

## **Vail Resorts Announces Plans For New Ritz-Carlton Residences® To Be Developed At Base Of Vail Ski Resort**

- Vail Resorts Development Company to develop and sell 108 wholly-owned Residences
- Plan also calls for proposed new high-speed chairlift to create fifth base village portal access to Vail Mountain
- The Ritz-Carlton Residences, Vail to be managed by The Ritz-Carlton Hotel Company, L.L.C. and to include luxury services and amenities such as ski concierge, owners' lounge, library, fitness center, outdoor pool and hot tub deck

**June 9, 2005 -- VAIL, Colo.** -- Vail Resorts (NYSE:MTN) announced today that it has approved a plan for its wholly-owned real estate subsidiary, Vail Resorts Development Company ("VRDC"), to pursue an agreement with The Ritz-Carlton Hotel Company, L.L.C. for development of The Ritz-Carlton Residences, Vail(R), approximately 108 luxury residential condominiums to be located at the base of Vail Mountain in LionsHead Village. The Residences will be wholly owned condominiums of two, three or four bedrooms and will offer an array of luxury services and amenities in the grand tradition of Ritz-Carlton hotel properties throughout the world.

In conjunction with The Residences, Vail Resorts also proposes adding a high-speed, four-passenger chairlift in the new Vail Square area currently known as LionsHead, from a new base facility on the western edge of The Residences project. This lift would become the fifth base village portal access to Vail Mountain, and would run to the bottom of the existing Pride Express Lift (Chair 26) at mid-mountain. The new lift would serve as an additional public portal to the mountain, helping to improve both pedestrian circulation in the redeveloped Vail Square and giving superb access to the westernmost portion of Vail's expansive ski terrain. These plans also call for a ticket sales office, public restrooms and public bus stop to be located near the base of the new lift for guest convenience.

"We are excited about The Ritz-Carlton Residences, Vail? and the new public portal to Vail Mountain. The residential project looks as if it should be a lucrative real estate development effort, and this new fifth base village portal to Vail Mountain with Vail's 16th high-speed lift will benefit Vail skiers and snowboarders," said Adam Aron, chairman and chief executive officer of Vail Resorts. Aron continued, "The creation of The Residences marks yet another step in the transformation that is taking place within Vail, especially in the area known today as LionsHead. As a result of the Company's recent success with Vail real estate developments, as well as the recent new exterior facade created for the Vail Marriott, visitors in just a few years will enjoy an enhanced base village experience in Vail, featuring handsome new architecture, luxury lodging, an array of high-end boutiques and restaurants, an outdoor ice rink and improved skier services."

The Residences will be developed immediately adjacent to the Vail Marriott Mountain Resort on a 2.5-acre lot in LionsHead that has previously served primarily as hotel guest parking and employee parking. The Company as part of its 2001 acquisition of the Vail Marriott Mountain Resort acquired a significant portion of the land for The Residences. The Residences will range in size from approximately 1,600 square feet for a two-bedroom unit to approximately 2,200 square feet for a three-bedroom unit. Each Residence will include balconies, fireplaces, high-end finishes, underground parking and generous views toward Vail Mountain. The top floor of the building will feature three- and four-bedroom penthouse residences with vaulted ceilings. In total, in the neighborhood of 195,000 square feet of residences are expected to be developed.

Services and amenities meeting The Ritz-Carlton exacting standards will be provided to residents and their guests, including concierge services, a fitness center, an outdoor pool and hot tub, ski concierge, owners lounge, library and small meeting facilities. A menu of additional services such as catering, housekeeping and maintenance will be offered on an a la carte basis. The Ritz-Carlton will operate and manage the residences and amenities. The Ritz-Carlton also operates the highly acclaimed The Ritz-Carlton, Bachelor Gulch and The Ritz-Carlton Club(R), Bachelor Gulch, both located on Beaver Creek Mountain at the Company's Beaver Creek ski resort.

The Company is in the process of preparing a submittal of formal applications to the Town of Vail and the U.S. Forest Service in the near term for consideration and approvals on the proposed residential project and the proposed lift. Assuming such approvals are in fact received, the Company currently estimates it will take The Ritz-Carlton Residences to market in late 2005 or 2006.

The Ritz-Carlton Residences, Vail would not be owned, developed or sold by The Ritz-Carlton Hotel Company, L.L.C. Vail Resorts Development Company would use the The Ritz-Carlton mark under license from The Ritz-Carlton Hotel Company, L.L.C. However, as mentioned above, once constructed The Residences will be operated and managed by The Ritz-Carlton Hotel Company, L.L.C.

## **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'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, construction, and 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](http://www.vailresorts.com) and consumer website is [www.snow.com](http://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?, Breckenridge, Keystone? and Vail, as well as in Jackson, Wyoming. The Vail Resorts Development Company website is [www.vrdc.com](http://www.vrdc.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, including the risk of not realizing the anticipated financial benefit of the project; the risk of not initiating or completing the projects at all or on the anticipated timetable; the risks of successfully obtaining the requisite approvals; and any inconvenience or disruption to operations resulting from said construction. Readers are cautioned not to place undue reliance on these forward-looking statements that 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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