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

(MARK ONE)

/x/ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (FEE REQUIRED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1997

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

FOR THE TRANSITION PERIOD FROM ___________________________ TO _____________

COMMISSION FILE NUMBER: 1-9614

A. FULL TITLE OF THE PLAN AND THE ADDRESS OF THE PLAN, IF DIFFERENT FROM THAT OF THE ISSUER NAMED BELOW:

THE VAIL ASSOCIATES, INC. 401(K) RETIREMENT PLAN

B. NAME OF ISSUER OF THE SECURITIES HELD PURSUANT TO THE PLAN AND THE ADDRESS OF ITS PRINCIPAL EXECUTIVE OFFICE:

VAIL RESORTS, INC.
P.O. BOX 7
VAIL, CO 81658

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 ASSOCIATES, INC. 401(K) RETIREMENT PLAN

NANCI N. NORTHWAY
VICE PRESIDENT & CONTROLLER

JULY 30, 1998

THE VAIL ASSOCIATES, INC.

401(k) RETIREMENT PLAN

INDEX TO THE FINANCIAL STATEMENTS AND SCHEDULES

SEPTEMBER 30, 1997 AND 1996

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Participants and the Administrative
Committee of the Vail Associates, Inc.
401(k) Retirement Plan:

We have audited the accompanying statements of net assets available for plan benefits of THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN (the "Plan") as of September 30, 1997 and 1996, and the related statement of changes in net assets available for plan benefits for the year ended September 30, 1997. 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 plan benefits of the Plan as of September 30, 1997 and 1996, and the changes in net assets available for plan benefits for the year ended September 30, 1997, 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. 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 audit 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.

Arthur Andersen, LLP

Denver, Colorado,
July 15, 1998.

THE VAIL ASSOCIATES, INC.
401(k) RETIREMENT PLAN

FINANCIAL STATEMENTS AND SCHEDULES
AS OF SEPTEMBER 30, 1997 AND 1996
TOGETHER WITH REPORT OF INDEPENDENT
PUBLIC ACCOUNTANTS

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

WITH FUND INFORMATION

AS OF SEPTEMBER 30,

	1997	1996
CASH	$ 10,263	
INVESTMENTS:		
Common/collective trusts	1,254,643	1,097,219
Mutual funds	19,288,949	14,182,042
Guaranteed interest accounts	271,988	489,071
Participant loans	359,573	289,672
Employer stock	890,775	-
Total investments	22,076,191	16,058,004
RECEIVABLES AND OTHER:		
Matching contributions receivable	631,925	525,283
Guaranteed interest accounts matured	209,249	278,408
Total assets	22,917,365	16,861,695
LIABILITIES:		
Excess contributions payable	(48,777)	(10,111)
Net assets available for plan benefits	$22,868,588	$16,851,584

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

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

FOR THE YEAR ENDED SEPTEMBER 30,

ADDITIONS TO NET ASSETS	1997
ATTRIBUTED TO:	
Contributions-	
Employee	$ 1,729,960
Employer	650,097
Rollover	35,703
Other	1,054
Total contributions	2,416,814
Investment income-	
Dividend and interest income	688,013
Net realized and unrealized gain on investments	3,302,906
Total additions	6,407,733
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
Benefits and distributions paid to participants	363,884
Administrative expenses and other	26,845
Total deductions	390,729
NET TRANSFERS	-
Net increase (decrease) in net assets available for plan benefits	6,017,004
NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of year	16,851,584
NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of year	$22,868,588

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC.

401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS AND SCHEDULES

SEPTEMBER 30, 1997 AND 1996

(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 effective October 1, 1994. The amendment changed the name of the Plan from The Profit Sharing Thrift Plan of Vail Associates, Inc. to The Vail Associates, Inc. 401(k) Retirement Plan (the "Plan"). The following description of the Plan provides only general information. Participants should refer to the Plan agreement 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.

Each participant may elect to contribute from 2% to 15% of their qualifying annual compensation, as defined in the Plan agreement. However, deferred contributions shall not exceed $9,500 in the calendar years ending December 31, 1997 and 1996 as set forth by the Internal Revenue Code ("IRC").

