



January 30, 2026

Dear Hiawatha Owners:

Bankruptcy & Legal Status

As many of you know, Hiawatha Manor Association, Inc. (East) filed for Chapter 11 bankruptcy to resolve long-standing financial and governance issues. To reduce costs for both East and West owners, the Court is being asked to authorize the sale of both properties through a single process. A key advantage of this approach is that a federal court order eliminates the need to clear title issues on each individual interval before selling the property as a whole.

Legal teams are actively preparing court filings and sale-related documents. The next court hearing – on the Motion for Summary Judgment – is scheduled for March 31, 2026.

Matters Affecting Timeline and Costs

Lake Tansi POA: Lake Tansi POA has filed a claim asserting it is owed a substantial amount. This claim is under review, causing significant delays and increasing legal expenses.

Owner Objections: An owner has distributed notices and filed motions that require review and response by the Associations and counsel. While these matters are being addressed appropriately, with certain requests granted and others overruled by the Court, responding to them consumes legal and administrative resources, requires additional court hearings at significant expense, and diverts Board and counsel attention from time-sensitive filings.

These matters introduce avoidable complexity during a critical phase of the bankruptcy and sale process and may extend the timeline needed to complete the sale. The Associations, legal teams, and Lemonjuice Solutions remain focused on moving forward efficiently, maintaining financial transparency, and protecting the interests of all owners.

Property & Financial Updates

Fifteen units at Hiawatha Manor (East) continue operating as long-term rentals, generating income. We have also begun renting units at Hiawatha West. There are no plans to bill 2026 maintenance fees, as we anticipate resolving matters before the April 1 fiscal year begins. The 2024 audits and 2024–2025 tax filings are being finalized.

Auction & Governance

The property auction is currently scheduled for May 25-27, 2026, but is subject to change depending on the issues described above. Sale materials, including due diligence, surveys, insurance, and title documents, are being finalized. The Hiawatha West Board has met to discuss how to support auction readiness, financial oversight, and required approvals. Both West and East owners may check the project websites for the most up to date information & court rulings.



What Owners Need to Know

- No action is required from owners at this time.
- The bankruptcy and sale process remains on track and is being managed through proper legal channels as efficiently as possible.
- Further updates will be shared as the auction approaches.

Thank you for your continued patience.

Sincerely,

Lemonjuice Solutions

On behalf of the Board of Directors

Contact us:

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