

Summer Sales Soar in the Telluride Region

The regional real estate market accomplished quite a bit in a few short months, making the summer market extremely successful and adding to an already thriving year. Transactions on all fronts and in all categories were strong as figures from May through mid-August soared.

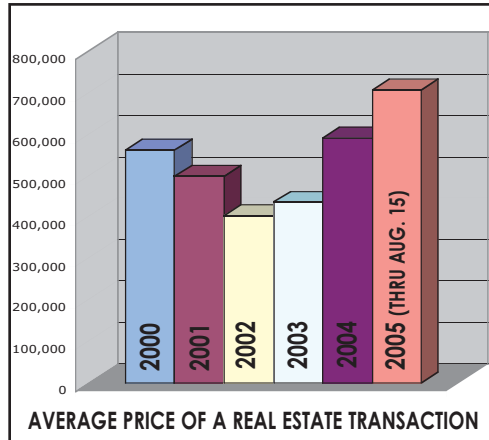
The total dollar volume for the three-and-a-half month period (May 1 thru August 15) was \$169 million, and has already surpassed last year's figure of \$158 million for the entire summer (May 1 thru August 31).

The average dollar value for property in the region has increased when comparing the summer months of 2005 to the summer months of 2004. Last year's average through the end of August was \$592,000 and this year's average through mid-August was \$707,000, a 19% increase.

August 2005 started out as a strong month, boasting \$35 million in total dollar volume and 42 transactions in just the first fifteen days of the month, compared to the entire month of August 2004 which had \$40 million in total dollar volume distributed over 84 transactions. In turn, the average dollar value for property increased to \$836,000 in August 2005 from \$477,000 in August 2004, a 75% increase.

SINGLE FAMILY RESIDENTIAL

With regard to particular property types, single-family residential homes was the strongest market category this summer, bringing in \$78 million in sales distributed over 76 transactions. While this total dollar volume is close to the \$77 million from last summer (discounting that 2005 figures are currently only tallied through mid-August), there was a total of 94 single-family residential sales in 2004. This translates to an increase in average property value from \$819,000 to \$1 million, a 22% increase.



Specifically in 2005, June boasted \$22 million in single-family residential sales, compared to \$17 million the previous year, with two sales over \$5 million. These two large sales were Mountain Village homes, one for \$6.4 million and one for \$5.3 million. In addition, there were two Mountain Village homes sold for \$2.4 million and \$2.1 million, as well as a Ski Ranch home for \$1.2 million. July was equally as impressive with \$26 million in single-family residential sales, compared to \$24 million the previous year, with the most expensive sale being a Mountain Village home for \$3.4 million, followed by an Aldasoro Ranch home for \$2.9 million.

CONDOMINIUMS

Condominiums sales were also high this summer with \$48 million in total dollar volume and 57 total transactions. During the 2004 summer, condo sales brought in \$36 million and 62 transactions, meaning that average condominium price has risen dramatically in one year from \$580,000 to \$842,000, a 45% increase. With 2004 deemed the "Year of the Condo," this is quite an outstanding jump in value and quite a tribute to the 2005 condo market.

When looking at monthly breakdowns,

May 2005 and July 2005 both brought in \$13 million in sales with 14 and 17 total transactions, respectively. In May, five of these transactions were over \$1 million with the largest sales being two Mountain Village townhomes for \$1.9 million and \$1.8 million apiece. In July, six condominium sales were for over \$1 million, the largest of which was a sale in Mountain Village for \$2.1 million.

LAND

As for land sales, they, too, presented an overall increase in average value from last summer to this summer, with \$486,000 as the average price for this year, compared to \$444,000 from last year, a 10% increase. The highest transaction was a residential parcel in Mountain Village, which sold for \$6.9 million in May. The second highest land sale was a \$2.6 million parcel that sold on Deep Creek Mesa.

YEAR-TO-YEAR COMPARISON

In addition to 2005 being a very profitable summer in comparison to 2004, the months from May through mid-August were also vastly ahead of the same months during 2001, 2002 and 2003. The \$169 million total for 2005 (only through mid-August) is a dramatic increase from the \$97 million from 2003, the \$97 million from 2002 and the \$95 million from 2001. The year 2000, which for many years was precedent-setting and record-setting as far as the regional real estate market was concerned, brought in \$191 million during its summer, yet that amount was distributed over 340 sales (compared to the 2005 ratio of \$169 million to 239 total transactions). This translates to an average property value of \$562,000 in 2000, compared to the \$707,000 of 2005, meaning that in the past six summers, property values have witnessed an overall increase of 26%.