

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K
ANNUAL REPORT

Pursuant to Section 15(d) of the
Securities Exchange Act of 1934

For the Fiscal Year Ended December 31, 1998

VAIL RESORTS 401(k) RETIREMENT PLAN

Commission File No. 001-09614

Vail Resorts, Inc.
P.O. Box 7
Vail, CO 81658

(Name of issuer of securities held pursuant to the plan and address of its
principal executive office)

VAIL RESORTS

401(k) RETIREMENT PLAN

INDEX TO THE FINANCIAL STATEMENTS AND SCHEDULES

DECEMBER 31, 1998 AND 1997

	Page (s)

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS	1
FINANCIAL STATEMENTS:	
Statement of Net Assets Available for Plan Benefits with Fund Information as of December 31, 1998	2
Statement of Net Assets Available for Plan Benefits with Fund Information as of December 31, 1997	3
Statement of Changes in Net Assets Available for Plan Benefits with Fund Information for the Year Ended December 31, 1998	4-5
NOTES TO FINANCIAL STATEMENTS AND SCHEDULES	6-13
SCHEDULES SUPPORTING FINANCIAL STATEMENTS:	
Schedule I: Item 27a - Schedule of Assets Held for Investment Purposes as of December 31, 1998	14-15
Schedule II: Item 27d - Schedule of Reportable Transactions for the Year Ended December 31, 1998	16-17

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Participants and the Administrative
Committee of the Vail Resorts
401(k) Retirement Plan:

We have audited the accompanying statements of net assets available for plan benefits of the VAIL RESORTS 401(k) RETIREMENT PLAN (the "Plan") as of December 31, 1998 and 1997, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 1998. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 1998 and 1997, and the changes in net assets available for plan benefits for the year ended December 31, 1998, in conformity with generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes and reportable transactions are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The Fund Information in the statements of net assets available for plan benefits and the statement of changes in net assets available for plan benefits is presented for purposes of additional analysis rather than to present the net assets available for plan benefits and changes in net assets available for plan benefits of each fund. The supplemental schedules and Fund Information have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Denver, Colorado,
June 28, 1999.

VAIL RESORTS

401(k) RETIREMENT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS WITH FUND INFORMATION

AS OF DECEMBER 31, 1998

	Vanguard 500 Index Fund	Templeton Foreign Fund	Summit High Yield Fund	Putnam New Opportunities Fund	Davis New York Venture Fund	Corus Moderate Strategy	Corus Money Market	Corus Equity Strategy	Corus Conservative Strategy
INVESTMENTS, at fair value:									
Mutual funds	\$4,206,856	\$747,383	\$273,502	\$3,929,824	\$2,267,207	\$1,144,194	\$5,044,612	\$4,426,469	\$562,387
Employer stock	-	-	-	-	-	-	-	-	-
Participant loans	-	-	-	-	-	-	-	-	-
Total investments	4,206,856	747,383	273,502	3,929,824	2,267,207	1,144,194	5,044,612	4,426,469	562,387
RECEIVABLES:									
Employee receivable	-	-	-	-	-	-	-	-	-
Employer receivable	-	-	-	-	-	-	-	-	-
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$4,206,856	\$747,383	\$273,502	\$3,929,824	\$2,267,207	\$1,144,194	\$5,044,612	\$4,426,469	\$ 562,387

	Corus Balanced Strategy	Corus Aggressive Strategy	Vail Resorts Common Stock	Participant Loans	Other	Total
INVESTMENTS, at fair value:						
Mutual funds	\$5,575,234	\$10,233,654	\$ 48,811	\$ -	\$ -	\$38,460,133
Employer stock	-	-	687,500	-	-	687,500
Participant loans	-	-	-	808,837	-	808,837
Total investments	5,575,234	10,233,654	736,311	808,837	-	39,956,470
RECEIVABLES:						
Employee receivable	-	-	-	-	181,715	181,715
Employer receivable	-	-	-	-	378,653	378,653
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$5,575,234	\$10,233,654	\$736,311	\$808,837	\$560,368	\$40,516,838

The accompanying notes are an integral part of this statement.

