



Dear Waterford Crossing Homeowners' Association Owner:

As part of our continuing efforts to properly administer the Waterford Crossing Homeowners' Association and improve its operations as well as the community as a whole, we have decided to introduce nine amendments to our documents. We urge you to consent to the passage of each of the following:

AMENDMENT A: Ohio Revised Code Section 2950 defines three classes of sex offenders: Tier I, II, and III, with Tier III being the most severe. Following both a state and national trend, the Board recommends that the Association's governing documents be amended to prohibit County Sheriff-notified Tier III and Tier II sex offenders from residing in our community. Similar restrictions have been upheld in other states for the reason that an association's interest in preserving home values and resident safety outweighed the impact, if any; the restriction might have on an owner's ability to sell their home.

Waterford Crossing's governing documents currently make no provision against the residency of sex offenders. A number of studies have determined that sex offenders are more likely to repeat their illegal actions than any other type of convicted criminal. Because of that, the Ohio residential real property disclosure form you must provide any potential purchaser of your home advises buyers to contact the County Sheriff to determine if a sexual offender lives nearby. In short, County Sheriff-notified Tier III and Tier II offenders present a very real safety concern and have a significant negative impact on property values when neighbors are notified of an offender's occupancy in a nearby home.

The proposed amendment addresses the issues of residency, not ownership, and notification, as these are the focus of Ohio's sex offender legislation and are consistent with the requirement that restrictions must be reasonable. With the passage of the proposed amendment, all future Tier III and those classes of Tier II sex offenders who require community notification by the Cuyahoga County Sheriff will be barred from living in our community. By adding this restriction to our documents, we can better protect our safety and our investments in our homes.

Regardless as to whether this amendment is adopted or not, owners selling their home have a legal requirement to disclose to a buyer of their home if the owner or the Association receives notice that a Tier III or Tier II offender lives nearby.

AMENDMENT B: This amendment, if passed, would limit additional rental living units at Waterford Crossing, so that a cap is placed on the number of rental living units. We propose this amendment for a few reasons.

First, we believe that an amendment that requires future purchasers to be residents of the property is a good concept. Rather than a potential “apartment complex” atmosphere, we can maintain a community of all resident-owners. Problems with conduct normally associated with some tenants would be avoided.

Second, the proposed restriction has some flexibility and contains a few built-in exceptions to make it reasonable for everyone. These exceptions are: 1. The leasing restriction would not apply to current owners who are renting their living units. **CURRENT RENTAL LIVING UNITS ARE GRANDFATHERED FOR AS LONG AS YOU OWN THE LIVING UNIT.** 2. If you own a living unit but only your child(ren) or parent(s) lives in the living unit, that living arrangement is excluded from the rental restriction. 3. The amendment contains an automatic, one-time right for all owners to lease their living unit for up to 24 months. If an owner is behind in their maintenance fees and needs to rent the living unit to pay the fees, the amendment calls for the rent to be paid directly to the Association until the account is paid in full.

AMENDMENT C: Currently, traditional holiday lighting and illuminated or self-illuminated decorations may be located on a Lot from November 15 through January 31. This amendment proposes to extend the time frame to begin on October 1, to provide for the fall holidays. This permits Halloween decorations that are otherwise not allowed.

AMENDMENT D: With the continuing changes and improvements in electronic communications, this amendment permits the Association to take advantage of these changes to better communication between the Association and owners, simplify Association business and reduce costs on mailings.

AMENDMENT E: As you may be aware, the Bylaws state that the annual meeting “shall be held in the month of January of each year.” That requirement is not practical for our community. We therefore propose to modify the provision so that the meeting may be scheduled the second calendar quarter. This will better accommodate everyone’s schedules and provide the Board with more reasonable flexibility in scheduling the annual meeting.

AMENDMENT F: As many of you may be aware, we have had a difficult time obtaining the requisite quorum for the annual meetings of the Association. To avoid the inconvenience and added expense of having to always reschedule these meetings, we propose an amendment that would establish quorum based on those owners in attendance, or present by proxy. This does not give the board any additional power but rather simply allows the board to hold valid meetings and elections without requiring the presence of 327 homeowners. Any changes to rules or governing documents still requires a majority (51%) or supermajority (75%) vote of homeowners.

AMENDMENT G: Currently, the Bylaws only require Board members to be Members of the Association. We feel the Association would be better represented if Board members were also required to be in good standing with the Association. In addition, the amendment also clarifies that only one person from the same living unit may be on the Board at one time.

AMENDMENT H: Currently our governing documents require a majority vote of the owners to adopt rules for the Association. This Amendment provides the Board with the same authority to adopt and enact reasonable rules.

AMENDMENT I: This Amendment provides that if an owner is late in the payment of maintenance fees, the Association may assess a reasonable late charge. As Waterford Crossing Homeowners' Association is a non-profit association that relies exclusively on the owners' fees to cover the expense of maintaining, repairing and administering the common elements, the timely payment of maintenance fees is imperative. Late payments can result in the Association having to delay payment to its various contractors, which increases costs for the Association. A reasonable late charge is needed to both encourage timely owner payments and to cover Association expenses incurred because of the late payments.

The Waterford Crossing Homeowners' Association Declaration requires amendments to be voted on at a meeting of the Association; therefore, this letter also serves as **NOTICE of a SPECIAL MEETING** to be held on May 24, 2017, at 7 p.m. at the clubhouse (18881 Waterford Parkway) for the purpose of discussing and voting on the proposed amendments and to answer any questions you may have.

Enclosed with this letter is a limited proxy by which you may indicate your vote on the proposed amendments. Please complete and return the proxy ballot, whether or not you plan to attend the meeting, to Waterford Crossing Homeowners' Association, in the self-addressed, stamped envelope also enclosed. If you attend the meeting, your proxy will be returned to you at that time. In accordance with our Declaration, a 75% affirmative vote of the ownership interest must be obtained for the passage of each amendment.

Voting on the amendments will remain open until either approved by 75% of the owners or defeated by more than 25% of the owners. To, however, complete this process in a timely manner, we ask that you return your limited proxy ballot at your earliest convenience prior to the meeting.

If you should have any questions pertaining to these amendments, please feel free to contact any Board Member. Thank you for your anticipated cooperation.

Sincerely yours,

THE BOARD OF DIRECTORS
WATERFORD CROSSING HOMEOWNERS
ASSOCIATION

Enclosure