORD-BREAKING YEAR FOR ART SALES

HIGHEST ANNUAL SALES TOTAL IN MARKET HISTORY - \$5.0 BILLION - REFLECTS CONTINUED DEMAND FOR ART

Christie's International, the world's leading art business, today announced worldwide sales for 2010 of £3.3 billion/\$5.0 billion, up 53% by £ on last year's figure of £2.1 billion (Figures include buyer's premium). The highest sales total in the 245 year history of the firm, the figure is also the highest annual sales total ever recorded in the industry in £. Sales totals include private sales of £369.3 million/\$572.4 million, an increase of 39% by £ on 2009 figures.

In a year of blockbuster sales and record-breaking results, Christie's maintained its market leader status and sold 66% of the works over \$50 million against its main competitor. It was also honoured to be the auction house of choice for some of the most significant collections to come to market. Collections from Mrs. Sidney F. Brody, Walter and Phyllis Shorenstein, The Andrew Lloyd Webber Foundation, Michael Crichton, Max Palevsky and others. Pablo Picasso's *Nude, Green Leaves, and Bust* made art market history establishing a new world record for any work of art sold at auction when it sold for \$106.5 million/£70.3 million. Christie's sold 3 of the top 5 works of art sold during the year and a total of 606 works of art at auction for more than \$1 million.

"2010 was a record-breaking year and early signs of 2011 indicate that the art market remains buoyant at all levels," said Steven P. Murphy, CEO of Christie's International. "Christie's worldwide team continues to reach and serve an increasingly global collecting audience as the market expands. Among the many notable results, the pace of growth in auction, the strength of private sales and increase in online transactions in particular indicate a growing appetite for participation in all forms and formats of art sales."



*The Perfect Pink*  
A Fancy Intense Pink rectangular-cut diamond of 14.23cts, VVS2, Type IIa

Gustav Klimt (1862-1918) *Frauenbildnis (Portrait of Ria Munk III)*

A highly important and exceedingly rare pair of imperial Cloisonné enamel double crane censers, Yongzheng period (1723-1735)

## 2010 MARKET RECAP

Telluride's Market Continues To Show Signs of Recovery

Year-end gross dollar sales in the Telluride region during 2010 performed at 20% above 2009. Sales of \$317.6M paced at 92.5% of 2008 which was the last partial year of sales production not negatively influenced by the current recession. Numbers of transactions increased 18% and the average price per sale remained stable indicating a stabilizing in value across all market categories.

According to statistics compiled by Telluride Consulting, a total of 103 sales transpired in the Town of Telluride representing total gross dollars of \$107.2M. A total of 136 sales occurred in the Town of Mountain Village with gross dollars of \$148.6M. The remainder of San Miguel County experienced 88 sales totaling \$61.9M. The brightest segments of the market occurred with a 67% increase in gross dollar sales of Town of Telluride condominiums, a 55% increase in Mountain Village homes and a 126% increase in the Town of Telluride homes.

There are 15 pending transactions above \$2,000,000, and, when coupled with those already closed above that dollar amount YTD, a total of 60 sales / contracts in 2010 is a very healthy increase over only 13 such sales in 2009.

This data seems to indicate a strong renewed interest in investment in the Telluride lifestyle with its limited, high-quality inventory. As mentioned in prior market updates, the catalyst for stronger sales has been a willingness by some sellers to accept price levels 20% - 30% below the market highs of 2007. Those sellers are not necessarily in "must sell"

situations, but are often times seeking liquidity for alternative investments. Investors are gravitating to discounted "Grade A" properties, and seem to be avoiding the limited number of problematic foreclosure and short sale scenarios in the region.

With the gross dollar sales increasing, it is likely that a "bottom" has been reached and sellers will over time resist these deeper discounts and the market will respond with gentle appreciation. Those sellers who

have held firm with price structure must remain patient, but oddly have contributed to "setting the bottom" and will influence the rise in future values. Premium properties at significantly higher pricing will likely lead the market into a slow, but steady appreciation cycle. With 14 homes and condominiums transacted YTD at an average price of \$5,250,000 and with an average PSF of \$859, this cycle is likely in motion, given that these sales represent nearly 23% of total sales volume.

