

TELLURIDE REPORT

Early Summer 2010

Exclusive Affiliate of
CHRISTIE'S
GREAT ESTATES



NEW RECORD FOR ANY WORK OF ART SOLD AT AUCTION ESTABLISHED AT CHRISTIE'S NEW YORK

The Brody Picasso Breaks All Records, Selling for US \$106.5 million

Art market history was made at Christie's on May 4th, 2010, when Pablo Picasso's *Nude, Green Leaves, and Bust* sold for US \$106,482,500 setting a new world record for any work of art sold at auction.

Silence fell over the packed saleroom in nine minutes of bidding that involved eight clients.

Nude, Green Leaves, and Bust was the star lot of the Collection of Mrs. Sidney Brody, a stellar assemblage of Modern Art purchased primarily in the 1940's and 50's, and kept in the family home since. Mrs. Brody, who died in November, was the wife of Sidney F. Brody, a Los Angeles real estate developer who died in 1983.



The Evening Sale portion of the Brody Collection became the highest total for a single-owner sale offered at Christie's New York. The runaway success of *Nude, Green Leaves, and Bust* pushed the Impressionist and Modern Art Evening Sale total to US \$335,548,000.

A WONDERLAND OF SUMMER FESTIVALS

Each summer as the thermometer climbs into the 70s and 80s, Telluride embarks upon a summer season that is traditionally chock full of festivals, and this summer will be no exception. Summer festivals run the gamut from the earthy Mountain Film Festival which kicks off the summer season on Memorial Day weekend, to the rockin' Blues and Brews Festival occurring each year in mid-September.

Though many plan vacations around attending a specific festival, it's a great idea to check out whatever festival happens to be occurring during your visit. Several of the festivals have family areas and activities that are just for kids, making them fun for everyone. Whether you enjoy music, exercise, science, fine wine and food, or local history, there is a festival that is sure to please you!

Here is a list of this season's festival schedule, as well as each festival's website address where you can find more information:

May 28-31	Mountain Film Festival www.mountainfilm.org	June 12-13	Telluride Heritage Festival
June 4-6	Telluride Hot Air Balloon Rally www.tellurideballoonfestival.com	June 17-20	Telluride Bluegrass Festival www.bluegrass.com/telluride/
June 7-12	Wild West Festival www.sheridanoperahouse.com/wild-west-fest	June 24-27	Telluride Wine Festival www.telluridewinefestival.com
		June 23-July 3	Telluride Music Festival www.telluridemusicfest.com
		June 29-July 4	Telluride Plein Air Artists' Week www.telluridepleinair.org
		July 5-13	Telluride Playwrights' Festival www.sparkyproductions.org
		July 8-11	Telluride Yoga Festival www.tellurideyogafestival.com
		July 22-24	Telluride Americana Music Weekend www.tellurideamericana.com
		July 30-August 1	Telluride Tech Festival www.techfestival.org
		August 6-8	Telluride Jazz Festival www.telluridejazz.org
		August 9-10	Phish Concert www.phish.com/misc/telluride
		August 12-21	Chamber Music Festival www.telluridechambermusic.org
		August 13-15	Telluride Festival of the Arts www.telluridefest.com
		August 26-29	Telluride Mushroom Festival www.tellurideinstitute.org
		September 3-6	Telluride Film Festival www.telluridefilmfestival.org
		September 17-19	Blues & Brews Festival www.tellurideblues.com
		September 20-26	Telluride Photo Festival www.telluridephotofestival.com

CHRISTIE'S



The 76-passenger Bombardier Q-400

PHASE THREE FOR THE TELLURIDE AIRPORT

New Safety Rating, Larger Planes, More Passengers

On Friday, May 7th, the Telluride Regional Airport received confirmation from US Congressman John Salazar's office that it has been approved for an additional \$3.4 million in federal funding in order to complete the third step of a massive multi-phase runway and safety overhaul that began over two years ago. News of the additional funding is met with great enthusiasm, as it fills the gap between the \$17 million already granted to the airport for the third phase in its safety overhaul and the \$20.4 million actual price tag.

