

RIVERVIEW RESORT CONDOMINIUM TRUST
ANNUAL OWNERS MEETING MINUTES
September 13, 2008

I. INTRODUCTION

The meeting was called to order by Mr. Alex Fogel at 10:35 a.m. at the Radisson Inn, Hyannis, MA. Mr. Fogel introduced the following persons:

Board of Trustees:

Dan Mardirosian
Ted Schuster
Alex Fogel

Advisory Committee:

Jack Hellmann
Dan Gallagher

Vacation Resorts International and Resort Staff:

Rich Muller, Sr. Vice President of Resort Operations/VRI
Michael McManus, Director of Resorts/VRI
Israel Soares, General Manager

II. PROOF OF MEETING NOTICE

Mr. Alex Fogel stated that the notice of today's meeting, pursuant to Trust Documents, was delivered to all owners at their address of record via regular mail in the July and August newsletters.

III. APPROVAL OF AGENDA

MOTION: Mary-Anne Angle moved to approve the agenda as written. Motion was seconded by Gene B. Healy and approved unanimously.

IV. APPROVAL OF PREVIOUS MINUTES

MOTION: Milton Feldman moved to waive the reading of and to approve the September 8, 2007 Annual Meeting minutes as presented. Motion was seconded by Ralf J. Brown and approved unanimously.

V. MANAGEMENT REPORTS

A. Resort Update

Mr. Michael McManus displayed a slideshow presentation which reviewed resort improvements that were completed in 2006, 2007, and 2008. The 2008 highlighted improvements consisted of gazebo repairs, new parking lot pavement, stamped brick walkways, enhanced lighting, new sign and landscaped entranceway. Michael stated that Neptune Lane was reconstructed, drainage was installed and the driveway was re-paved. Other common area improvements included unit renovations, children's playground, landscaping, and game area with horseshoe pits.

Mr. McManus reported on the RCI Comment Card scores from August 2006 to August 2008. Michael stated that there has been a substantial improvement in these scores which has qualified the resort for RCI's award designations of Silver Crown for 2008.

B. Financial Update

Mr. Ted Schuster, Treasurer, presented a summary of the resort's financial position to date, including a comparison of 2008 to 2009 budgeted expenses. Ted reviewed the significant differences between current year 2008 actual income and expenses and how they relate to the future year 2009 reserve expenses. Ted explained that the July 31, 2008 financials and a copy of the report that the independent CPA firm of Freidman, Suvalle, & Salomon had prepared after they audited the 2007 financial reports were available for owners to review.

Ted explained that Riverview manages a small six room resort in Dennis called Seawinds II. He explained that he has been working with Michael McManus, Director of Resorts VRI, David Rapaport, Seawinds II Treasurer and Israel Soares, General Manager, over the past six months to create a new sub-management agreement that is equitable for both resorts. Mr. Schuster stated that Riverview has increased the allocation of expenses charged to Seawinds II by Riverview and that he is very satisfied with the agreement.

Ted reported that the balcony restoration project was the main project for 2008 and cost the owners roughly \$300,000. The 2009 maintenance fee increase is the sum of an operational increase of 2.5% and reserve expense increase of 7% due to the balcony project. Ted commented that operational costs in 2008 seem to have stabilized, hence the minimal increase.

Ted also reported that all the Trustees and Advisors receive detailed financial reports on a monthly basis. Those reports include an income statement, balance sheet, cash flow analysis, cash balances and information on Reserves. He further added that Vacation Internationale, the majority interval owner, is paying full maintenance fees and special assessments on all intervals owned by them; the same as individual owners. Therefore, all timeshare owners are bearing the brunt of construction expenses and cost of renovations equally. Ted noted that all delinquent owners are denied usage rights as stated in the Assessment Billing and Collection policy and are being pursued by collection agencies.

C. Review of Capital Improvements

Dan explained the hard decision the Board had to make when approaching the balcony project. He stated that long hours were spent with engineers and contractors before making the final decision to shorten the balconies on the second floor. The main reason was cost. The scope of work that was approved cost \$300,000 rather than \$600,000 to rebuilding the patios to their original size Dan explained that this was not an easy decision to make but the Association did not have the financial resources to do otherwise.