VAIL RESORTS 401(k) RETIREMENT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS WITH FUND INFORMATION

AS OF DECEMBER 31, 1997

	Cash	INVESCO	Principal Mutual Life Insurance Company	AIM Family of Funds		The American Funds Group	
		Stable Value Fund	Guaranteed Interest Accounts	Value Fund- Class A	Constellation Fund	Bond Fund of America	Fundamental Investors Fund
CASH	\$396	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENTS, at fair value:							
Common/collective trusts	-	1,300,777	-	-	-	-	-
Mutual funds	-	-	-	1,357,030	3,339,640	492,669	1,430,205
Guaranteed interest accounts	-	-	274,317	-	-	-	-
Participant loans	-	-	-	-	-	-	-
Employer stock	-	-	-	-	-	-	-
Total investments	396	1,300,777	274,317	1,357,030	3,339,640	492,669	1,430,205
RECEIVABLES:							
Matching contributions receivable	-	45,882	-	34,942	110,103	17,706	34,638
Total assets	396	1,346,659	274,317	1,391,972	3,449,743	510,375	1,464,843
LIABILITIES:							
Excess contributions payable	-	(2,086)	(9,231)	-	(1,610)	-	(2,721)
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$396	\$1,344,573	\$265,086	\$1,391,972	\$3,448,133	\$510,375	\$1,462,122

	Putnam Investments	The Franklin Templeton Group			Vail Resorts			Total
	New Opportunities Fund	Foreign Fund	Real Estate Fund	World Fund	Common Stock	Participant Loans	Other	
CASH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 396
INVESTMENTS, at fair value:								
Common/collective trusts	-	-	-	-	-	-	-	1,300,777
Mutual funds	7,174,611	897,112	1,231,374	2,929,036	-	-	-	18,851,677
Guaranteed interest accounts	-	-	-	-	-	-	-	274,317
Participant loans	-	-	-	-	-	356,997	-	356,997
Employer stock	-	-	-	-	827,390	-	-	827,390
Total investments	7,174,611	897,112	1,231,374	2,929,036	827,390	356,997	-	21,611,554
RECEIVABLES:								
Matching contributions receivable	218,034	36,035	45,526	89,059	-	-	152,977	784,902
Total assets	7,392,645	933,147	1,276,900	3,018,095	827,390	356,997	152,977	22,396,456
LIABILITIES:								
Excess contributions payable	(27,584)	(3,493)	(2,052)	-	-	-	-	(48,777)
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$7,365,061	\$929,654	\$1,274,848	\$3,018,095	\$827,390	\$356,997	\$152,977	\$22,347,679

The accompanying notes are an integral part of this statement.

VAIL RESORTS 401(k) RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS WITH FUND
INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 1998

	Vanguard 500 Index Fund	Templeton Foreign Fund	Summit High Yield Fund	Putnam New Opportunities Fund	Davis New York Venture Fund	Corus Moderate Strategy	Corus Money Market
ADDITIONS TO NET ASSETS:							
Contributions-							
Employee	\$ 245,574	\$ 60,230	\$ 19,579	\$ 195,270	\$ 140,892	\$ 60,290	\$ 122,464
Employer	75,493	18,174	5,968	65,295	43,064	22,977	47,762
Loan repayments	16,012	3,342	2,477	16,292	11,734	10,702	10,565
Rollovers and other	29,627	3,434	3,154	13,932	14,335	1,089	14,859
Total contributions	366,706	85,180	31,178	290,789	210,025	95,058	195,650
Investment income-							
Interest and dividends	41,822	81,335	22,325	126,666	53,221	2,475	2,290
Net realized and unrealized gain (loss) on investments	290,496	(138,966)	(51,832)	6,943	21,287	32,875	162,009
Total investment income	332,318	(57,631)	(29,507)	133,609	74,508	35,350	164,299
Total additions	699,024	27,549	1,671	424,398	284,533	130,408	359,949
DEDUCTIONS FROM NET ASSETS:							
Benefits paid to participants	(72,531)	(19,205)	(881)	(27,284)	(12,951)	(72,824)	(693,350)
Administrative expenses and other	(2,897)	(77)	(41)	(168)	-	(137)	(9,490)
Loans issued	(15,494)	-	-	(2,943)	(6,020)	(15,695)	(33,744)
Total deductions	(90,922)	(19,282)	(922)	(30,395)	(18,971)	(88,656)	(736,584)
TRANSFERS:							
Interfund transfers, net	257,464	8,131	10,813	(160,795)	(33,666)	44,159	9,325
Transfers from other trustees, net (See Note 1)	3,341,290	730,985	261,940	3,696,616	2,035,311	1,058,283	5,411,922
Net increase (decrease)	4,206,856	747,383	273,502	3,929,824	2,267,207	1,144,194	5,044,612
NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of the period							
	-	-	-	-	-	-	-
NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of the period							
	\$4,206,856	\$ 747,383	\$273,502	\$3,929,824	\$2,267,207	\$1,144,194	\$5,044,612