Town of Telluride Condominiums		
2009	2010	% Increase
\$26.6M	\$44.4M	67%
Town of Telluride Single-Family Homes		
2009	2010	% Increase
\$20.4M	\$45.4M	126%
Mountain Village Condominiums		
2009	2010	% Increase
\$47M	\$50.3M	7%
Mountain Village Single-Family Homes		
2009	2010	% Increase
\$54.4M	\$84.5M	55%

## TELLURIDE SKI RESORT OPENS TERRAIN PARK TO NIGHT ACCESS

Terrain Park Now Open Thursdays-Sundays, 4-8 PM

Skiers and snowboarders who like to spend their days in the terrain parks will now be able to hit them at night in Telluride's 2 Park. The 2 Park will be open from 4 p.m. to 8 p.m. every Thursday through Sunday for night riding.



Photo: Casey Day / Colorado Ski Photography

Through continued snowmaking and the solid natural snow base, the park is built and ready to go, featuring rails, boxes, jumps and other features. The Village Express (4) will be used to access the area during daytime operational hours and The Park Lift (2) will serve the area at night.

Along with 2 Park, the mountain also has the Misty Maiden Park (intermediate) and Ute Park (beginner) open to skiers and riders. The advanced Hoot Brown Terrain Park will open soon.

To ride the night terrain park, tickets cost \$20 per night or \$79 for a night park season pass. Tickets and passes can be purchased at the Mountain Village ticket office and are on sale now.

For more information on the terrain parks or Telluride Ski Resort, please go to [www.tellurideskiresort.com](http://www.tellurideskiresort.com).

## UNITED/CONTINENTAL MERGER GOOD NEWS FOR REGION

Continental Serves Latin and South American Markets

It seems as if we're always talking about improvements to our regional air service. Expanded runways, new terminals, new service routes and more. It all translates into a better experience for our residents and visitors. But the recently completed merger of United and Continental could mean a whole new playing field for our area.

It's well known that United has been the dominant carrier for Colorado's western slope for years. With service primarily through DIA, the vast majority of our visitors have traveled on United to and from their home cities. In many cases they had little choice. Continental opens up a world of possibilities. Continental's hub system compliments United's almost perfectly. Under-served areas in the south and east will have better access to our area. And the very important Latin and South American markets (where we've seen strong interest in Telluride of late) are well-served by Continental.



Time will of course tell whether the merger delivers more seats into the region. But long time locals remember when Continental served this region ably back in the 1980s (right into TEX itself!). Having the world's largest carrier will undoubtedly create broader access from all parts of the globe to Telluride. With international interest growing here, the timing of this merger couldn't be better.

## UPCOMING EVENT: TELLURIDE AIDS BENEFIT FASHION SHOW

The Signature Event of the Telluride AIDS Benefit Features Local Models and National and Local Designers



The Telluride AIDS Benefit (TAB) is a nonprofit organization whose mission is to fight HIV/AIDS by heightening awareness, as well as generating financial support for educational programs and client care. By initiating outreach programs, workshops and events on a regional and global level, TAB is committed to combating this worldwide pandemic that affects individuals, families, communities and countries.

Over the past 17 years, TAB has donated over \$1,000,000 toward HIV/AIDS education, advocacy and NGOs.

### The 2011 Telluride AIDS Benefit Schedule of Events

Thursday, March 3: Sneak Peek Fashion Show - Telluride Conference Center  
 Friday, March 4 : Opening Reception & Silent Art Auction - Sheridan Opera House  
 Saturday, March 5: Gala Fashion Show - Telluride Conference Center  
 Saturday, March 5: Fashion Show After Party - Sheridan Opera House  
 Monday, March 7: Trunk Show - Sheridan Opera House

To for more information on donation, sponsorship or tickets, please visit [www.aidsbenefit.org](http://www.aidsbenefit.org).

# CALENDAR OF EVENTS

## FEBRUARY

- 17-20 Telluride Comedy Festival
- 20 Telluride Film Festival Presents: "Castle in the Sky," Palm Theater
- 20 "1999: A Tribute to Prince," Llama
- 22 Stockholm Syndrome
- 24-26 Squidshow's Dude & Bro's Epic Adventure
- 25 Leftover Salmon
- 26-3/5 Gay Ski Week
- 27 Telluride Academy Awards

