



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.

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.

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 March 15, 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

Enclosures

**LANGUAGE TO AMEND THE AMENDED AND RESTATED DECLARATION OF
COVENANTS AND RESTRICTIONS FOR WATERFORD CROSSING SUBDIVISIONS**

The Board of Directors for the Waterford Crossing Homeowners' Association proposes that the Amended and Restated Declaration of Covenants and Restrictions for Waterford Crossing Subdivisions (the "Declaration") and the Bylaws of Waterford Crossing Homeowners' Association (the "Bylaws"), Strongsville, Ohio, be amended as follows:

AMENDMENT A

INSERT a new DECLARATION ARTICLE VI, SECTION 23 entitled, "Occupancy Restriction." Said new addition, to be added on Page 20 of the Declaration, as recorded at Cuyahoga County Records, Instrument No. 200304090289, is as follows:

SECTION 23. **Occupancy Restriction.**

A person who is classified a Tier III or Tier II sexual offender/child-victim offender, or any future equivalent classification, and for whom the County Sheriff or other government entity must provide community notification of the sex offender's residence is prohibited from residing in or occupying a Living Unit or remaining in or on the Properties for any length of time. The classification of a sexual offender/child-victim offender and determination of whether notice is required is made by a court of law pursuant to the Ohio Sex Offenders Act, as may be amended or renamed from time to time, or similar statute from another jurisdiction. The Association is not, however, liable to any Owner or occupant, or anyone visiting any Owner or the Association, as a result of the Association's alleged failure, whether negligent, intentional, or otherwise, to enforce the provisions of this restriction.

Any conflict between this provision and any other provisions of the Declaration and Bylaws will be interpreted in favor of this restriction on the occupancy of Living Units. The invalidity of any part of the above provision does not impair or affect in any manner the validity or enforceability of the remainder of the provision. Upon the recording of this amendment, only Owners of record at the time of such filing have standing to contest the validity of this amendment, whether on procedural, substantive, or any other grounds, provided further that any such challenge must be brought in the court of common pleas within one year of the recording of this amendment.

AMENDMENT B

INSERT a new DECLARATION ARTICLE VI, SECTION 24 entitled, “Leasing of Living Units.” Said new addition, to be added on Page 20 of the Declaration, as recorded at Cuyahoga County Records, Instrument No. 200304090289, is as follows:

SECTION 24. Leasing of Living Units.

To create a community of resident Owners, to remain within mortgagee owner-occupancy limitations, and to further protect and preserve the Declaration’s fundamental purposes set forth in the Declaration, including, without limitation, the preservation of property values and the well being of Owners and occupants; no Living Unit can be leased, let, or rented, whether for monetary compensation or not, by a Owner to others for business, speculative, investment, or any other purpose, subject to the following:

(a) The above prohibition does not apply to:

(1) Living Units that are occupied by the parent(s) or child(ren) of the Owner; or,

(2) any Owner leasing or renting their Living Unit at the time of recording of this amendment with the Cuyahoga County Fiscal Office, and who has registered their Living Unit as being leased with the Association within 90 days of the recording of this amendment (“Grandfathered Living Unit”). The Owner of a Grandfathered Living Unit can continue to enjoy the privilege of leasing that Living Unit, subject to the restrictions and requirements in subparagraph (c), until the title to said Grandfathered Living Unit is transferred to a subsequent Owner, at which time the Living Unit will no longer be classified as a Grandfathered Living Unit.

(b) To meet a special situation and to avoid a practical difficulty or other undue hardship, each Owner has the right to lease their Living Unit to a specified lessee for a one-time period of no more than 24 consecutive calendar months, subject to the restrictions and requirements as identified in subparagraphs (c) and (d) below. To exercise this right, the Owner cannot be more than 30 days delinquent in any assessment or other payment due to the Association and the Owner must provide the Board with prior, written notice at least 10 business days prior to the commencement of the lease. If the Owner is more than 30 days delinquent, the Owner may request and receive a

one-time hardship exception only with the Board's prior written consent.