	Corus Equity Strategy	Corus Conservative Strategy	Corus Balanced Strategy	Corus Aggressive Strategy
ADDITIONS TO NET ASSETS:				
Contributions-				
Employee	\$ 394,261	\$ 14,809	\$ 300,525	\$ 797,729
Employer	128,682	6,269	109,623	271,455
Loan repayments	29,059	2,174	43,373	41,358
Rollovers and other	47,160	2,318	29,750	69,975
Total contributions	599,162	25,570	483,271	1,180,517
Investment income-				
Interest and dividends	-	-	-	-
Net realized and unrealized gain (loss) on investments	52,079	20,202	60,752	74,616
Total investment income	52,079	20,202	60,752	74,616
Total additions	651,241	45,772	544,023	1,255,133
DEDUCTIONS FROM NET ASSETS:				

Benefits paid to participants	(138,360)	(14,547)	(38,059)	(77,303)
Administrative expenses and other	(455)	(97)	(753)	(1,197)
Loans issued	(42,980)	(10,346)	(31,891)	(44,027)
	-----	-----	-----	-----
Total deductions	(181,795)	(24,990)	(70,703)	(122,527)
TRANSFERS:				
Interfund transfers, net	47,930	202,245	(430,674)	(5,999)
Transfers from other trustees, net (See Note 1)	3,909,093	339,360	5,532,588	9,107,047
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Net increase (decrease)	4,426,469	562,387	5,575,234	10,233,654
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NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of the period	-	-	-	-
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NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of the period	\$4,426,469	\$562,387	\$5,575,234	\$10,233,654
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The accompanying notes are an integral part of this statement.

VAIL RESORTS 401(k) RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS WITH FUND INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 1998

	Cash	INVESCO Stable Value Fund	Principal Mutual Life Insurance Company Guaranteed Interest Accounts	AIM Family of Funds Value Fund- Class A	Constellation Fund	The American Funds Group Bond Fund of America	Fundamental Investors Fund	Putnam Investments New Opportunities Fund
ADDITIONS TO NET ASSETS:								
Contributions-								
Employee	\$ 96,634	\$ 64,992	\$ -	\$ 53,417	\$ 153,436	\$ 23,938	\$ 54,249	\$ 323,742
Employer	-	-	-	-	-	-	-	-
Loan repayments	4,952	3,919	-	3,105	8,914	1,398	3,186	18,969
Rollovers and other	-	4,904	-	3,643	10,029	1,956	3,708	24,087
Total contributions	101,586	73,815	-	60,165	172,379	27,292	61,143	366,798
Investment income-								
Interest and dividends	(217)	31,971	7,208	-	-	19,501	16,827	-
Net realized and unrealized gain (loss) on investments	-	-	-	172,648	302,955	(1,148)	141,748	797,039
Total investment income	(217)	31,971	7,208	172,648	302,955	18,353	158,575	797,039
Total additions	101,369	105,786	7,208	232,813	475,334	45,645	219,718	1,163,837
DEDUCTIONS FROM NET ASSETS:								
Benefits paid to participants	1,325	(82,228)	(21,843)	(137,366)	(192,556)	(53,778)	(29,745)	(296,950)
Administrative expenses and other	-	(1,084)	-	(742)	(2,170)	(372)	(755)	(4,309)
Loans issued	-	(5,880)	-	(6,550)	(12,562)	(200)	(1,337)	(23,297)
Total deductions	1,325	(89,192)	(21,843)	(144,658)	(207,288)	(54,350)	(31,837)	(324,556)
TRANSFERS:								
Interfund transfers, net	(102,911)	52,299	3,639	37,053	(12,100)	62,311	(5,052)	1,279
Transfers from other trustees, Net (See Note 1)	(179)	(1,413,466)	(254,090)	(1,517,180)	(3,704,079)	(563,981)	(1,644,951)	(8,205,621)
Net increase (decrease)	(396)	(1,344,573)	(265,086)	(1,391,972)	(3,448,133)	(510,375)	(1,462,122)	(7,365,061)
NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of the period								
	396	1,344,573	265,086	1,391,972	3,448,133	510,375	1,462,122	7,365,061
NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of the period								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

