

TREC WELL REPRESENTED AT CHRISTIE'S GLOBAL ANNUAL CONFERENCE

Affiliates From Around the World Gather in Miami, Florida

Each year, Christie's International Real Estate hosts a global conference, a highly successful work meeting that sets the stage for objectives in the year ahead. TREC took part in the Christie's Global Annual Conference this winter in Miami, Florida; our President and Marketing Director attended this year's multi-day event, a large gathering that brought in affiliate representatives from more than 25 countries world-wide. A keynote speech by new CEO Bonnie Stone Sellers, which kicked off the conference, presented a statistically rich picture of our affiliates and agents, and the locations, properties and transactions that make up the Christie's global network. Following this, 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 continue to harness the power of the internet as a useful selling tool.

During this conference, CIRE also released a new research document called "Luxury Defined: An Insight Into The Luxury Real Estate Market," which offers facts and figures on some of the most important cities in the world of real estate, and develops the Christie's International Real Estate Index to measure the relative "luxury" ranking of the cities studied. In this whitepaper, Telluride is represented within the "jewel box" segment of the luxury real estate market.

Contact your TREC broker for a copy of "Luxury Defined" and a full report of the latest updates and initiatives from this highly-effective conference.

MARKET UPDATE: YEAR-END AND A "DECEMBER TO REMEMBER"

Relative to 2011, Dollar Volume in 2012 For the Entire San Miguel County Increased 47%

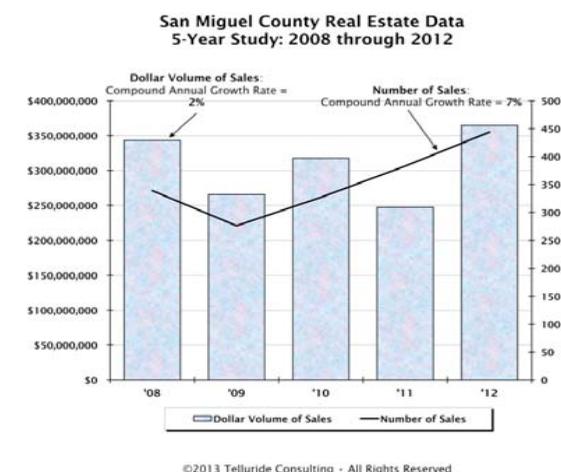
The Telluride marketplace recorded over \$76 million in closed sales for December, the largest month since July 2007 (\$90 million). Relative to 2011, dollar volume for San Miguel County increased 47%, with Mountain Village experiencing a 69% increase and the Town of Telluride 27%.

In the recent past, 2010 experienced an annual increase in sales that year over 2009 of nearly 20%. However, 2012 eclipsed 2010 gross dollar volume by nearly 15%. Investor attitudes have shifted to resort real estate as a safe haven for capital in a market that has "bottomed out." Telluride, with its limited supply of inventory, continues to provide some future assurance against deflation and offers an intangible quality of life in an uncrowded resort environment.

There is compelling evidence that certain segments of the market are beginning to witness signs of inflation. Sales above \$2M

in the Historic Town of Telluride (15 of 34 in 2012) averaged \$1,052 per sq. ft. vs. 10 of 29 sales in 2011 at \$785 per sq. ft.

Sales above \$2M in the Mountain Village (11 of 22 in 2012) averaged \$619 per sq. ft. vs. 5 of 9 sales in 2011 at \$535 per sq. ft. Most notably, 5 above \$4.65M, 3 of which were between \$9.5M and \$12.5M.



Summary

The Telluride real estate marketplace not only demonstrated resiliency, but dramatic improvement in the face of an election year and a fiscal cliff. Vast improvement of gross dollar sales throughout the region and strong hints of increasing values bodes well for 2013, especially when one considers that \$73.3M are currently under contract, most of which should close within the first quarter.



TELLURIDE SKI RESORT INSTALLS NEW "POWDER CAM" IN PROSPECT BOWL

Still Photo is Updated Every Five Minutes; View In Timelapse To Watch The Snow Accumulate



The Telluride Ski Resort introduced Telluride's new Prospect Snow Cam in February 2013. The Prospect Snow Cam shows how much fresh, untracked powder you will ski in Prospect Bowl. The shelf is cleared of snow when the lifts stop at 4pm each day, so check back in the morning to see if that day is a powder day! Visit tellurideskiresort.com/prospectsnowcam to view the snow cam, along with other on-mountain live cameras.

Update Schedule: Every 5 minutes
Altitude: 10,940 feet
Orientation: Southwest

VIDERGIZE OPENS A NEW FILMING STUDIO FOR FITNESS AND WELLNESS VIDEOS

Vidergize, Inc., a New Global Video Streaming Platform for Fitness and Wellness Has Opened a Filming Studio in Mountain Village

Vidergize was conceived by Len Metheny, a resident of Telluride, who wanted to create a unique and improved approach to streaming fitness and wellness education through the Internet. Unlike most fitness sites that have a limited range of fitness instruction, or that charge expensive monthly access fees, Vidergize will allow video programs and content from certified and accredited fitness and health professionals to be uploaded and made available to the public on a pay-per-view model for \$.99. The video contributors receive a royalty for each view of their video.