(c) The leasing of any Living Unit in accordance with subparagraphs (a) or (b) above is subject to the following conditions and restrictions:

(1) No Living Unit can be rented or leased by the Owner for transient purposes, which is defined to mean a rental for any period less than six full, consecutive calendar months, nor rented or leased to any business or corporate entity for the purpose of corporate housing or similar type usage. Sub-leasing of any Living Unit, in whole or in part, is also prohibited.

(2) The Association has at all times a limited power-of-attorney from and on behalf of any Owner who is more than 30 days delinquent in the payment of any Assessment or charges due the Association to collect the lease/rent payments directly from the delinquent Owner's tenant/renter until such delinquency is paid in full.

(3) All leases must be in writing and a copy provided to the Board prior to the beginning of the lease term. The lessee must abide by the terms of the Declaration, Bylaws, and rules and regulations. When an Owner leases their Living Unit, the Owner relinquishes all amenity privileges, but continue(s) to be responsible for all obligations of ownership of their Living Unit and is jointly and severally liable with the lessee to the Association for the conduct of the lessee and any damage to Properties.

(d) Any land contract for the sale of a Living Unit must be recorded with the Cuyahoga County Fiscal Office and a recorded copy of the land contract must be delivered to the Board within 30 days of such recording. Any land contract not recorded is an impermissible lease.

(e) The Board may adopt and enforce Rules and definitions in furtherance, but not in contradiction of the above provisions, including, without limitation, rules to address and eliminate attempts to circumvent the meaning or intent of this Section 24 and in furtherance of the preservation of Waterford Crossing Homeowners' Association as an owner-occupied community and against the leasing of Living Units for investment or other purposes. The Board further has full power and authority to deny the occupancy of any Living Unit by any person

or family if the Board, in its sole discretion, determines that the Owner of such Living Unit is intending or seeking to circumvent the meaning, purpose, or intent of this Section 24.

Any conflict between this provision and any other provisions of the Declaration and Bylaws will be interpreted in favor of this restriction on the leasing of Living Units. The invalidity of any part of the above provision does not impair or affect in any manner the validity or enforceability of the remainder of the provision. Upon the recording of this amendment, only Owners of record at the time of such filing have standing to contest the validity of this amendment, whether on procedural, substantive, or any other grounds, provided further that any such challenge must be brought in the court of common pleas within one year of the recording of this amendment.

AMENDMENT C

MODIFY the 2nd SENTENCE in the 2nd PARAGRAPH of DECLARATION ARTICLE VI, SECTION 16 entitled, “Lawn Ornaments and Lighting.” Said modification, to be made on Page 18 of the Declaration, as recorded at Cuyahoga County Records, Instrument No. 200304090289, is as follows (deleted language is crossed-out; new language is underlined):

Unless installed by the Developer or the Association, no mechanical devices, electronic devices, lights, or illuminated or self-illuminated objects may be located at any time on a Lot, outside of a Living Unit, except for traditional holiday lighting and illuminated or self-illuminated decorations that may be located on a Lot from ~~November 15~~ October 1 through January 31 and decorative landscaping illumination that may be located in landscape areas year round.

Any conflict between this provision and any other provisions of the Declaration and Bylaws shall be interpreted in favor of this amendment regarding holiday decorations. Upon the recording of this amendment, only Owners of record at the time of such filing shall have standing to contest the validity of the amendment, whether on procedural, substantive or any other grounds, provided further that any such challenge shall be brought in the court of common pleas within one year of the recording of the amendment.

AMENDMENT D

DELETE DECLARATION ARTICLE VIII, SECTION 1 entitled, “Notices” in its entirety. Said deletion to be taken from Page 22 of the Declaration, as recorded at Cuyahoga County Records, Instrument No. 200304090289.

INSERT a new DECLARATION ARTICLE VIII, SECTION 1 entitled, “Notices.” Said new addition, to be added on Page 22 of the Declaration, as recorded at Cuyahoga County Records, Instrument No. 200304090289, is as follows:

SECTION 1. Notices.