	The Franklin Templeton Group							
	Foreign Fund	Real Estate Fund	World Fund	Vail Resorts Common Stock	Participant Loans	Other	Total	
ADDITIONS TO NET ASSETS:								
Contributions-								
Employee	\$ 42,668	\$ 62,622	\$ 120,173	\$ 65,608	\$ -	\$181,715	\$ 3,594,817	
Employer	-	-	-	21,476	-	225,676	1,041,914	
Loan repayments	2,543	3,737	7,130	5,705	(250,646)	-	-	
Rollovers and other	3,162	4,605	8,719	7,662	-	-	302,108	
Total contributions	48,373	70,964	136,022	100,451	(250,646)	407,391	4,938,839	
Investment income-								
Interest and dividends	-	-	-	1,131	12,363	-	418,918	
Net realized and unrealized gain (loss) on investments	65,047	7,185	267,124	(48,921)	-	-	2,234,138	
Total investment income	65,047	7,185	267,124	(47,790)	12,363	-	2,653,056	
Total additions	113,420	78,149	403,146	52,661	(238,283)	407,391	7,591,895	
DEDUCTIONS FROM NET ASSETS:								
Benefits paid to participants	(40,401)	(86,096)	(261,785)	(96,490)	(37,627)	-	(2,502,835)	

Administrative expenses and other	(578)	(893)	(1,756)	(40)	-	-	(28,011)
Loans issued	(928)	(1,650)	(7,341)	(6,390)	269,275	-	-
	-----	-----	-----	-----	-----	-----	-----
Total deductions	(41,907)	(88,639)	(270,882)	(102,920)	231,648	-	(2,530,846)
TRANSFERS:							
Interfund transfers, net	2,431	(15,653)	(11,976)	39,747	-	-	-
Transfers from other trustees, Net (See Note 1)	(1,003,598)	(1,248,705)	(3,138,383)	(80,567)	458,475	-	13,108,110
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Net increase (decrease)	(929,654)	(1,274,848)	(3,018,095)	(91,079)	451,840	407,391	18,169,159
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NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of the period	929,654	1,274,848	3,018,095	827,390	356,997	152,977	22,347,679
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NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of the period	\$ -	\$ -	\$ -	\$736,311	\$ 808,837	\$ 560,368	\$ 40,516,838
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The accompanying notes are an integral part of this statement.

VAIL RESORTS

401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS AND SCHEDULES

DECEMBER 31, 1998 AND 1997

(1) DESCRIPTION OF THE PLAN

Effective May 1, 1978, Vail Associates, Inc. (the "Company") established The Profit Sharing Thrift Plan of Vail Associates, Inc. The plan was amended and restated October 1, 1994 and renamed the Vail Associates, Inc. 401(k) Retirement Plan ("Vail Plan"). The Company concurrently established a trust (the "Trust") with a trustee as part of the Vail Plan. Effective October 1, 1995, Ralston Resorts, Inc. ("Ralston Resorts") established the Ralston Resort, Inc. Savings Investment Plan (the "Ralston Plan"). On June 1, 1998, the Vail Plan was amended and restated in its entirety, and the Ralston Plan was merged into the Vail Plan. In connection therewith, the Vail Plan was renamed the Vail Resorts 401(k) Retirement Plan (the "Plan"). Approximately \$13.1 million of assets were transferred into the Plan from the Ralston Plan as a result of this merger. The following description of the Plan provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan administered by a committee appointed by the Board of Directors of the Company. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). Benefits under the Plan are not guaranteed by the Pension Benefit Guaranty Corporation.

Eligibility and Contributions

Employees are eligible to participate in the Plan upon attaining the age of 21 and completing one year of employment including a minimum of 1,000 hours of service. Effective June 1, 1998, an additional provision was added whereby employees completing 1,500 cumulative hours of service became eligible to participate in the Plan.

Each participant may elect to contribute from 2% to 22% (2% to 15% prior to June 1, 1998) of their compensation, as defined in the Plan document. However, deferred contributions shall not exceed \$10,000 in the calendar year ending December 31, 1998, as set forth by the Internal Revenue Code ("IRC").

