



MORTGAGE & FINANCING TIPS

Mountain-Market Lending, Jumbo Loans & Financing Strategies for Telluride

Mountain Rose Realty | Anne-Britt Østlund | Telluride, Colorado

Financing in a Luxury Mountain Market

Financing a luxury property in Telluride requires a fundamentally different approach than a conventional home purchase. With median home prices regularly exceeding \$2 million and many properties in the \$5M–\$20M+ range, most buyers will encounter jumbo loan territory, second-home financing requirements, or the complexities of resort-market underwriting. Understanding your options before you begin your search puts you in a position of strength.

Anne-Britt's Insight

Whether you are paying cash or financing, I always recommend having your financial documentation organized before we begin touring. In a competitive market, the ability to move quickly — with proof of funds or a pre-approval letter in hand — can be the difference between securing your dream property and watching it go to another buyer.

Loan Types at a Glance

Loan Type	Best For	Key Characteristics
Conventional Jumbo	Primary or second homes >\$806,500	Competitive rates, strict underwriting, 20%+ down typical
Portfolio Loan	Complex financial profiles	Held by lender, more flexibility, relationship-based
Asset Depletion	High-net-worth, asset-rich buyers	Qualifies on assets vs. income, ideal for retirees
Cash-Out Refinance	Leveraging existing equity	Access equity from other properties to fund purchase
Bridge Loan	Buying before selling	Short-term financing, higher rates, useful in fast markets
All-Cash	Maximum negotiating power	No financing contingency, fastest close, preferred by sellers



Luxury mountain living – the Telluride lifestyle awaits

Second Home vs. Investment Property

How you intend to use the property significantly affects your financing options and requirements. Lenders treat second homes and investment properties differently, and misclassifying a property can have serious consequences.

Factor	Second Home	Investment Property
Down Payment	10–20% typical	20–30% typical
Interest Rate	Slightly above primary	0.5–1% above second home
Rental Income	Cannot be primary income	Can be used to qualify
Occupancy Requirement	Must occupy part of year	No occupancy required
HOA Rental Rules	May restrict rentals	Rental-friendly HOAs preferred

The Condotel & Non-Warrantable Condo Challenge

Many of Telluride's most desirable properties — including units at the Peaks Resort, Hotel Madeline (Auberge), and similar resort-managed buildings — are classified as condotels. These properties are not eligible for conventional Fannie Mae/Freddie Mac financing, which means buyers must use portfolio lenders or pay cash.

A condo is considered non-warrantable (and thus ineligible for conventional financing) if: more than 35% of units are investor-owned, the HOA is involved in litigation, a single entity owns more than 10% of units, or the building has commercial uses exceeding 35% of total space. Always confirm the financing eligibility of a specific property before making an offer.

Preparing Your Financial Documentation

- Two years of federal tax returns (personal and business if applicable)
- Two months of bank and investment account statements
- Documentation of all assets (brokerage, retirement, real estate equity)
- Proof of any rental income from existing properties
- Current mortgage statements for all existing properties
- Letter of explanation for any large deposits or unusual transactions
- For asset depletion loans: complete asset inventory with valuations
- Pre-approval letter from a lender experienced in resort-market jumbo lending

Anne-Britt's Insight

I maintain relationships with several lenders who specialize in the Telluride market and understand its unique characteristics — condotels, second-home classifications, and jumbo underwriting. I am happy to make introductions. The right lender can make a significant difference in both your rate and your ability to close.

Questions About Financing Your Telluride Property?

(970) 759-4886 | ab@mountainroserealty.co | mountainroserealty.co | [@themountainrose](https://www.instagram.com/themountainrose)



Anne-Britt Østlund

Founder, Mountain Rose Realty | Telluride, Colorado

As a Realtor® and founder of Mountain Rose Realty, Anne-Britt represents Southwest Colorado's finest properties. With more than 23 years of full-time experience in the Telluride market and a commitment to donating 1% of net income to local nonprofits, she is your trusted Lifestyle By Design advisor. Boutique, independent, and unapologetically personal — Mountain Rose Realty is built on the belief that every client deserves a fully white-glove experience. Unique, like you!

(970) 759-4886 | ab@mountainroserealty.co | mountainroserealty.co | [@themountainrose](https://www.instagram.com/themountainrose)

© 2026 Mountain Rose Realty. All rights reserved. This guide is provided for informational purposes only and does not constitute legal or financial advice.

CO RE Broker #100040552.