"We are excited about the early feedback we are getting from the fitness and wellness community. Personal trainers, coaches, fitness class instructors, nutritionist and even spiritual healers are enthusiastic about the possibility of video recording their programs to post in Vidergize and share with people around the world," said Metheny. He continues, "Vidergize is being designed as a platform to bridge the wealth

of qualified professionals with those people seeking affordable access to quality fitness and wellness instruction."



"This is such an exciting opportunity for me," said Alyssa Saunders a yoga instructor and personal trainer working out of Telluride. "To think that I can film my classes and workout programs and make them available to people around the globe while making money each time they are viewed is a huge opportunity for me."

Telluride was selected to host Vidergize's first filming studio because of the quality and quantity of fitness and wellness talent that live in the small mountain town. People from around the world seek the professional trainers and coaches that reside here, and now people will be able to access them via the Internet any time they want.

For more information about the Vidergize Telluride Studio, visit: www.vidergize.com/telluride

FEBRUARY

23-3/3 Telluride Gay Ski Week
26-27 Leftover Salmon
27-28 TEDx Telluride Live

MARCH

1-3 Land Rover Drive Event
2 Telluride AIDS Benefit
Gala Fashion Show
2-3 Grant Farm Live in Concert
3 Rock Photographer Bob Gruen/Apres-Ski Book-Signing
4 Telluride AIDS Benefit Trunk Show
4-8 SMRC's Phenomenal Women's Week
8 TASP: Going Cowboy at the Opera
Yo Mama's Big Fat Booty Band
14 Vagabond Opera and the Dirty Bourbon River Show
Land Rover Drive Event
15-17 This Must Be the Band, an 80s Centennial Celebration Party
16
17 Saint Patrick's Day Party with Joint Point
23 New Belgium Scavenger Hunt
24 The Dunwells
27 MarchFourth Marching Band
28-29 The Cave Singers
29-30 Burlesque, a Telluride Theater Fundraiser
30-31 Toubab Krewe Live

APRIL

5 KOTO Street Dance
7 Last Day of Ski Season
7 Gondola Closes

CALENDAR OF EVENTS

NEW LISTINGS



741 MOUNTAIN VILLAGE BLVD.

This 6-bedroom, 8.5-bath, 8,861 square-foot residence designed by Charles Cunniffe tastefully adapts the vernacular of European ski lodges to a more refined Colorado mountain style. OFFERED AT: \$8,750,000



GRANDE DAME OF GALENA

The setting says it all - end of the road privacy, over 155 feet of stream frontage along Cornet Creek, seven and a half lots in a lush wooded setting only three blocks from town services and amenities. OFFERED AT: \$7,000,000

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TELLURIDE REPORTS RECORD SALES TAX NUMBERS FOR 2012

Tax Revenue Was Up 3% in 2012 Over 2011, Which Was Also a Record Year

Bolstered by a packed summer festival and event schedule, including several new events in 2012, the Town of Telluride reported record sales tax revenues of \$4.49 million, a 3% increase over 2011's numbers, which also represented a record year. Town officials attribute the success to several sources, including several new summer events, increased awareness of Telluride's brand, Telluride's high ranking in readers' polls and ski magazines, and increased marketing efforts from the local tourism board and various lodging companies.

BLUEGRASS TICKETS ALREADY SOLD OUT

This Year's Four-Day Passes Sold Out In Less Than Four Hours

This year's lineup includes Mumford & Sons, The Sam Bush Band, Jackson Browne, Emmylou Harris & Rodney Crowell, Yonder Mountain String Band, Feist, Hot Rize, Leftover Salmon, Tim O'Brien, Richard Thompson, The Jerry Douglas Band, Peter Rowen, Trampled By Turtles and many, many more. Thursday and Sunday tickets are still available.

RECENT SALES



PA GOMO: \$13,200,000
Listed and Sold by TREC



EAGLE'S REST: \$12,300,000
Listed by TREC



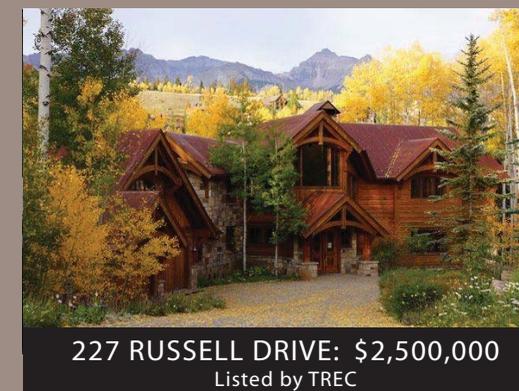
TWO TRAILS LODGE: \$9,500,000
Listed and Sold by TREC



HUGHES HOMESTEAD: \$4,900,000
Listed by TREC



230 SOUTH FIR STREET: \$4,700,000
Listed and Sold by TREC



227 RUSSELL DRIVE: \$2,500,000
Listed by TREC