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June 18, 2021

Board of Directors
The Woodway Condominium Association, Inc.
5001 Woodway Drive
Houston, Texas 77056

Re: Summary of Annual Meeting Remarks Related to Unit 106

Dear Board:

I am writing to provide a summary of my remarks presented at your annual meeting that addressed issues of owner inquiry related to unit 106.

1. The Association has good title to unit 106.
 - a) The unit was purchased following the right of first refusal process provided for in the Declaration.
 - b) A title policy was issued by Westcor Land Title insuring the fact there is good title to the unit.
2. The Association may use the unit for the same activities that all residents within the building may use their units.
 - a) The Texas Supreme Court has ruled that residential use covenants merely require that property be used for activities generally associated with a personal dwelling (in this situation, the uses being contemplated are residential uses by the members as social guests of the association as contemplated by the Declaration).
 - b) In addition, the Texas Property Code provides that a decision of an association board as to the meaning of a restriction is presumed to be reasonable, unless shown to be arbitrary or capricious.
 - c) Finally, the Texas Supreme Court has ruled that in instances where the meaning of a restriction is open to interpretation, the interpretation should be the one in favor of the free use of the property.
3. The ownership of the unit does not pose any inherent conflicts for the association.
 - a) Should the association sell the unit for an amount greater than what it paid to purchase the unit, it will not impact its non-profit status as long as all proceeds are used for the same purposes as designated for use of regular assessments.

- b) Should the association sell the unit, it does not constitute a sale of substantially all of its assets, because in addition to the unit, the association holds significant assets in the form of operating and capital reserve accounts.

Very truly yours,

Holt & Young, P.C.

A handwritten signature in blue ink, appearing to read "James R. Young", is written over the printed name.

James R. Young