

Vail Resorts Closes On Sale Of Vail Marriott Mountain Resort & Spa

VAIL, Colo. - June 27, 2005 - Vail Resorts, Inc. announced today that it closed its transaction to sell the Vail Marriott Mountain Resort & Spa for \$62 million to DiamondRock Hospitality Limited Partnership ("DiamondRock"). The hotel will retain its current name and will remain branded as a full-service Marriott resort. Vail Resorts, through its Vail Resorts Lodging Company subsidiary, will continue to manage the resort for 15 years, through 2020, under a management contract with DiamondRock that is co-terminus with the Marriott franchise agreement for the hotel.

Adam Aron, Vail Resorts chairman and chief executive officer, commented, "We are excited by the sale of the Vail Marriott, as Vail Resorts has benefited significantly from our acquisition of this hotel just 3 and 1/2 years ago. First, our substantial renovation of the property has given Vail guests a much more attractive lodging option. Second, we believe we received an attractive price in the now consummated sale. Third, our retention of a long-term management agreement for the hotel is financially beneficial for us, as it gives us a stream of management fees for 15 years. Additionally, our managing the hotel will allow us to have greater participation in the Vail lodging community going forward. And fourth, we have retained two key real estate development parcels, much of which land came to us with the purchase of the hotel in 2001. We currently anticipate that Gore Creek Place and the Ritz-Carlton Residences, Vail will be built on these two parcels, both of which could be quite lucrative if developed as planned."

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's subsidiary, RockResorts, a luxury resort hotel company, manages casually elegant properties across the United States. Vail Resorts Development Company is the real estate planning, development, and construction 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.

Statements in this press release, other than statements of historical information, are forward looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof. Investors are also directed to other risks discussed in the Company's Annual Report on Form 10-K for the fiscal year ended July 31, 2004 and other documents filed by the Company with the Securities and Exchange Commission.

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