

Riverview Resort

A Message from your Board of Trustees

October, 2010

Dear Riverview Owner:

Last July we reported to you that Vacation Internationale (VI) notified Riverview's Board of Trustees of its intent to withdraw from Riverview. VI cited chronic underutilization by its predominantly West-Coast based membership along with financial hardship it has contended with since the onset of the economic downturn.

VI recognized that it has the same legal obligations as any other timeshare owner in that it cannot simply walk away from ownership but as owner of greater than 10% of the timeshare interests, VI had the legal right to compel the Board to conduct an ownership vote to terminate and sell the resort. Both VI and we recognized that Riverview could not remain financially viable without assessment income from VI's 735 intervals. However, the Board and your management company VRI (separate company from VI) did not agree that VI's plan to call for such a vote was in your best interest; especially when it might result in a complete loss of investment.

The alternative was to find a replacement for VI and a plan was pursued to merge interval owners from the financially distressed Club at Cape Cod (CCC) located in Dennisport, MA provided that a sufficient number of those owners voted to terminate CCC and assume ownership of VI's intervals at Riverview.

On September 1st, the Club at Cape Cod Board informed the Riverview Board that a requisite number of owners had responded in the affirmative to the plan to consolidate CCC with Riverview. The Board therefore agreed to release VI from its ownership and make all VI intervals available to CCC owners. As announced at our annual meeting on September 11, 2010, VRI is now in the process of transferring CCC owners into VI's intervals.

Although we are extremely pleased and relieved that Riverview will no longer be dependent on one owner (VI) for its future viability, not all VI intervals will be filled with CCC owners. As of this writing there is still some uncertainty as to exactly how many maintenance fee paying intervals we will have next year. So to mitigate a potential reduction in revenue, we are also implementing other measures to ensure our future viability. Starting in 2011 we will extend the shutdown period an additional four weeks by closing for the month of December. This will allow us to more fully winterize the resort during weeks 49-52 and 1-12 and substantially reduce operational expenses. A sales effort will resume once the Club at Cape Cod owners are relocated to Riverview Resort and all remaining non-performing weeks will be marketed to the owners and general public.

To add further value to your ownership, the Board is also in the process of affiliating with Interval International (II) in addition to RCI and VRI*ety, (VRI's exchange network of approximately 700 resorts) so that owners will have additional exchange options.

Enclosed is the 2011 annual assessment invoice. In anticipation of the success of all the changes being implemented next year, we limited the maintenance fee increase to only 2%. The maintenance fees are now established at \$346.52/Studio, \$577.30/1 Bedroom and \$693.03/2 Bedroom units. As you will see, the option to obtain travel protection insurance is again available. Please note: the invoice is payable upon receipt but no later than January 1st. You can mail in your payment or pay your bill online at www.vriresorts.com. For further assistance or questions concerning this billing, please contact VRI at 1(800) 999-7140.

The Trustees of Riverview Resort are proud to serve as your Board and sincerely thank you for your continued support.

Sincerely,

Daniel Mardirosian, President

Enclosures