Last year, the airport was closed from April through November as crews completed phase 2 of the project—a \$23 million dollar runway renovation that extended the runway and backfilled the notorious dip in its center. This year's third phase of the project is expected to have the airport closed for just one month,

approximately, as crews will be further upgrading the safety areas and installing EMAS, which is the crushed safety material placed at each end of the runway to prevent aircraft overruns while minimizing damage to the aircraft and injuries to passengers. Ultimately, the upgrades will allow Telluride Regional Airport to qualify for a higher safety category, moving from a

B-III to a D-III rating, which will allow Telluride to accommodate larger aircraft.

Although prior to upgrading our rating the FAA will still have to develop new approaches that will allow aircraft to land during bad weather using only their instruments, Airport Manager Rich Nuttall is hopeful that the process will take less than a year and a half. Locals are looking forward to the possibility of increased tourism as a result of the new safety rating, as Telluride will be able to welcome larger planes, such as the commercial Bombardier Q400 that seats up to 76 passengers.

This has been a huge accomplishment for our local airport, as it will vastly improve not only the safety of flying into Telluride, but the numbers of passengers who are able to conveniently fly directly into the valley. The project has been ahead of schedule in both of its phases thus far, and everyone is optimistically looking forward to the completion of this locally monumental undertaking.

MARKET UPDATE

by Buzz Fedorka, TREC Director

Hello from Telluride!

Today, we received San Miguel County real estate data from our source at Telluride Consulting. In April 2010, sales in the county were up by 350% in dollar volume and 23% in count of sales compared with April 2009. Year-to-date dollar volume has increased by 114% and count of sales by 45% compared with the same time period in 2009. March was also a very positive month, with sales up by 120% in dollar volume and by 39% in count compared with the same month in 2009.

The most active category was Mountain Village homes. In 2008, only 10 homes were sold, in 2009 that doubled, with 20 homes selling, and in 2010 it is remarkable that ten homes have sold thus far with another five homes contracted. This is an interesting contrast to the first quarter of home sales in 2009 which were virtually zero. Many motivated buyers have obviously moved to acquire homes at the newly downward-adjusted prices. We are seeing that dollar volume and sales counts for the last quarter of 2009 and first quarter of 2010 are up significantly. April shows that we are off to an excellent start for the second quarter of 2010. There is also a substantial inventory of Mountain Village condos slated to close in the upcoming months.

In the historic Town of Telluride, there are \$53 million worth of pre-sold Element 52 condominiums that will begin closing in June as the buildings are completed. The balance of these condos will close in July and August.

SAVE ON SUMMER FLIGHTS TO TELLURIDE-MONTROSE REGIONAL AIRPORT!

Save this summer on non-stop and connecting flights into Telluride-Montrose Regional Airport on American Airlines, Continental, or Delta! Special offers are available through August 31st (or as long as supplies last).

Choose from two money-saving options:

1) Fly FREE this summer when you purchase three or more airline tickets and book a four-night stay with Telluride Central Reservations. Perfect for families seeking a unique mountain vacation or for groups of friends heading out to one of Telluride's many weekend festivals or events.

2) New VALUE DAYS Offer: Receive \$50 OFF each air ticket when you stay at a participating property for a minimum of two nights. For couples and individual travelers who want the convenience of flying to Telluride, this newly added promotion saves \$50 on each airfare purchased with no minimum quantity. Participating Lodging Properties include:

- Capella - The newest hotel in Mountain Village
- Franz Klammer Lodge - Get your fourth night FREE with a three-night stay or get two nights FREE with a five-night stay
- Hotel Columbia - Complimentary deluxe continental breakfast and free wireless/internet
- Hotel Telluride - All inclusive with breakfast and get your fourth night FREE with a three-night stay
- Inn at Lost Creek - Boutique-style luxury
- Lumiere - Save on one-bedroom or larger units. Complimentary European breakfast, welcome amenity with wine and cheese and VIP treatment
- Mountain Lodge - Save on two-bedroom or larger units
- Telluride Alpine Lodging - Get your fourth night FREE with a three-night stay
- Telluride Resort Lodging - Great selection of vacation rentals
- The Peaks Resort - Fifteen percent off of your lodging
- The Victorian Inn - Get your fourth night FREE with a three-night stay

These offers are not available for on-line bookings! To take advantage of the special offers mentioned above, contact a Telluride Central Reservations Agent at 888.605.2578.