Due to the ongoing development of new technologies and corresponding changes in business practices, to the extent permitted by Ohio and Federal law, as well as by the Board, now or in the future: (1) any notice required in the Declaration or Bylaws to be sent or received; (2) any signature, vote, consent, or approval required to be obtained; or (3) any payment required to be made, under the Declaration or Bylaws, may be accomplished or required using the most advanced technology available at that time provided such use is a generally accepted business practice. This includes, without limitation, the use of electronic mail or other electronic transmission in lieu of any Association required written notice to Owners, individually or collectively, to or from any Owner who has given the Association written consent to such use of electronic mail or other electronic transmission, and for the Association to properly and effectively receive any Owner’s signature, vote, consent, or approval the Association needs or requires, subject to the following:

(a) For voting on the election of Board Members, the Association may provide for voting by electronic transmission. However, if the Association cannot guarantee the anonymity of an Owner’s vote, the Association must provide the Owner with the option of casting an anonymous printed ballot.

(b) An electronic mail or other electronic transmission to a Owner is not considered delivered and effective if the Association’s transmission to the Owner fails two consecutive times, e.g. the Association receives an “undeliverable” or similar message, or the inability to deliver the transmission to the Owner becomes known to the person responsible for sending the transmission. If the electronic mail or other electronic transmission is not delivered or effective, the Association will deliver such notice or other communication to the Owner in writing by regular U.S. mail to the Owner’s Living Unit or last known address, by hand delivery to the Owner, or by leaving the notice under or attached to the front door of the Owner’s Living Unit.

(c) Any Owner who has not given the Association written consent to such use of electronic mail or other electronic transmission will receive notices, including any notice of delinquency of any payment due, either by personal delivery to the Owner, by leaving the notice under or attached to the front door of the Owner's Living Unit, or regular mail to the Owner's Living Unit or last known address.

Any conflict between this provision and any other provisions of the Declaration and Bylaws will be interpreted in favor of this amendment permitting the Association to use electronic communications to the extent permitted by Ohio and Federal law. The invalidity of any part of the above provision does not impair or affect in any manner the validity or enforceability of the remainder of the provision. Upon the recording of this amendment, only Owners of record at the time of such filing have standing to contest the validity of this amendment, whether on procedural, substantive, or any other grounds, provided further that any such challenge must be brought in the court of common pleas within one year of the recording of this amendment.

AMENDMENT E

DELETE BYLAWS ARTICLE VIII, SECTION 1 entitled, "Annual Meeting," in its entirety. Said deletion to be taken from Page 10 of the Bylaws, as recorded at Cuyahoga County Records, Instrument No. 201108170387.

INSERT a new BYLAWS ARTICLE VIII, SECTION 1 entitled, "Annual Meeting." Said new addition, to be added on Page 10 of the Bylaws, as recorded at Cuyahoga County Records, Instrument No. 201108170387, is as follows:

Section 1. Annual Meeting. The Association's Annual Meeting will be held at such time, at such place, and on such date during the second quarter of each calendar year as the Board determines and is stated in the meeting notice, for the election of Directors, the consideration of reports to be laid before the meeting, and the transaction of such other business as is set forth in the meeting notice.

Any conflict between the above provision and any other provisions of the Declaration and Bylaws will be interpreted in favor of this amendment changing the time for holding the annual meeting. The invalidity of any part of the above provision does not impair or affect in any manner the validity or enforceability of the remainder of the provision. Upon the recording of this amendment, only Owners of record at the time of such filing have standing to contest the validity of this amendment, whether on procedural, substantive, or any other grounds, provided further that any such challenge must be brought in the court of common pleas within one year of the recording of this amendment.

AMENDMENT F

DELETE BYLAWS ARTICLE VIII, SECTION 4 entitled, “Quorum; Adjournment,” in its entirety. Said deletion to be taken from Page 10 of the Bylaws, as recorded at Cuyahoga County Records, Instrument No. 201108170387.