The Company may, in its sole discretion, make matching contributions equal to 50% of each participant's contribution. However, the matching percentage is only applicable up to 6% of the participant's qualifying annual compensation regardless of the percentage contributed by the participant. In the event that the Company makes matching contributions that are less than these percentages, matching contributions will be allocated to participants in proportion to their contributions and the applicable matching percentages for such plan year. In addition to matching contributions, the Company may, in its sole discretion, make discretionary contributions in an amount determined by the Board of Directors. Discretionary Company contributions will be 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. Due to limitations imposed by the IRC, the sum of Company contributions and participant deferred contributions may not, in general, exceed the lesser of (1) 25% of a participant's compensation for the year or (2) $30,000.

Subject to Company approval, participants may elect rollovers of amounts from other qualified plans in accordance with the Internal Revenue Code.

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. 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%

Participants forfeit unvested Company contributions upon termination from the Plan. All amounts forfeited are used to reduce Company matching contributions otherwise required. Forfeitures during the year ended September 30, 1997 and 1996 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 agreement, 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 Plan administrative 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 vested account balance with a minimum loan amount of $1,000. Loans are secured by the participant's account and bear an interest rate based on U.S. Treasury rates for notes of equivalent maturities on the date the interest rate is established, plus 4%. The loans are subject to certain restrictions, as defined by the Plan document and applicable restrictions under the IRC.

(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 are valued at fair market value, as determined by Principal Mutual Life Insurance Company, as these contracts are 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 the supplemental schedules, cost is determined based on the original cost to acquire the asset.

Administrative Expenses

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

Payment of Benefits

Benefits are recorded when paid.

(3) INCOME TAXES

The Company has received a favorable determination letter from the IRS dated January 31, 1997, that the 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 Plan administrator and the Plan's tax counsel believe 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 September 30, 1997 and 1996.

(4) INVESTMENTS

Various investment advisors manage the Plan's assets. Participants may direct their investments in the following options.

Principal Mutual Life Insurance

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

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

The American Funds Group:	-- Bond Fund of America -- This fund invests in a diversified portfolio consisting mostly of marketable corporate bonds, government bonds, and money market securities.
	-- Fundamental Investors Fund -- This fund invests primarily in a diversified portfolio of stocks or investments that are convertible into stocks. Assets may also be held in bonds or cash or cash equivalents and U.S. governmental securities.
AIM Family of Funds:	-- Value Fund - Class A -- This fund invests 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 emphasizes investing in small-to-medium-sized emerging-growth companies and trading in securities for the short-term.
Putnam Investments:	-- New Opportunities Fund - Class A -- This fund invests primarily in the stocks of companies in growth sectors of the economy that have the potential for above-average growth.

The Franklin Templeton Group:

-- World Fund -- This fund invests in stocks of companies whose prices are low compared to management's expectations for future growth in earnings and dividends, but it may also invest in bonds, rated or unrated.

-- Foreign Fund -- This fund invests primarily in stocks and bonds of large companies and governments outside the United States.

-- Real Estate Fund -- This fund invests primarily in securities of issuers throughout the world which are significantly engaged in or related to the real estate industry.

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 September 30, 1997 and 1996 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 is not available as an investment alternative for plan participant contributions until June 1, 1998 (see Note 8).

(6) RISKS AND UNCERTAINTIES

The Plan provides for various investment options in common/collective trusts, mutual funds, guaranteed interest accounts 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.

(7) SUBSEQUENT PLAN MERGER

On January 3, 1997, Vail Resorts, Inc. acquired 100% of the stock of Ralston Resorts, Inc (which owns and operates Keystone, Breckenridge and Arapahoe Basin ski areas). Ralston Resorts, Inc. Savings and Investment Plan was merged into the Plan effective June 1, 1998 and approximately $12.7 million of assets were transferred as a result of this merger.

(8) SUBSEQUENT PLAN AMENDMENT/RESTATEMENT

Effective June 1, 1998 the Plan was amended and restated. The amendment and restatement changed certain provisions of the Plan. Significant revisions to the Plan are as follows:

- Vesting schedule changed from three years to four years for Company contributions.
- Eligibility requirements changed to permit fulfillment of hours of service as 1,000 hours in first year or 1,500 cumulative hours.
- Exclusion of part-time and temporary employees from receipt of Company matching contributions. In addition, the Company changed timing of match contributions to each pay period rather than on a yearly basis.
- Participants are permitted to have a maximum of two loans outstanding with all loan limitations in effect as defined.
- Vail Resorts, Inc. Common Stock was made available as an investment election subject to various rules and limitations, as defined.
- Participants that have obtained the age of 50 and are 100% vested may receive withdrawal of their account balance as a lump-sum distribution or as a series of periodic annuity payments.
- Plan year changed from September 30 to December 31.