Dan stressed his concern about the increasing energy costs and challenged owners to do their part while staying at the resort to conserve electricity, gas, and water whenever possible.

VI. ADVISORY COMMITTEE REPORTS

Mr. Alex Fogel introduced Jack Hellmann and Dan Gallagher who joined the Board as Advisory Member in 2007. Alex stated that they have been receiving monthly financial information, attending Board meetings and voicing their opinions on various topics.

Mr. Dan Gallagher explained that two years ago the Board acted on the comments from owners to expand owner participation on the Board by adding the Advisory Committee. Dan stated that he has enjoyed working with the Board over the past two years and that he would continue to participate as an advisor representing the voice of fellow owners.

Dan asked other owners to participating in helping the resort “Go Green” in 2009 and to join fellow owners in the recycling program. He explained he was currently researching additional programs that would help Riverview save on energy costs by using solar power, wind turbines, and cell phone towers in conjunction with the lighthouse.

Mr. Jack Hellmann commented that he was pleased that the Board asked him two years ago to be an Advisor. Jack stated that he has learned much from the Board over that time and has dedicated his business experience to many Board discussions. Jack stated that he has enjoyed being an advisor, providing his personal input as a fellow owner, and playing an active role in open discussions.

VII. ELECTION OF TRUSTEE

Alex Fogel introduced Mr. Brown and gave him an opportunity to address the fellow owners. There being no nominations from the floor, nominations were closed.

Volunteers were selected as election monitors who would participate in ballot tabulation

The ballots were then collected and tallied. Incumbents Roy Fraser and Stuart Allen were each re-elected to the Board for a three-year term.

VIII. QUESTIONS AND ANSWERS

The floor was opened to questions and comments.

Q. How many weeks does Vacation Internationale own?

A. Vacation Internationale owns 734 weeks.

Q. Who is Vacation Resorts International?

A. Vacation Resorts International is considered one of the largest and most successful independent timeshare management companies in the industry. In addition to overseeing day-to-day operations at Riverview, VRI provides comprehensive financial accounting, owner reservation and exchange coordination, assessment billing and collections and rental services.

Q. Who is Vacation Internationale?

A. Vacation Internationale is the oldest multi-resort timeshare club in the US. It was started in 1974 with timeshare condominiums in Hawaii, and has grown since then to include approximately 35,000 timeshare owners and over 30 resort locations in the US, Canada and Mexico. It is governed by a seven person Board elected by the members, and it has been managed by VRI since December 2003. VI members obtain vacation destinations under a Points based system which they can use to reserve any combination of nights at all available VI locations. Riverview has been part of the VI Club since 2006.

Riverview Resort
September 13, 2008

Q. What is the resort's operating season?

A. Riverview Resort is open weeks 13-52, which means it is closed for January, February, and March.

Q. What does the resort plan on doing with delinquent week owners?

A. Riverview Resort has a detailed Assessment Billing and Collection Policy that is followed each year. Owners are blocked from use of their week until all maintenance fees are paid. Delinquent owners are sent to a professional collection services who add their fee to the amount due. The Board recently approved a new sales program that will market these weeks at the Cove at Yarmouth in conjunction with the RCI Points program. Owners will be receiving more information on this in the near future.

Suggestions from the audience included installing more storage space in the bathroom such as a medicine cabinet, looking into more energy conservation ideas and charging a minimal amount for use of washers and dryers to prevent individual owners from tying up the machines with one or two articles of clothing. There were many positive comments about the improvements and some maintenance items brought to the Board's attention. Appreciation was expressed to the Board and management.

IX. ADJOURNMENT

MOTION: There being no further business it was moved that the meeting be adjourned at 1:05 p.m. Motion was seconded and approved unanimously.

All owners were invited to the resort for a reception and tour of the property.

Dan Mardirosian, Secretary

MJM/jmf

rvr: 2008hoa