INSERT a new BYLAWS ARTICLE VIII, SECTION 4 entitled, “Quorum; Adjournment.” Said new addition, to be added on Page 10 of the Bylaws, as recorded at Cuyahoga County Records, Instrument No. 201108170387, is as follows:

Section 4. Quorum; Adjournment. Except as otherwise provided by law or by the Declaration, at any meeting of the Members of the Association, the Members of the Association present in person or by proxy will constitute a quorum. Owners entitled to exercise a majority of the voting power of the Members represented at a meeting may, at any time, adjourn such meeting. If any meeting is so adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are announced at such meeting. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting.

Any conflict between this provision and any other provisions of the Declaration and Bylaws will be interpreted in favor of this amendment regarding quorum at Association meetings. The invalidity of any part of the above provision does not impair or affect in any manner the validity or enforceability of the remainder of the provision. Upon the recording of this amendment, only Owners of record at the time of such filing have standing to contest the validity of this amendment, whether on procedural, substantive, or any other grounds, provided further that any such challenge must be brought in the court of common pleas within one year of the recording of this amendment.

AMENDMENT G

DELETE BYLAWS ARTICLE VI, SECTION 1 entitled, “Number and Qualifications,” in its entirety. Said deletion to be taken from Page 7 of the Bylaws, as recorded at Cuyahoga County Records, Instrument No. 201108170387.

INSERT a new BYLAWS ARTICLE VI, SECTION 1 entitled, “Number and Qualifications.” Said new addition, to be added on Page 7 of the Bylaws, as recorded at Cuyahoga County Records, Instrument No. 201108170387, is as follows:

Section 1. Number and Qualifications. The Board will consist of five persons, each of whom must be Members of the Association and a Member in good standing at the time of the Annual or Special Meeting held for the election of Board Members, except that in the case of a Lot or Living Unit held by a corporation, partnership, fiduciary, or nominee, the designated

representative will be eligible to serve as a Member of the Board. Good standing requires that the Member not be more than 30 days delinquent in the payment of any fees or Assessments owed to the Association. If a Board Member ceases to meet such good standing qualifications during their term, they may be removed by a majority vote of the remaining Board Members. Notwithstanding anything herein, no Lot or Living Unit may be represented by more than one person on the Board at any one time. If an Owner is not an individual, that Owner may nominate for the Board of Directors any principal, member of a limited liability company, partner, director, officer, or employee of that Owner.

DELETE BYLAWS ARTICLE VI, SECTION 8 entitled, "Removal of Trustees," in its entirety. Said deletion to be taken from Page 8 of the Bylaws, as recorded at Cuyahoga County Records, Instrument No. 201108170387.

INSERT a new BYLAWS ARTICLE VI, SECTION 8 entitled, "Removal of Board Members." Said new addition, to be added on Page 8 of the Bylaws, as recorded at Cuyahoga County Records, Instrument No. 201108170387, is as follows:

Section 8. Removal of Board Members. Except as otherwise provided in these Bylaws, the Board may remove any Board Member and create a vacancy in the Board, which may be filled in accordance with Bylaws Article VI, Section 2, if by order of court the Member is found to be of unsound mind, or if the Member files for bankruptcy or has been adjudicated bankrupt, or not a Member in good standing as defined in Article VI, Section 1, or if the Member is physically incapacitated, or involved in any legal action against the Association, or if the Member fails to attend three meetings of the Board. At any Association meeting duly called at which a quorum is present, any one or more of the Board Members may be removed with or without cause by the vote of Owners entitled to exercise at least a 75% of the Association's total voting power, and a successor(s) to such Board Member(s) so removed may be elected at the same meeting for the unexpired term for each such removed Board Member. Any Board Member, whose removal has been proposed, will have an opportunity to speak and be heard at such meeting prior to the vote of their removal.

Any conflict between these provisions and any other provisions of the Declaration and Bylaws will be interpreted in favor of this amendment regarding the qualifications and removal of Board Members. The invalidity of any part of the above provision will not impair or affect in any manner the validity or enforceability of the remainder of the provision. Upon the recording of this amendment, only Owners of record at the time of such filing will have standing to contest the validity of this amendment, whether on procedural, substantive, or any other grounds, provided further that any such challenge will be brought in the court of common pleas within one year of the recording of this amendment.