The Company makes matching contributions up to 50% of each participant's contribution, per pay period, not to exceed 6% of the participant's compensation for that pay period. Prior to June 1, 1998, these matching contributions were discretionary.

In addition to matching contributions, the Company can, in its sole discretion, make discretionary contributions in an amount determined by the Board of Directors. Discretionary Company contributions are allocated to participants who are eligible to share in the allocation of matching Company contributions according to the participant's compensation earned during the Plan year. There were no discretionary Company contributions made for the Plan year.

Due to limitations imposed by the IRC, the sum of Company contributions and participant deferred contributions may not, in general, exceed the lesser of 25% of a participant's compensation for the year or \$30,000.

Subject to the Administrative Committee's (the "Committee") approval, participants may elect rollovers of amounts from other qualified plans in accordance with the IRC.

Participant Accounts

Each participant's account is credited with his or her contribution, the Company matching contribution, discretionary Company contributions, if any, and an allocation of Plan earnings and expenses. Allocations are determined by the Plan document. The benefit to which a participant is entitled is the vested portion of the benefit that can be provided from the participant's account.

Vesting

Participants' contributions are immediately 100% vested. Prior to June 1, 1998, vesting in the Company's contributions is according to the following schedule:

Years of Service	Vested Percentage
Fewer than 1	0%
1	33-1/3%
2	66-2/3%
3	100%

Effective June 1, 1998, vesting in the Company's contributions is according to the following schedule:

Years of Service	Vested Percentage
Fewer than 1	0%
1	25%
2	50%
3	75%
4	100%

Participants of the Vail Plan or the Ralston Plan on May 31, 1998 would follow the vesting schedule provided by those plans if that vesting percentage was greater than the above percentage for the respective period.

Participants forfeit unvested Company contributions upon termination of service. All amounts forfeited are used to reduce Company matching contributions otherwise required. Forfeitures during the year ended December 31, 1998, were immaterial to the Plan.

Termination Provisions

Although the Company has not expressed any intent to do so, it has the right, under the Plan document, to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Payments of Benefits

A participant's entire interest in the Plan is payable upon death of the participant, upon attaining normal retirement age (65), or upon being considered disabled as determined by the Committee. Upon other terminations of service, a participant may elect to receive a lump-sum distribution equal to his or her vested account balance. In addition, hardship distributions are permitted if certain criteria are met.

Loans to Participants

A participant may borrow the lesser of \$50,000 or 50% of his or her vested account balance with a minimum loan amount of \$1,000. Loans are secured by the participant's account and bear a reasonable rate of interest as determined by the Committee. The loans are subject to certain restrictions, as defined by the Plan document and applicable restrictions under the IRC.

Prior to June 1, 1998, loans bore an interest rate based on U.S. Treasury rates for notes of equivalent maturities on the date the interest rate was established, plus 4%. Effective June 1, 1998, the interest rate is based on a reasonable rate of interest as determined by the Plan Committee.

(2) SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting. The preparation of the financial statements in conformity with generally accepted accounting principles requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates.

Investment Valuation and Income Recognition

Plan investments are stated at fair value based primarily on quoted market prices. Company common stock is traded on a national securities exchange and is valued at the last reported sales price on the last business day of the year. Guaranteed interest accounts were valued at fair market

value, as determined by Principal Mutual Life Insurance Company, as these contracts were not fully benefit-responsive. Loans are valued at cost which approximates fair market value.

Net realized and unrealized gain (loss) on investments is determined as the difference between market value at the beginning of the year (or date purchased during the year) and selling price or year end market value. For purposes of Schedule I and II, cost is determined based on the original cost to acquire the asset.

Administrative Expenses

Expenses of administering the Plan are paid by the Company. All other costs and expenses are deducted from the participants' accounts on a pro-rata basis.

Payment of Benefits

Benefits are recorded when paid.

(3) INCOME TAXES

The Company received a favorable determination letter from the IRS dated January 31, 1997, that the Vail Plan meets the requirements of Section 401(a) of the IRC and is exempt from federal income taxes under Section 501(a) of the IRC. The Company has not applied for a determination letter for the restated Plan. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, they believe that the Plan was qualified and the related Trust was tax exempt as of December 31, 1998 and 1997.

