

Dear Shareholders,

While we still have your attention before the holidays get underway, the Board wishes to update you on a variety of things happening here at the Riviera.

2007 Budget

On Tuesday, November 21st, the Board met to finalize the 2007 Budget. The budget will affect maintenance in the following ways:

- Starting January 2007 there will no longer be an assessment included in your monthly bill.
- Starting January 2007 there will be a 4 % increase in maintenance.

The net result is that starting in January, your monthly bill will be approximately 10.9 cents per share lower than December. Although we have conservatively projected the co-op's real estate taxes for 2007, we are still waiting for the City to publish next year's rates. Actual maintenance may shift slightly depending upon the City's actions regarding tax rates for 2007. Following our receipt of this information from the City, the Board will issue a more detailed summary in early January 2007.

New Treasurer

At the November 21 Board Meeting, Marty Birkenthal, who is a retired senior financial officer with the San Francisco BART (Bay Area Rapid Transit) was voted in as the co-op's treasurer. Marty has spent many an hour running financial projections for the co-op over the last 6 or 9 months and is well-suited to be the co-op's new treasurer. While not a Board member, as Treasurer, Marty is a non-voting officer of the corporation.

Sponsor Late Fees

In October, the sponsor's account was paid up to date. Late fees were collected as per the co-op's by-laws. The sponsor's account is currently up-to-date.

Building Assets Development

Members of the Board and Finance Committee are working together to devise a plan for developing under-utilized space in the building, to generate additional revenue as well as to increase resale values. Certain spaces may offer amenities which would contribute to the quality of life for residents. Given the complex issues involved with some of the assets under consideration, such as the roof, the Board has contracted an outside firm with expertise in this area. The firm will review and evaluate potential options, including their compliance with the City's zoning, building, and fire codes.

Elevators

The Board has set a new date for the start of the elevator renovations. American Elevator, which was selected with the help of specialized elevator engineers, have put 790 on their 2007 schedule and plan to begin work in the summer.

Doormen

The Board has been actively engaged in a search for new doormen. Shareholders have not been entirely happy with a couple of people who tried out, which is why they were let go before their trial period had ended. However, Benjamin Schiffino, the younger doorman currently on the evening shift, who grew up in the Riviera, is getting high marks from shareholders. Once we have finalized the staff list we will order uniforms that fit the permanent staff .

Sales

Sales in the building have been much stronger in the second half of the year. Since the summer there have been two large apartments that sold in excess of \$1-million. There have also been several others that sold just below the million-dollar mark. Prices for smaller apartments also are doing well.

Hallways

The hallway renovations continue with work on the 12th floor. The super's freelance crew is doing the work, at a price that is almost half the price quoted by other vendors. The Board hopes to complete the remaining work on the other floors this spring.

Email Distribution

With this newsletter, we begin distributing news via email to those shareholders who requested it. If you need to update your distribution preferences, or give us a new email address, either send an email to webmaster@790rsd.org or call Bill Way at (646) 827-4670.

Informational Meeting Tuesday December 12th

An informational meeting for shareholders to discuss financial and other issues with Board members and representatives of Orsid has been scheduled for Tuesday December 12th at 7:30 P.M. in Apartment 1E.

Holiday Party Friday December 15th

All residents are invited to the annual Holiday Party, to be held in the building's lobby, on Friday evening, December 15th. Flyers with additional info will be distributed next week. Any residents interested in volunteering to help organize the party should get in touch with Vivian Ducat.

A very happy holiday to all.