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

WITH FUND INFORMATION

AS OF SEPTEMBER 30, 1997

	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	$ -	$ -	$ -	$ -	$ -	$ -
INVESTMENTS:						
Common/collective trusts	1,254,643	-	-	-	-	-
Mutual funds	-	-	1,329,473	3,643,891	468,326	1,257,994
Guaranteed interest accounts	-	271,988	-	-	-	-
Participant loans	-	-	-	-	-	-
Employer stock	-	-	-	-	-	-
Total investments	1,254,643	271,988	1,329,473	3,643,891	468,326	1,257,994
RECEIVABLES:						
Matching contributions receivable	45,882	-	34,942	110,103	17,706	34,638
Guaranteed interest accounts matured	-	-	209,249	-	-	-
Total assets	1,300,525	481,237	1,364,415	3,753,994	486,032	1,292,632
LIABILITIES:						
Excess contributions payable	(2,086)	(9,231)	-	(1,610)	-	(2,721)
Net assets available for plan Benefits	$ 1,298,439	$ 472,006	$1,364,415	$ 3,752,384	$ 486,032	$ 1,289,911

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

WITH FUND INFORMATION

AS OF SEPTEMBER 30, 1997

	Putnam Investments	The Franklin Templeton Group		
	New Opportunities Fund - Class A	Foreign Fund	Real Estate Fund	World Fund
CASH	$ -	$ -	$ -	$ -
INVESTMENTS:				
Common/collective trusts	-	-	-	-
Mutual funds	7,056,769	1,138,590	1,312,046	3,081,860
Guaranteed interest accounts	-	-	-	-
Participant loans	-	-	-	-
Employer stock	-	-	-	-
Total investments	7,056,769	1,138,590	1,312,046	3,081,860
RECEIVABLES:				
Matching contributions receivable	218,034	36,035	45,526	89,059
Guaranteed interest accounts matured	-	-	-	-
Total assets	7,274,803	1,174,625	1,357,572	3,170,919
LIABILITIES:				
Excess contributions payable	(27,584)	(3,493)	(2,052)	-
Net assets available for plan benefits	$ 7,247,219	$ 1,171,132	$ 1,355,520	$ 3,170,919

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

WITH FUND INFORMATION

AS OF SEPTEMBER 30, 1997

	Vail Resorts, Inc. Common Stock	Participant Loans	Cash	Total
CASH	$ -	$ -	$ 10,263	$ 10,263
INVESTMENTS:				
Common/collective trusts	-	-	-	1,254,643
Mutual funds	-	-	-	19,288,949
Guaranteed interest accounts	-	-	-	271,988
Participant loans	-	359,573	-	359,573
Employer stock	890,775	-	-	890,775
Total investments	890,775	359,573	10,263	22,076,191
RECEIVABLES:				
Matching contributions receivable	-	-	-	631,925
Guaranteed interest accounts matured	-	-	-	209,249
Total assets	890,775	359,573	10,263	22,917,365
LIABILITIES:				
Excess contributions payable	-	-	-	(48,777)
Net assets available for plan benefits	$890,775	$359,573	$10,263	$22,868,588

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

WITH FUND INFORMATION

AS OF SEPTEMBER 30, 1996

	INVESCO	Principal Mutual Life Insurance Company	AIM Family of Funds	
	Stable Value Fund	Guaranteed Interest Accounts	Value Fund - Class A	Constellation Fund
INVESTMENTS:				
Common/collective trusts	$ 1,097,219	$ -	$ -	$ -
Mutual funds	-	-	857,807	2,773,487
Guaranteed interest accounts	-	489,071	-	-
Participant loans	-	-	-	-
Total investments	1,097,219	489,071	857,807	2,773,487
RECEIVABLES AND OTHER:				
Matching contributions receivable	50,542	-	26,819	88,504
Guaranteed interest accounts matured	-	278,408	-	-
Total assets	1,147,761	767,479	884,626	2,861,991
LIABILITIES:				
Excess contributions payable	(907)	-	(499)	(1,813)
Net assets available for plan benefits	$ 1,146,854	$ 767,479	$ 884,127	$ 2,860,178