(4) INVESTMENTS

Various investment advisors manage the Plan's assets. Prior to June 1, 1998, participants could have directed their investments in the following options:

Principal Mutual Life

Insurance Company: -- Guaranteed Interest Accounts -- This fund was part of Principal Mutual Life Insurance Company's General Account. The underlying assets in the General Account were invested mostly in private placement bonds, commercial mortgages and residential mortgages.

INVESCO: -- Stable Value Fund -- This fund invested in a diversified portfolio of investment contracts with insurance companies, banks, or other financial institutions. A portion of the fund was also invested in money market accounts.

- AIM Family of Funds: -- Value Fund - Class A -- This fund invested primarily in stocks of large, financially healthy companies whose stock prices are low compared to the fund management's expectations for future growth in earnings and dividends.
- Constellation Fund -- This fund emphasized investing in small-to-medium-sized emerging-growth companies and trading in securities for the short-term.
- The American Funds Group: -- Bond Fund of America -- This fund invested in a diversified portfolio consisting mostly of marketable corporate bonds, government bonds, and money market securities.
- Fundamental Investors Fund -- This fund invested primarily in a diversified portfolio of stocks or investments that are convertible into stocks. Assets could also have been held in bonds or cash or cash equivalents and U.S. governmental securities.
- Putnam Investments: -- New Opportunities Fund -- Assets were invested in a growth oriented stock fund investing in small to medium sized companies. The fund's primary goal was attaining long-term capital appreciation.
- The Franklin Templeton Group: -- World Fund -- This fund invested in stocks of companies whose prices are low compared to management's expectations for future growth in earnings and dividends, but it may also have invested in bonds, rated or unrated.
- Real Estate Fund -- This fund invested primarily in securities of issuers throughout the world which are significantly engaged in or related to the real estate industry.
- Foreign Fund -- Assets were invested in an international fund investing in stocks and debt obligations of non-U.S. companies. The fund's investment strategy was to identify companies selling the greatest discount to future intrinsic value, emphasizing international diversification and a disciplined investment approach.
- Vail Resorts Common Stock: -- Sought to provide investment returns linked to the long-term earnings of the Company.

As of June 1, 1998, participants may direct their investments in the following options:

- The Vanguard Group: -- Vanguard 500 Index Fund -- This fund invests in companies that make up the S&P 500 Index. The fund is intended for investors who wish to match the performance of the S&P 500 Index, and who are interested in long-term capital appreciation.
- The Franklin Templeton Group: -- Templeton Foreign Fund -- Assets are invested in an international fund investing in stocks and debt obligations of non-U.S. companies. The fund's investment strategy is to identify companies selling at the greatest discount to future intrinsic value, emphasizing international diversification and a disciplined investment approach.
- Summit Investment Trust: -- Summit High Yield Fund -- Assets are invested in a diversified portfolio of high yield corporate bonds. The fund invests primarily in U.S. corporate bonds, but may invest in international bonds as well. The fund's primary objective is attaining a high level of current income.
- Putnam Investments: -- Putnam New Opportunities Fund -- Assets are invested in a growth oriented stock fund investing in small to medium sized companies. The fund's primary goal is attaining long-term capital appreciation.
- Davis Funds: -- Davis New York Venture Fund -- Assets are invested in a growth oriented stock fund investing primarily in large U.S. companies purchased at value prices and held long-term. The fund's investment strategy is to identify specific, long-term trends that should provide consistent growth over time.
- Corus Asset Management: -- Corus Money Market -- This fund invests in a portfolio of money market funds with an average maturity of less than 90 days. The portfolio is designed for investors who want their money to earn near-inflation rates of return with no price fluctuation.
- Corus Conservative Strategy -- This fund invests in a diversified portfolio of mutual funds holding a much higher component of bonds (78%) than stocks (22%). The portfolio seeks to achieve a moderate total rate of return through low capital appreciation and reinvestment of a high level of current income.

- Corus Moderate Strategy -- This fund invests in a diversified portfolio of mutual funds holding approximately 60% of assets in bonds and 40% in stocks. The portfolio seeks to achieve moderate, long-term capital appreciation with high current income.
- Corus Balanced Strategy -- This fund invests in a higher component of stocks (59%) than bonds (41%). The portfolio seeks to achieve a moderate level of current income, and over time, above-average capital appreciation.
- Corus Aggressive Strategy -- Assets are invested in a diversified portfolio of mutual funds holding a much higher component of stocks (82%) rather than bonds (18%). The portfolio seeks to achieve a high, long-term capital appreciation with low current income.
- Corus Equity Strategy -- Assets are invested in a portfolio of mutual funds holding 100% stock, diversified between the stocks of large and small U.S. companies and large international companies. The portfolio seeks to achieve high, long-term capital appreciation.

