



August 2024

Dear Riverview Resort Owners,

We hope this letter find you well. Enclosed please find your 2025 Fees Invoice which requires a detailed, two-part explanation.

### **Part 1: Annual Fees**

The 2025 annual fees are increasing by 9%. This should not come as a complete surprise, considering the financial impact caused by economic inflation cannot be understated. Riverview is affected by the same widespread cost increases that you have likely experienced in your own personal lives. However, please be assured that this decision was made after careful consideration and completing a thorough financial analysis. Our goal is not only to maintain your resort, but to enhance the quality of Riverview, while keeping costs reasonable for our valued owners. Our commitment to that goal remains unwavering.

The cost of operating Riverview Resort continues to increase across all expenses. Examples include higher costs for utilities and property maintenance, increased wages for employees and contractors, rising prices on all supplies and inventory, and escalating property values forcing higher insurance premiums and taxes. These increased expenses necessitated the adjustment to your annual fees.

Once again, breaking down the annual fees into a nightly rate helps emphasize the value of owning a Riverview week, compared to booking traditional rental accommodations for a full week on Cape Cod. Finding comparable accommodations at nightly rates as low as these would be very difficult. Keep in mind that booking rental accommodations also adds an additional 14.45% in taxes on top of nightly rates.

- *Studio* = \$87.41 per night
- *One-Bedroom* = \$145.98 per night
- *Two-Bedroom* = \$174.83 per night

### **Part 2: Special Assessment**

You will notice your invoice also includes a special assessment. Riverview Resort's Board of Directors and Management Team conducted a comprehensive review of the resort's current financial status, future projections, and needs. After careful consideration, it was determined that a special assessment is necessary to address and correct the financial deficit caused by a sequence of unforeseen events over the past few years. To add some context, below is a summary of these events.

2020  
Going into the winter of 2020, the project to fully-renovate all rooms at Riverview Resort had been adequately budgeted, billed, and funded. Additional funds were budgeted to account for contingencies and projected cost increases, which were reasonable and sufficient at that time. However, COVID and its resulting inflation drove project costs up by as much as 30%. Rather than re-assessing our owners for this increase, Riverview assumed a loan to complete the project. Securing a loan avoided having our owners pay for the project overruns, but the loan interest further added to the resort's already increased project costs. These significant increases, being unforeseen, were not budgeted, causing a financial shortfall in 2020.

## 2021 & 2022

The following year, in the fall of 2021, a Nor'easter hit Cape Cod. This storm impacted Riverview, with hurricane force winds lifting half the resort's roof, and causing water damage to 18 rooms below. This led to a grueling and complex 18-month-long insurance claim. The loss of nearly half of Riverview's rooms, which sat unrepaired and unusable for 18 months, forced the resort to refund annual fees to owners who were not able to utilize their rooms, and resulted in nearly all budgeted rental revenue to be forfeited. The resort had to secure a public adjuster, to provide necessary assistance, representation, and guidance on ensuring Riverview Resort received settlement sufficient enough to fully restore the resort. These services provided by the public adjuster added additional expenses to the resort's budget. The unexpected loss of revenue and additional claim-related expenses caused subsequent losses for the resort in both 2021 and 2022.

## 2023

In 2023, Riverview Resort's property insurance premiums were increased by \$150,000, without notice from the provider. Increases are expected, anticipated, and budgeted accordingly. However, an increase of this magnitude was not anticipated or budgeted, and further added to Riverview's growing deficit.

In addition to the 2025 fees invoice, enclosed is the 2025 Presentation Budget, a 2025-2028 Weeks Calendar, and offers from Capital Vacations and Trading Places.

## **Payment Options**

We understand that this is a substantial amount to be billed at once. Therefore, we are offering a 2-year payment plan for the special assessment. There will be a 5% administration fee for payments over this period. For those who prefer to pay in full, this fee will not apply. Additionally, Capital Vacations is developing new payment technology for automatic monthly payments from a checking account. More information will be provided once available.

**We would like to bring particular attention to the enclosed Assessment Billing and Collection (ABC) Policy.** This billing policy is included with your invoice every year and we ask all owners to please read and familiarize themselves with the policy. **Please note that your use week reservation cannot be guaranteed if payment of the 2025 fees is received past the January 1<sup>st</sup> due date.**

If you require assistance or are unable to pay your entire balance by **January 1, 2025**, please contact our Owner Services Department at 833-715-0006 **prior to the due date** to set up a satisfactory payment arrangement (additional administration fees may apply).

Thank you for your attention and continued support!

Sincerely,  
Board of Trustees  
Riverview Resort

