

HIAWATHA EAST RESORT

2/11/2024

Subject: Important Vote for Hiawatha East

Dear Hiawatha East Owner,

We hope this letter finds you well. As an owner at Hiawatha Manor and Manor 1 (collectively known as "Hiawatha East"), we are reaching out regarding the upcoming steps concerning the future of the resort. Originally, the timeshare plan for Hiawatha East was set to sunset in 2029, requiring a vote to either extend the plan or proceed with a court-ordered partition sale of the units. However, as shared previously, Hiawatha East must take action due to financial insolvency, and is planning to file bankruptcy by March 2025.

Lemonjuice and your Board believe in full transparency and would like to share the reason for choosing this path, based on three key barriers in the governing documents.

Why Bankruptcy?

1. **Voting Representatives "VR":** Each of the 76 units requires one, however all owners must unanimously approve a nominee. Further, buildings A, and F-J no longer exist, which make it impossible to name VR for those units.
2. **51% Approval:** Amending or terminating the plan requires a 51% majority vote, which is unattainable.
3. **Association cannot vote:** The Association cannot vote any intervals

With only 20% of owners current on maintenance fees and engaged, a formal vote impossible. The capability to amend the declaration and terminate the timeshare plan is typically a required step to allow an Association to terminate the plan, sell the property, and distribute proceeds to owners. Since these barriers prohibit that, Hiawatha East will proceed with bankruptcy to accomplish those goals.

The Board feels it is important to demonstrate the owners' preferred outcome regarding the termination and sale of the resort, and to that end, would like to conduct a vote to gauge owner sentiment. While this vote will not formally amend or terminate the timeshare plan, it remains an important step in guiding the resort's next actions. A Special Owner's meeting will be held on 2/24 at 11am CST in order to share the results as well as accept any same-day voting.

Your Participation Matters

Enclosed is a ballot for your consideration:

Although we cannot hold a formal vote to amend the declaration and terminate the timeshare. If a vote could be held to amend the Declaration and Terminate the timeshare plan, allowing the Association to terminate, sell Hiawatha East, and distribute proceeds to the owners, would you choose YES to Amend and Terminate, or NO.

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Your engagement is critical in shaping the future of Hiawatha East. We appreciate your time and participation in this important matter. If you have any questions, please do not hesitate to reach out.

Sincerely,
Archie Dolby

FAQ About Voting Representatives

Although the role of voting representative is important, Lemonjuice would like to note that the process functions similar to the Electoral College, where each unit's vote reflects the majority decision of its respective interval owners. If you would like to participate as a voting representative in the future for Hiawatha East, please follow the below process. To serve as a **Voting Representative**, an individual must:

- Be a co-owner of the unit and in good financial standing.
- Represent and cast votes based on the majority preference of all interval owners within the unit.

If you would like to nominate yourself to serve in this capacity, please submit the following information: **Your full name, Unit/Interval(s) owned, Phone number, Email address**

You may send this information via:

- **Email:** HiawathaEastReimagined@lemonjuice.biz
- **Mail:** 7380 W. Sand Lake Road, Suite 130
Suite 130
Orlando, Florida 32819

If only one volunteer is received for a unit, that person will automatically be named as the Voting Representative. If multiple owners volunteer for the same unit, an election will be conducted to determine the representative.

FAQ's about Bankruptcy

A: Bankruptcy is an association-level process aimed at selling the Hiawatha East property to maximize its value for all owners. It will not affect your personal credit.

Q: How long is this process going to take?

A: The entire process can take up to 1 year. The auction will occur after the Court approves the sale of Hiawatha East.

Q: Will I need to appear in Court?

A: You will not be required to appear before the Court. If the Judge approves the sale, you will receive your due share of the sale proceeds at the time of distribution.

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Q: What if I am behind on my fees?

A: Any delinquent fees and related expenses owed to Hiawatha East will be deducted from your proceeds after the sale. The remaining funds will be distributed to the owners after all accounts have been settled.

Q: Do I continue to pay Maintenance and Taxes?

A: Hiawatha East is not currently collecting 2025 maintenance fees and, as a result, will not be making reservations for 2025 or allowing deposits into exchange companies for 2025 intervals at this time. Owners that wish to stay on site can choose to pay 2025 Maintenance Fees. If you currently have a deposit with an exchange company, there is no impact to your deposit. For RCI Points members, RCI points for your current use year should be available with no disruption.