Vail Resorts Common
Stock:

- Seeks to provide investment returns linked to the long-term earnings of the Company.

The stated objectives of these funds are not necessarily indicators of actual performance.

The fair market value of individual investments that represent 5% or more of the Plan's total investments as of December 31, 1998 and 1997, are separately identified in the accompanying statements of net assets available for plan benefits with fund information.

(5) RELATED PARTY TRANSACTIONS

In connection with Vail Resorts, Inc.'s (parent company of Vail Associates, Inc.) Initial Public Offering on February 4, 1997, there was a one-time opportunity for Plan participants to purchase, with their Plan assets, Vail Resorts, Inc. common stock at a discount to the offering price. A total of 34,000 shares were purchased at a cost of \$699,380. Subsequent to the Initial Public Offering, Vail Resorts, Inc. common stock was not available as an investment alternative for Plan participant contributions until June 1, 1998. Reber/Russell Company ("Reber") is the record keeper of the Plan. As the Plan holds assets in funds managed by the Frank Russell Investment Company (a related party of Reber), these transactions qualify as party-in-interest.

(6) RISKS AND UNCERTAINTIES

The Plan provides for various investment options in mutual funds and employer stock. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect participants' account balances and amounts reported in the statements of net assets available for plan benefits with fund information.

(7) SUBSEQUENT PLAN MERGER

On August 12, 1998, the Company acquired all of the outstanding stock of the Village at Breckenridge Acquisition Corp., Inc. ("Village at Breckenridge"), which maintains the Village at Breckenridge 401(k) Plan (the "Village at Breckenridge Plan") for the benefit of its eligible employees. The Village at Breckenridge Plan was merged into the Plan effective January 1, 1999 and approximately \$340,000 of assets were transferred into the Plan as a result of this merger.

VAIL RESORTS

401(k) RETIREMENT PLAN

ITEM 27a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

AS OF DECEMBER 31, 1998

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Cost	Current Value
	Mutual funds:		
*Frank Russell Investment Company	Russell Emerging Markets	\$ 998,452	\$ 903,234
	Russell Equity I	4,536,448	4,571,839
	Russell Equity II	2,102,618	1,913,872
	Russell Equity Q	4,575,485	4,546,069
	Russell Money Market Fund	5,044,612	5,044,612
	Russell International Fund	3,863,991	3,732,156
	Russell Real Estate Securities	1,218,053	1,088,927
	Russell Fixed I	2,771,640	2,698,420
	Russell Fixed III	1,792,791	1,788,572
	Russell Short-Term Bond Fund	700,002	698,849
The Vanguard Group	Vanguard 500 Index Fund	3,911,671	4,206,856

* Represents a party-in-interest (see Note 5).

The accompanying notes are an integral part of this schedule.

VAIL RESORTS

401(k) RETIREMENT PLAN

ITEM 27a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

AS OF DECEMBER 31, 1998

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Cost	Current Value

Mutual funds:			
The Franklin Templeton Group	Templeton Foreign Fund	\$ 881,046	\$ 747,383
Summit Investment Trust	Summit High Yield Fund	325,671	273,502
Putnam Investments	Putnam New Opportunities Fund	3,862,576	3,929,824
Davis Funds	Davis New York Venture Fund	2,235,281	2,267,207
* Vail Resorts, Inc.	Common stock	726,128	687,500
Charles Schwab and Co., Inc.	Mutual fund: Schwab Money Market Fund	48,811	48,811
Participant Loans	Loans secured by participant's vested accrued benefits, interest rate range 8.84% - 11.79%	808,837	808,837
Total Investments		\$40,404,113	\$39,956,470
		=====	=====

* Represents a party-in-interest (see Note 5).

The accompanying notes are an integral part of this schedule.