## MARCH

- 3 Telluride Art Walk
- 5 Telluride AIDS Benefit Gala Fashion Show
- 10-13 Telluride Yoga Festival
- 12 Winter Retreat
- 17 Mike Gordon & Band
- 17 Roxbury Latin Glee Club
- 17 Ivan Neville's Dumpstaphunk
- 18 EOTO Feat. Michael Travis & Jason Hann
- 24 Historic Pub Crawl

## APRIL

- 1 KOTO Street Dance
- 3 Ski Resort Closing Day

## NOTABLE LISTING



### SOUND OF MUSIC RANCH

The Sound of Music—the perfect name for one of the West’s most scenic ranches; conveniently located just 13 miles from Telluride and accessed via a year-round maintained county road, these parcels are part of the original 2,384-acre holding now being offered in three parcels; wildlife habitat abounds with a 200-head elk herd roaming the property; subject to a conservation easement in favor of the Rocky Mountain Elk Foundation, the property’s new owner will be forever protected from insensitive development with a limit of 8 strategically placed homesites on the entire property; captivating 270-degree views of Mt. Wilson, San Sophia Ridge, Wilson Peak, El Diente and the Telluride Peaks.



DOWNTOWN TELLURIDE  
232 West Colorado Ave.  
970-728-3111

MOUNTAIN VILLAGE  
567 Mountain Village Blvd.  
970-728-6655

[www.gotelluride.com](http://www.gotelluride.com)

## CHRISTIE’S GREAT ESTATES IS NOW CHRISTIE’S INTERNATIONAL REAL ESTATE

The Change From Christie’s Great Estates Creates Clarity in the Global Market & Strengthens the Ties Between Christie’s Art and Real Estate Businesses

Telluride Real Estate Corp, is proud to share that Christie’s has announced a corporate name change for its exclusive property brand Christie’s International Real Estate, formerly Christie’s Great Estates. The prime and super-prime sectors of the property market—where Christie’s International Real Estate (CIRE) operates exclusively—have a global clientele. The name change will instill in these consumers a more immediate grasp of the company’s mandate and clarify that Christie’s and its real estate arm are one and the same. “As the region’s exclusive Christie’s affiliate for the past 6 years, TREC couldn’t be more excited about this development,” states company President TD Smith.

### EXCLUSIVE AFFILIATE OF CHRISTIE’S INTERNATIONAL REAL ESTATE

Christie’s International Real Estate is the only real estate network wholly owned by a market-leading fine art auction house. The network is uniquely positioned to follow the footprint of its parent company, Christie’s, into the growing markets of the Middle East, Russia, and China, as well as established economies across the world, most notably North and South America and Europe. The new name further underscores that the values that distinguish Christie’s—commitment, expertise, integrity,

discretion, and five-star customer service—are likewise embedded in the company’s luxury residential property specialists.

COO of Christie’s and Chairman of CIRE Lisa King comments: “this change of name confirms Christie’s continued commitment to extend its real estate reach by creating a closer alignment between our art and real estate businesses. The new name best positions our valued and highly qualified network of affiliates to capitalize on our global market presence and the opportunities presented by our high-quality client base.” This sweeping change comes on the heels of Christies’ record setting \$5.0 billion in art sales for 2010.

## 30-YEAR PLAN FOR MOUNTAIN VILLAGE

### MV Comprehensive Plan Presented to Town Council

Before a standing-room-only house at the Mountain Village Town Hall on December 28th, the advisory Comprehensive Plan Task Force voted 8-0 to move the plan along to the Mountain Village Town Council for its consideration for adoption as a formal advisory document.

The plan, which has been in the drafting process for over two years now, recognizes that the Mountain Village needs a more vibrant economy and better sense of community for both visitors and year-round residents. In doing so, the plan proposes defining the various levels of active and passive open space, and rezoning land in different subareas of the Mountain Village which would allow for potential development of hotels, single-family homes, retail space, affordable local housing and community amenities, such as a medical facility, a new children’s ski school, a recreation center, an expanded conference center, an enhanced parking structure, enhanced plaza areas and pedestrian spaces.

Moving forward, Mountain Village has scheduled eight meetings in February and March to allow

council and the public to discuss the plan with staff. Though December’s meeting was very well received by the public in attendance, many residents expressed concern over certain ideas. These meetings will offer a chance for more dialogue with officials before the plan is adopted, which council hopes to be sometime in either March or April. To learn more about the Comprehensive Plan, contact a TREC agent or visit the Mountain Village’s website for more info: <http://www.mountain-village.co.us/>.