AMENDMENT H

RENUMBER DECLARATION ARTICLE I, SECTION 1, PARAGRAPHS (m) and (n) to read ARTICLE I, SECTION 1, PARAGRAPHS (n) and (o). Said modifications, to be made on Page 4 of the Declaration, as recorded at Cuyahoga County Records, Instrument No. 200304090289.

INSERT a new PARAGRAPH (m) to DECLARATION ARTICLE 1, SECTION 1 entitled, "Rules." Said new addition, to be added on Page 4 of the Declaration, as recorded at Cuyahoga County Records, Instrument No. 200304090289, is as follows:

(m) "Rules" mean and refer to reasonable rules adopted and promulgated by the Board, by written notice to the Owners, as the Board deems advisable for the maintenance, conservation and beautification of the Properties, and/or for the reasonable health, comfort, safety and general welfare of the Owners and occupants, and/or to govern the operation and use of the Properties or any portion thereof, and to establish a procedure for levying and collecting reasonable enforcement assessments for any infractions of the Rules, or any covenant, condition, restriction or responsibility of this First Amended Declaration or the Bylaws. In the event such Rules conflict with any provisions of this First Amended Declaration or the Bylaws, the provisions of the First Amended Declaration and Bylaws will govern.

MODIFY BYLAWS ARTICLE V, SECTION 2 entitled, "Rules and Regulations." Said modification, to be made on Page 6 of the Bylaws, as recorded at Cuyahoga County Records, Instrument No. 201108170387, is as follows (deleted language is crossed-out; new language is underlined):

Section 2 Rules and Regulations. The Board, by a vote of a majority of its members, or the Association, by vote of the Members entitled to exercise a majority of the voting power of the Association, may adopt such reasonable rules and regulations and from time to time amend the same supplementing the rules and regulations set forth in the Declaration and these Bylaws as it may deem advisable for the use or occupancy of Lots and Living Units maintenance, conservation and beautification of The Properties and for the health, comfort, safety and general welfare of the Owners and occupants of The Properties. Written notice of such rules and regulations ~~shall~~ will be given to all Owners and The Properties ~~shall~~ will at all times be maintained subject to such rules and regulations. In the event such supplemental rules and regulations conflict with any provisions of the Declaration or of these Bylaws, the provisions of the Declaration and of these Bylaws ~~shall~~ will govern.

Any conflict between the above provisions and any other provisions of the Declaration and Bylaws will be interpreted in favor of this amendment to permit the Board to adopt and enact rules. The invalidity of any part of the above provision does not impair or affect in any manner the validity or enforceability of the remainder of the provision. Upon the recording of these amendments, only Owners of record at the time of such filing have standing to contest the validity of these amendments, whether on procedural, substantive, or any other grounds, provided further that any such challenge must be brought in the court of common pleas within one year of the recording of this amendment.

AMENDMENT I

MODIFY the 2nd PARAGRAPH of DECLARATION ARTICLE V, SECTION 4 entitled, "Due Dates of Assessments; Defaults." Said modification, to be made on Page 12 of the Declaration, as recorded at Cuyahoga County Records, Instrument No. 200304090289, is as follows (deleted language is crossed-out; new language is underlined):

If any annual or special assessment, or installment of a special assessment, is not paid within ~~ten~~ (10) days after the due date, ~~such delinquent assessment or installment shall bear interest from the due date at the prime rate then being charged by Society Bank plus three percent (3%) per annum, and the,~~ the Board may, in its discretion and in addition to any other right or remedy conferred by law or contained herein or in the Bylaws, discontinue any or all services or access to amenities to or for the Lot or Living Unit owned by such Owner that may be included as part of the Common Expenses. Any Assessment not paid within 10 days after the same will have become due and payable, will be subject to a monthly administrative late charge established by the Board and as the Board so determines. Each Owner will also be liable for any and all costs incurred by the Association in connection with the collection of delinquent Assessments from such Owner, including reasonable attorneys' fees, monthly administrative late charges, court costs, and other related charges. The Association may after such thirty ~~(30)~~ day period bring an action at law against the Owner responsible for the payment of such assessment, and (additionally or alternatively) may foreclose the lien against the property, and in the event a judgment is obtained, such judgment ~~shall~~ will include interest on the assessment or installment amount as above provided, together with the costs of the action and reasonable attorneys' fees.