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

WITH FUND INFORMATION

AS OF SEPTEMBER 30, 1996

	The American Funds Group		Putnam Investments
	Bond Fund of America	Fundamental Investors Fund	New Opportunities Fund - Class A
INVESTMENTS:			
Common/collective trusts	$ -	$ -	$ -
Mutual funds	376,097	756,822	5,504,971
Guaranteed interest accounts	-	-	-
Participant loans	-	-	-
Total investments	376,097	756,822	5,504,971
RECEIVABLES AND OTHER:			
Matching contributions receivable	15,886	24,444	177,780
Guaranteed interest accounts matured	-	-	-
Total assets	391,983	781,266	5,682,751
LIABILITIES:			
Excess contributions payable	(190)	(1,139)	(2,358)
Net assets available for plan benefits	$ 391,793	$ 780,127	$ 5,680,393

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

WITH FUND INFORMATION

AS OF SEPTEMBER 30, 1996

	The Franklin Templeton Group				
	Foreign Fund	Real Estate Fund	World Fund	Participant Loans	Total
INVESTMENTS:					
Common/collective trusts	$ -	$ -	$ -	$ -	$ 1,097,219
Mutual funds	889,257	936,391	2,087,210	-	14,182,042
Guaranteed interest accounts	-	-	-		489,071
Participant loans	-	-	-	289,672	289,672
Total investments	889,257	936,391	2,087,210	289,672	16,058,004
RECEIVABLES AND OTHER:					
Matching contributions receivable	28,919	38,614	73,775	-	525,283
Guaranteed interest accounts matured	-	-	-	-	278,408
Total assets	918,176	975,005	2,160,985	289,672	16,861,695
LIABILITIES:					
Excess contributions payable	(1,284)	(1,728)	(193)	-	(10,111)
Net assets available for plan benefits	$ 916,892	$ 973,277	$ 2,160,792	$ 289,672	$ 16,851,584

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

WITH FUND INFORMATION

FOR THE YEAR ENDED SEPTEMBER 30, 1997

	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 Investor Fund
ADDITIONS TO NET ASSETS ATTRIBUTED TO:						
Contributions-						
Employee	$ 122,831	$ (9,231)	$ 95,870	$ 318,155	$ 45,138	$ 88,330
Employer	46,032	-	36,572	113,867	17,765	35,235
Rollover	682	-	372	11,523	272	677
Other	-	-	-	-	-	-
Total contributions	169,545	(9,231)	132,814	443,545	63,175	124,242
Investment income-						
Dividend and interest income	63,701	29,227	47,659	100,801	32,320	77,215
Net realized and unrealized gain on investments	-	-	275,834	622,353	14,462	245,399
Total additions	233,246	19,996	456,307	1,166,699	109,957	446,856
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:						
Benefits and distributions paid to participants	46,058	8,625	16,415	56,744	38,250	15,276
Administrative expenses and other	2,924	105	1,514	4,456	981	1,332
Total deductions	48,982	8,730	17,929	61,200	39,231	16,608
NET TRANSFERS	(32,679)	(306,739)	41,910	(213,293)	23,513	79,536
Net increase (decrease) in net assets available for plan benefits	151,585	(295,473)	480,288	892,206	94,239	509,784
NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of year	1,146,854	767,479	884,127	2,860,178	391,793	780,127
NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of year	$1,298,439	$ 472,006	$1,364,415	$3,752,384	$486,032	$1,289,911

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

WITH FUND INFORMATION

FOR THE YEAR ENDED SEPTEMBER 30, 1997

	Putnam Investments	The Franklin Templeton Group		
	New Opportunities Fund - Class A	Foreign Fund	Real Estate Fund	World Fund
ADDITIONS TO NET ASSETS ATTRIBUTED TO:				
Contributions-				
Employee	$ 584,533	$ 96,902	$ 132,494	$ 254,938
Employer	223,118	38,666	46,789	92,053
Rollover	14,281	695	3,420	3,781
Other	-	-	-	-
Total contributions	821,932	136,263	182,703	350,772
Investment income-				
Dividend and interest income	42,978	40,918	29,460	194,198
Net realized and unrealized gain on investments	867,027	184,197	230,781	654,262
Total additions	1,731,937	361,378	442,944	1,199,232
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:				
Benefits and distributions paid to participants	87,067	29,579	19,460	38,092
Administrative expenses and other	8,564	1,581	2,006	3,382
Total deductions	95,631	31,160	21,466	41,474
NET TRANSFERS	(69,480)	(75,978)	(39,235)	(147,631)
Net increase (decrease) in net assets available for plan benefits	1,566,826	254,240	382,243	1,010,127
NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of year	5,680,393	916,892	973,277	2,160,792
NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of year	$7,247,219	$1,171,132	$1,355,520	$3,170,919

