

News Release

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Cornerstone Colorado Opens Exclusive Mountain Club in Telluride

MONTROSE, Colo.—Nov. 16, 2006— CORNERSTONE Colorado, a 6,000-acre residential community and private resort club located in southwestern Colorado, announced the opening of the exclusive Mountain Club in the Town of Mountain Village. Perched high above historic Telluride, the new club is at the forefront of a recent trend in upscale private clubs providing members with off-site amenities. Cornerstone has opened the Mountain Club as a private haven for members featuring a wide array of five-star amenities and light fare with a gourmet zest.

With its prime location just steps from the gondola in Mountain Village, the Mountain Club provides the ultimate in convenience and luxury for Cornerstone Club members. Located 45 miles from Cornerstone's homesteads, the Mountain Club extends Cornerstone's signature *Pioneer Hospitality* to the slopes of Telluride. Members will enjoy the year-round convenience of the club's amenities, including a full bar, a comfortable lounge and locker room located at the bottom of Telluride's famed ski runs.

"Many Cornerstone families love the slopes at Telluride because they are so breathtaking and also because it is rarely crowded," said Jim Mikula, general manager of Cornerstone Colorado. "And, we'll be ready with chocolate steaming and our fireplace glowing when our members want to take a ski break." Mikula added, "The Cornerstone concierge will take care of equipment rentals, mountain guides, restaurant or other reservations and more; the goal of our *Pioneer Hospitality* is to make life easy for our members!"

The Mountain Club is the first to open of several Club facilities planned for Cornerstone. The Greg Norman-designed championship golf course is planned to open in summer 2007, with the Golf Clubhouse slated to follow in 2008. Membership to Cornerstone Club is limited to Cornerstone land owners and is offered (by invitation only) for purchase independently from a Cornerstone Homestead.

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Cornerstone Colorado is a 6,000-acre residential community and private resort club located 18 miles southwest of Montrose, Colo. and 45 miles from Telluride. It features a Greg Norman-designed championship golf course planned to open in 2007. In addition to the golf course, family-oriented, resort-style amenities including two clubhouses, a swimming pool, stables, the Camp Cornerstone activities program and concierge services. Cornerstone Homesteads range from ¼ acre to a 200-acre ranch among more than 3,000 acres of open space. Home of Pioneer Hospitality, Cornerstone provides luxury service in the inimitable Colorado style.

Obtain the Property Report required by Federal Law and read it before signing anything. No Federal agency has judged the merits or value, if any, of this property. Information described herein on Cornerstone Club amenities and the Cornerstone community is based on current development plans and subject to change without notice. Access to Cornerstone Club amenities requires membership, which is offered by invitation only and for purchase independently from a Cornerstone Homestead.