The Association will credit any partial payment(s) made by the Owner for or on any Assessment or other charges due the Association in the following order of priority:

- (a) To any interest owed to the Association;
- (b) To any administrative late fees owed to the Association;
- (c) To collection costs, attorney fees, and paralegal fees incurred by the Association; and, finally,
- (d) To the principal amounts the Owner owes to the Association for the common expenses or penalty Assessments chargeable against the Lot or Living Unit.

Any conflict between the above modification and any other provisions of the Declaration and Bylaws will be interpreted in favor of the above amendment providing for the imposition of a reasonable late fee for overdue assessment/maintenance fee payments. The invalidity of any part of the above provision does not impair or affect in any manner the validity or enforceability of the remainder of the provision. Upon the recording of this amendment, only Owners of record at the time of such filing have standing to contest the validity of this amendment, whether on procedural, substantive, or any other grounds, provided further that any such challenge must be brought in the court of common pleas within one year of the recording of this amendment.

**AMENDMENT TO THE AMENDED AND RESTATED DECLARATION OF COVENANTS
AND RESTRICTIONS FOR WATERFORD CROSSING SUBDIVISIONS**

LIMITED PROXY

To the Waterford Crossing Homeowners' Association Board of Directors:

I/We, the undersigned, being the Owner(s) of _____ Strongsville,
(insert address)

Ohio, 44149, appoint and authorize the Board of Directors as my/our Proxy, to cast my/our vote in reference to the following Amendments to the Amended and Restated Declaration of Covenants and Restrictions for Waterford Crossing Subdivisions (the "Declaration") and the Bylaws of Waterford Crossing Homeowners' Association (the "Bylaws"), Strongsville, Ohio, as set forth on the attached Pages 1 through 10, **ONLY** as indicated below at any special meeting of the Waterford Crossing Homeowners' Association, including any change, adjournment, or continuation of such meeting, held for the purpose of voting on the Amendments. (**Instructions:** After reading and considering the attached pages, please indicate how your vote for or against each Amendment listed below is to be cast and then sign, date, and return this page to the Association.):

	<u>IN FAVOR</u>	<u>AGAINST</u>
AMENDMENT A: Prohibits Tier III and Tier II sexual offenders, for whom the county sheriff must provide community notification, from residing on or entering the properties.	_____	_____
AMENDMENT B: Restricts the leasing of living units with reasonable and necessary exceptions.	_____	_____
AMENDMENT C: Modifies restrictions on holiday decorations.	_____	_____
AMENDMENT D: Permits the use of electronic communications to the extent permitted by Ohio and Federal law.	_____	_____
AMENDMENT E: Changes the annual meeting date from the month of January to the second calendar quarter.	_____	_____
AMENDMENT F: Reduces quorum requirement for Association meetings from 51% to those present in person or by proxy.	_____	_____

AMENDMENT G: Provides only one person per lot or living unit may serve on the Board at one time and requires Board Members must be in good standing.

AMENDMENT H: Addresses the Board's authority to enact reasonable rules.

AMENDMENT I: Permits the Association to assess a reasonable late charge rather than a percentage per annum.

The undersigned further grant(s) a power of attorney to the officers of the Waterford Crossing Homeowners' Association, to execute the necessary documents to be filed with the Cuyahoga County Records evidencing the consent, if any, granted herein.

Signature of Owner

Date

**Signature (If co-owned, both Owner should sign.
If only one signs, he/she states that he/she represents
the entire vote of the Lot or Living Unit.)**

Date