

HIAWATHA EAST RESORT

December 17, 2024

Subject: Important Update Regarding Hiawatha Resort

Dear Hiawatha East Owners,

I hope this message finds you well. I am reaching out to share an important update regarding the financial status of Hiawatha East Resort.

Over the past several months, significant efforts have been made to address the challenges the resort has been facing. Despite these efforts, Hiawatha East Resort is now insolvent. After careful consideration of all available options, the decision has been made to initiate bankruptcy proceedings in the coming weeks.

This step was not taken lightly and is a result of a combination of factors, including rising operational costs, changes in market conditions, and insufficient revenue to sustain the resort's financial obligations. Filing for bankruptcy will provide a structured path forward and ensure that all stakeholders, including owners, are treated equitably during this process.

What This Means for Owners:

1. **Current Operations:** The resort will remain operational during the early stages of the bankruptcy process, and efforts will be made to minimize any disruptions.
2. **Owner Impact:** Details regarding the implications for ownership interests and next steps will be shared as soon as they become available.
3. **Future Communication:** Regular updates will be provided to ensure transparency throughout the process.

We understand that this news may be concerning, and we are committed to providing clear and timely information. If you have immediate questions or concerns, please use the contact us page of the info site <http://hiawatharesort.info/contact-us> or call Lemonjuice Solutions Owner Support at 931-444-1394. If email is convenient, please send an email to hiawathaeastreimagined@lemonjuice.biz.

Thank you for your understanding and support during this challenging time. Hiawatha East Resort has long been a cherished destination, and this decision reflects our commitment to addressing its financial challenges in a responsible and transparent manner.

Sincerely,

Archie Doby, Hiawatha East Board President

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Q: Why are we taking this route?

A: The purpose of this bankruptcy is to obtain a federal court order to oversee the sale proceeding and also ensure that everything is carried out adequately regarding the sale of Hiawatha East up to and including distribution of the net proceeds of any sale amount to the current owners.

Q: How will the bankruptcy process affect me as an owner?

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.

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: Can I still deed back my week?

A: Yes, you can deed back your week to the Association. We request that all owners that would like to deed back are current on maintenance fees and pay a \$250 filing fee. You can email HiawathaEastReimagined@Lemonjuice.biz with any questions regarding deeding back.

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. 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.

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Q: After the bankruptcy has been completed, and the property sold, will the former owners have any repercussions since they were named owners of the resort?

A: Once the bankruptcy process has been completed and the property has been sold, former owners will not have any further obligations or repercussions related to their prior ownership of the resort. The sale of the property and conclusion of the bankruptcy proceedings will release former owners from any ongoing liabilities or responsibilities associated with the resort.