VAIL RESORTS

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Vail's New Dawn Is Rising; Gore Creek Place Townhome Sale A Blowout Success

All eight townhomes in first phase sold. Average price per square foot of sold homes exceeded $1,000. These eight townhomes represent approximately $32.1 million of contracted real estate revenue.

VAIL, Colo. -- July 29, 2004 -- Vail Resorts announced today that it has entered into contracts to sell all eight townhomes in phase I of Gore Creek Place, representing expected real estate revenue of approximately $32.1 million. The Gore Creek Place project includes 16 townhomes, ranging in size from 3,500 to 4,400 square feet, and is located immediately adjacent to the Vail Mountain Marriott in Vail's LionsHead Village. Gore Creek Place was designed and is being developed by Vail Resorts Development Company, a wholly owned subsidiary of Vail Resorts. Slifer Smith & Frampton Real Estate acted as the listing broker.

All eight townhomes in phase I of Gore Creek Place were offered to the public commencing July 21, 2004 and were sold at the full list price without discount. The price of the eight sold homes exceeded $1,000 per square foot on average. Vail Resorts Development Company received more contracts for these homes than it had available units. In light of the consumer response, Vail Resorts Development Company intends to offer for public sale within the next two weeks all eight remaining townhomes of Gore Creek Place. Construction is expected to begin after Labor Day, 2004, presuming the last remaining approvals are received from the Town of Vail.

Gore Creek Place is the third redevelopment project for Vail Village and LionsHead Village, part of the ambitious Vail's New Dawn effort, for which Vail Resorts Development Company has entered into contracts to sell property so far in 2004. The other two projects include a new underground 114-space parking structure in Vail Village and the creation of new single family home sites in LionsHead. The price of parking spaces in the new Vail Village garage ranged from $100,000 to $138,000, and all have been sold. The single-family home sites were sold for $10.5 million plus potential added future consideration. Construction on these two projects began in May. Closings for these two projects are expected during fiscal 2005. In addition, Vail Resorts started construction on a new, attractive $3.5-million skier bridge immediately adjacent to Vail's Eagle Bahn Gondola.

Vail Resorts Chairman and CEO Adam Aron said, "We are thrilled by our blowout success in the sale of Gore Creek Place townhomes in Vail's LionsHead. Not only does this represent some $32 million of real estate revenue at average square-foot prices exceeding $1,000, but more importantly this strengthens our commitment and enthusiasm for Vail's New Dawn. Clearly, there is significant pent-up demand for new high-quality luxury accommodations in Vail Village and Vail's LionsHead Village. Our out-of-the-park success at Gore Creek Place makes us buoyant with optimism not only about the remainder of Gore Creek Place, but it also fills us with confidence about the proposed new luxury residential offerings on the so-called LionsHead 'core site'. The core site is literally but steps away from Vail's Eagle Bahn Gondola in LionsHead, giving a whole new meaning to the phrase 'ski-in/ski-out' luxury accommodations. On the core site, Vail Resorts is in the final stages of seeking regulatory approval from the Town of Vail to build a new luxury hotel and condominium complex, along with new shopping, dining and recreation opportunities, in the heart of LionsHead." Aron continued, "We could not have dreamed to achieve greater success than this at Gore Creek Place. And as we turn our immediate focus to proceeding as quickly as we possibly can with a new RockResorts hotel and luxury condominiums on the LionsHead core site, we expect to see that dreams can be made real, and that a redeveloped Vail Village and LionsHead are close at hand. Vail's New Dawn is indeed rising."

About Vail Resorts
Vail Resorts, Inc. is the leading mountain resort operator in the United States. The Company's subsidiaries operate the mountain resorts of Vail, Beaver Creek, Breckenridge and Keystone in Colorado, Heavenly in California and Nevada, and the Grand Teton Lodge Company in Jackson Hole, Wyo. The Company also operates its subsidiary, RockResorts, a luxury resort hotel company with 10 distinctive properties across the United States. Vail Resorts Development Company is the real estate planning, development, construction, retail leasing and management subsidiary of Vail Resorts, Inc. Vail Resorts is a publicly held company traded on the New York Stock Exchange (NYSE: MTN). The Vail Resorts company website is www.vailresorts.com and consumer website is www.snow.com.

About Vail Resorts Development Company
As a subsidiary of Vail Resorts, Inc., Vail Resorts Development Company designs, builds and manages the Company's luxury communities, private ski clubs, golf courses, retail spaces, and employee housing. Projects in various stages currently exist in the Colorado mountain resort communities of Beaver Creek(R), Breckenridge, Keystone(R) and Vail, as well as in Jackson, Wyoming. Vail Resorts is a publicly held company traded on the New York Stock Exchange (NYSE: MTN). The Vail Resorts Development Company website is www.vrdc.com.