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC. 401(k) RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

WITH FUND INFORMATION

FOR THE YEAR ENDED SEPTEMBER 30, 1997

	Vail Resorts, Inc. Common Stock	Participant Loans	Other	Total
ADDITIONS TO NET ASSETS ATTRIBUTED TO:				
Contributions-				
Employee	$ -	$ -	$ -	$ 1,729,960
Employer	-	-	-	650,097
Rollover	-	-	-	35,703
Other	-	-	1,054	1,054
Total contributions	-	-	1,054	2,416,814
Investment income-				
Dividend and interest income	-	26,564	2,972	688,013
Net realized and unrealized gain on investments	208,591	-	-	3,302,906
Total additions	208,591	26,564	4,026	6,407,733
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:				
Benefits and distributions paid to participants	5,352	2,966	-	363,884
Administrative expenses and other	-	-	-	26,845
Total deductions	5,352	2,966	-	390,729
NET TRANSFERS	687,536	46,303	6,237	-
Net increase (decrease) in net assets available for plan benefits	890,775	69,901	10,263	6,017,004
NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of year	-	289,672	-	16,851,584
NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of year	$ 890,775	$ 359,573	$ 10,263	$ 22,868,588

The accompanying notes are an integral part of this statement.

THE VAIL ASSOCIATES, INC.

401(k) RETIREMENT PLAN

ITEM 27a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

AS OF SEPTEMBER 30, 1997

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Historical Cost	Current Value
	Common/Collective Trusts:		
INVESCO	Stable Value Fund	$ 933,759	$ 933,759
AIM Family of Funds	Money Market Fund - Class A	66,092	66,092
The American Funds Group	The Cash Management Trust of America	53,730	53,730
Putnam Investments	Money Market Fund	137,249	137,249
The Franklin Templeton Group	Money Fund	63,813	63,813
	Total Common/Collective Trusts	1,254,643	1,254,643
	Mutual Funds:		
AIM Family of Funds	Value Fund - Class A	931,982	1,329,473
AIM Family of Funds	Constellation Fund	2,436,329	3,643,891
The American Funds Group	Bond Fund of America	441,436	468,326
The American Funds Group	Fundamental Investors Fund	898,576	1,257,994
Putnam Investments	New Opportunities Fund - Class A	4,576,398	7,056,769
The Franklin Templeton Group	Foreign Fund	854,141	1,138,590

The accompanying notes are an integral part of this schedule.

THE VAIL ASSOCIATES, INC.

401(k) RETIREMENT PLAN

ITEM 27a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

AS OF SEPTEMBER 30, 1997

Identity of Issue, Borrower Lessor or Similar Party	Description of Investment	Historical Cost	Current Value
The Franklin Templeton Group	Real Estate Fund	$ 1,025,715	$ 1,312,046
The Franklin Templeton Group	World Fund	2,306,219	3,081,860
	Total Mutual Funds	13,470,796	19,288,949
Principal Mutual Life Insurance Company	Guaranteed Interest Account, due September 30, 1998	271,988	271,988
	Total Guaranteed Interest Accounts	271,988	271,988
* Vail Resorts, Inc.	Employer stock	699,380	890,775
Participant Loans	Loans secured by participant's vested accrued benefits, interest rate range 8.84% - 11.79%	359,573	359,573
	Total Investments	$16,056,380	$22,065,928

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

The accompanying notes are an integral part of this schedule.

SCHEDULE II

THE VAIL ASSOCIATES, INC.

401(k) RETIREMENT PLAN

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

FOR THE YEAR ENDED SEPTEMBER 30, 1997

Identity of Party Involved	Description of Asset	Number of Transactions	Purchase Price	Selling Price	Cost of Asset	Net Gain
Series of Transactions:						
	Mutual Funds:					
AIM Family of Funds	Constellation Fund	38	$ 571,311	$ -	$ 571,311	$ -
AIM Family of Funds	Constellation Fund	44	-	424,059	321,707	102,352
Putnam Investments	New Opportunities Fund-Class A	49	1,229,961	-	1,229,961	-
Putnam Investments	New Opportunities Fund-Class A	43	-	588,168	431,318	156,850
The Franklin Templeton Group	World Fund	39	544,784	-	544,784	-
The Franklin Templeton Group	World Fund	39	-	398,595	336,938	61,657

(a) This schedule is a listing of series of transactions of the same security which exceeded 5% of the Plan assets as of October 1, 1996.

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

The accompanying notes are an integral part of this schedule.