VAIL RESORTS

401(k) RETIREMENT PLAN

ITEM 27d - SCHEDULE OF REPORTABLE TRANSACTIONS (a) (b)

FOR THE YEAR ENDED DECEMBER 31, 1998

Identity of Party Involved	Description of Investment	Number of Transactions	Purchase Price	Selling Price	Cost of Asset	Net Gain (Loss)
Aim Family of Funds	Value Fund Class A	15	\$125,060	\$ -	\$ 125,060	\$ -
		15	-	1,654,738	1,244,902	409,836
AIM Family of Funds	Constellation Fund	18	324,235	-	324,235	-
		20	-	3,966,830	3,043,730	923,100
INVESCO	Stable Value Fund	15	175,480	-	175,480	-
		17	-	1,508,228	1,508,228	-
Putnam Investments	New Opportunities Fund	19	695,955	-	695,955	-
		21	-	8,667,605	5,575,590	3,092,015
The Franklin Templeton Group	Foreign Fund	14	90,537	-	90,537	-
		19	-	1,052,696	925,902	126,794
The Franklin Templeton Group	World Fund	15	243,561	-	243,561	-
		16	-	3,439,720	3,052,740	386,980
The Franklin Templeton Group	Global Real Estate Fund	15	128,422	-	128,422	-
		14	-	1,366,983	1,216,200	150,783
The American Funds Group	Fundamental Investors Fund	16	112,661	-	112,661	-
		15	-	1,701,442	1,340,018	361,424

(a) This schedule is a listing of series of transactions of the same security which exceed 5% of the Plan assets as of January 1, 1998.

(b) This schedule is prepared using the alternative way of reporting (iii) series of transactions under DOL Regulation 2520.103-6(d) (2).

* Represents a party-in-interest (see Note 5).

The accompanying notes are an integral part of this schedule.

VAIL RESORTS

401(k) RETIREMENT PLAN

ITEM 27d - SCHEDULE OF REPORTABLE TRANSACTIONS (a) (b)

FOR THE YEAR ENDED DECEMBER 31, 1998

Identity of Party Involved	Description of Investment	Number of Transactions	Purchase Price	Selling Price	Cost of Asset	Net Gain (Loss)
* Frank Russell Investment Company	Russell Equity I	35	\$ 4,807,321	\$ -	\$ 4,807,321	\$ -
		43	-	244,212	270,873	(26,661)
* Frank Russell Investment Company	Russell Equity II	28	2,215,861	-	2,215,861	-
		40	-	90,053	113,243	(23,190)
* Frank Russell Investment Company	Russell Equity Q	34	4,837,780	-	4,837,780	-
		36	-	239,503	262,292	(22,789)
* Frank Russell Investment Company	Russell Fixed I	31	2,184,196	-	2,184,196	-
		30	-	390,947	391,404	(457)
* Frank Russell Investment Company	Russell Fixed III	21	2,996,565	-	2,996,565	-
		41	-	222,309	224,925	(2,616)
* Frank Russell Investment Company	Russell International Fund	35	4,093,988	-	4,093,988	-
		41	-	201,187	229,995	(28,808)
* Frank Russell Investment Company	Russell Real Estate Securities	34	1,300,900	-	1,300,900	-
		41	-	71,271	82,845	(11,574)
* Frank Russell Investment Company	Russell Money Market Fund	45	36,728,057	-	36,728,057	-
		151	-	31,647,567	31,647,567	-
Davis Funds	Davis New York Venture Fund	50	2,468,675	-	2,468,675	-
		29	-	217,898	233,394	(15,496)
Putnam Investments	Putnam New Opportunities Fund	52	4,311,531	-	4,311,531	-
		28	-	380,112	448,955	(68,843)
The Vanguard Group	Vanguard 500 Index Fund	52	4,283,508	-	4,283,508	-
		19	-	359,230	371,837	(12,607)

(a) This schedule is a listing of series of transactions of the same security which exceed 5% of the Plan assets as of January 1, 1998.

(b) This schedule is prepared using the alternative way of reporting (iii) series of transactions under DOL Regulation 2520.103-6(d) (2).

* Represents a party-in-interest (see Note 5).

The accompanying notes are an integral part of this schedule.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Vail Resorts 401(k) Retirement Plan

June 28, 1999

Nanci N. Northway
Vice President & Controller

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference of our report on the financial statements of Vail Resorts 401(k) Retirement Plan dated June 28, 1999 included in this Form 11-K and the Registration Statement in Form S-8 (No. 333-20523).

Denver, Colorado,
June 28, 1999.