IT'S A CAMPER'S WORLD

The Telluride Academy: A Kid's Summertime Dream!

Kids are brave. They want to seize these mountains. They want to summit that rocky peak, raft that chilly river, pick up that weird bug, learn to roll a kayak, rappel from those rocks, ride a bike from Telluride to Norwood with an overnight campout (Really? Biking for two days and sleeping on the ground?). The prospect of some of these activities may make the color drain from their parents' faces, yet most kids want to try it all with fearless fervor.

Every summer, hundreds of kids are thrilled to participate in the Telluride Academy, which is perhaps one of the most diverse and exciting kids' camp programs in the country. With over 100 different adventures to choose from (some even international!) it's no wonder that families eagerly anticipate time with the Academy as a favorite component of their summer break.

Originally founded in 1981 in local Wendy Brooks' back yard, the Telluride Academy has grown by leaps and bounds in its twenty years, and now provides learning experiences and adventures to over 800 children and teens each summer and fall. The various activities are designed not only to challenge the campers mentally and physically, but also to give them a strong sense of personal responsibility for themselves, their peers, and the world around them.

While the available camp programs vary widely and may differ from year to year, the Academy's local day camp programs are generally two weeks in length, and convene Monday-Friday in the classrooms of the Telluride High School for a daily briefing before heading out for their day's adventure. Regional overnight trips (where applicable) usually occur on Wednesday nights, and oftentimes include parents, especially where the younger-aged campers are concerned.



Camp and activity groups are usually determined by age, ability level, and sometimes gender. Each camp program is comprised of 12 campers, two counselors, and a 15-person passenger van, which is given to each group so that they are able to explore the region and access the designated adventures. Unlike many other day camps, Telluride Academy's camp counselors are hand-chosen each summer from a large pool of applicants, are 27 years of age on average, and are trained to make safety the top priority in all activities. In fact, most of the counselors enjoy the camp so much that they return for multiple summers.

Most notable are the activities available to Telluride Academy's campers—which far exceed the activities offered by typical day camps. Though activities are limited by the campers' ages, some truly awesome adventures are available. This year's line-up includes camps such as "Bike, Boat, Belay", "Mad Scientists", "Girls' Only Aloha Hawaii", "Teton Glaciers", mountain biking, kayaking, soccer, "Way of the Wolf", "Weekend Warriors" (held on the weekends), "My First Camp", "Flower Fairies", "Survival Skills", Parent and Son Archery Weekend, a Family Campout, "Llama Trekking", SAT Preparation, and even a trip to Panama...just to name a few.

To view the available programs and their dates or to enroll your child, visit www.tellurideacademy.com. Information on individual program activities, age ranges, necessary equipment, and costs are all available on the Academy website. Enrollment is on a first-come, first-served basis, so it is wise to enroll now, even for camps in the late summer and fall.

SUMMER CAMP

MAY

27
28-31

Gondola re-opens
Mountain Film Festival

JUNE

4-6
7-12
12-13
17-20
24-27
23-July 3
29-July 4

Telluride Hot Air Balloon Rally
Wild West Festival
Telluride Heritage Festival
Telluride Bluegrass Festival
Telluride Wine Festival
Telluride Musicfest
Telluride Plein Air Artists' Week

JULY

3
4
5-13
8-11
9-10
12-19
22-24
23
23-25
30
30-August 1

Red, White, and Blues Free Concert in MV
Telluride 4th of July Celebration, Firemen's BBQ / Fireworks in Town Park
Telluride Playwrights' Festival
Telluride Yoga Festival
Hardrock 100 Run
San Miguel Basin Fair & Rodeo (Norwood)
Telluride Americana Music Weekend
Annual Ah Haa Art Auction
Rotary 4x4 Rally
Music on Main Street
Telluride Tech Festival

AUGUST

6
6-8
9-10
12-21
13-15
20-22
26-29

Annual KOTO Duck Race
Telluride Jazz Festival
Phish Concert
Telluride Chamber Music Festival
Telluride Festival of the Arts
Full Tilt Bicycle Races
Telluride Mushroom Festival

SEPTEMBER

3-6
17-19

Telluride Film Festival
Telluride Blues & Brews Festival