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CONDOMINIUM DECLARATION FOR WOODWAY PLACE ATRIUM CONDOMINIUM

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COUNTY CLERK HARRIS COUNTY, TEXAS

WOODWAY PLACE ATRIUM
CONDOMINIUM & DECLARAT!
A CONDOMINIUM PROJECT
CONDOMINIUM RECORDS
HARRIS COUNTY TEXAS

#### CONDOMINIUM DECLARATION FOR

#### WOODWAY PLACE ATRIUM CONDOMINIUM

#### KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, WOODWAY PLACE ATRIUM CONDOMINIUM, a joint venture of Bland Development Corporation, and Arenco Development Company, Texas corporations, hereinafter collectively called "Declarant", is the owner of real property situated in the County of Harris, State of Texas, being described as follows:

2.031-acre tract of land being situated in the Charles Sage Survey, Harris County, Texas. Said 2.031 acres of land also being a portion of and a part of Lot No. 49, Post Oak Gardens Subdivision, as recorded in Volume 16 on Page 1 of the Harris County Map Records, Harris County, Texas. Said 2.031-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a 1-inch iron pipe marking the Southwest corner of Lot No. 49 of the above described subdivision, said pipe being in the East right-of-way line of Bering Drive;

THENCE, North, along the East right-of-way line of Bering Drive, a distance of 207.00 feet to a point for corner:

THENCE, East, a distance of 277.52 feet to a point for corner;

THENCE South, a distance of 70.67 feet to a point for corner;

THENCE, East, a distance of 228.33 feet to a point for corner in the East line of said Lot No. 49;

THENCE South, 0° 25' 12" West, a distance of 136.23 feet to a 1-inch iron pipe marking the Southeast corner of said Lot No. 49;

THENCE, South 89° 59' 17" West, along the South line of said Lot No. 49, a distance of 504.85 feet to the POINT OF BEGINNING, CONTAINING 2.031 acres of land.

which property is described on the attached map or plat thereof marked Exhibit "A" which by this reference is made a part hereof; and

WHEREAS, Declarant, as Developer, desires to establish a condominium regime under the Condominium Act of the State of Texas; and

WHEREAS, Declarant has executed plans for the construction of an eight (8) story building, an adjoining parking garage, and other improvements appurtenant thereto on the property described in Exhibit "A" which when completed shall consist of seventy-nine (79) separately designated condominium units; and

WHEREAS, Declarant does hereby establish a plan for the individual ownership in fee simple of estates consisting of the area or space contained in each of the seventy-nine (79) apartment units in the building and the co-ownership by the individual and separate owners thereof, as tenants in common, of all of the remaining property which is hereinafter defined and referred to as the general common elements;

NOW, THEREFORE, Declarant does hereby publish and declare that the following terms, covenants, conditions easements, restrictions, uses, limitations, and obligations shall be deemed to run with the land, shall be a burden and a benefit to Declarant, its successors and assigns and any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees, and assigns.

- 1. DEFINITIONS, unless the context shall expressly provide otherwise:
  - (a) "Apartment" or "apartment unit" means an individual air space unit which is contained within the perimeter walls, floors, and ceilings of a designated "apartment unit" as shown on the floor survey plats and drawings attached.
  - (b) "Condominium units" (whether capitalized or uncapitalized herein) or "unit" (whether capitalized or uncapitalized herein) means one individual air space unit together with the interest in the general common elements appurtenant to such unit.

- (c) "Owner" means a person, firm, corporation, partnership, association or other legal entity, or any combination thereof, who owns one or more condominium units.
  - (d) "General Common Elements" means and includes:
  - (1) The land on which the buildings are located;
  - (2) The foundations, columns, girders, beams, supports, main walls, and roofs;
  - (3) The yards, gardens, parking areas (other than the assigned parking spaces described in paragraph 1(e) below), fences, storage spaces, streets, service drives, walks, service easements, swimming pool and recreation area;
  - (4) The installations consisting of the equipment and materials making up central services such as power, light, gas, swimming pool and the like;
  - (5) All other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.
- (e) "Limited common elements" means a part of the general common elements reserved for the exclusive use of the owner of a condominium unit; garage parking areas, balcony areas and patio spaces located as shown on Exhibit "A" and appurtenant to a specific unit only, shall be deemed limited common elements.
- (f) "Entire premises" or "property" means and includes the land hereinabove described, the buildings, all improvements and structures thereon, and all rights, easements and appurtenances belonging thereto.
  - (g) "Common expenses" means and includes:
    - All sums lawfully assessed against the general common elements by the Managing Agent or Board of Managers;

- (2) Expenses of administration and management, maintenance, repair or replacement of the general common elements;
- (3) Expenses declared common expenses by provisions of this Declaration and by the Bylaws.
- (h) "Association of Unit Owners" or "association" means a Texas nonprofit association, the Bylaws of which shall govern the administration of this condominium property, the members of which shall be all of the owners of the condominium units.
- (i) "Map", "survey map" or "plans" means and includes the engineering survey of the land located thereon all of the improvements, the floor and elevation plans and any other drawings or diagrammatic plan depicting a part of or all of the improvements, same being herewith filed, consisting of 12 sheets labeled Exhibits "A", labeled as Drawings Nos. C4, Al-1; Al-2, Al-3; A2-1; A2-2, A2-3; A2-4; GA-1; GA-2; GA-3; and GA-5; inclusive, and incorporated herein.
- (j) The "Act" means the "Condominium Act" of the State of Texas (Art. 1301a, V.A.T.S.) as same exists or may be amended. The provisions of this Declaration, and the By-laws appended, are in all things to be construed so as to comply with the provisions of the Act.
- with the recording of this Declaration as a part hereof, and prior to the first conveyance of any condominium unit. Such map shall consist of and set forth (1) the legal description of the surface of the land; (2) the linear measurements and location, with reference to the exterior boundaries of land, of the buildings and all other improvements built or to be built on said land by Declarant; (3) floor plans and elevation plans of the building built or to be built thereon showing the location, the floor elevation and designation, the apartment designation and the linear dimensions of each apartment unit, and the limited common elements; (4) the elevations of the unfinished interior surfaces of the floors and ceilings as established from a datum plane.

- 3. The real property is hereby divided into the following fee simple estates:
  - (a) Seventy-nine (79) fee simple estates consisting of seventy-nine (79) separately designated apartment units, each such unit identified by number (the first digit indicating floor number) on the map, the seventy-nine (79) apartments in the eight (8) story building being described as follows:

First (Ground) Floor: Containing Nine (9) apartments numbered 101, 102, 103, 104, 106, 108, 109, 110, 111; the size, dimensions, location and boundaries of each being detailed on "map", sheet A-1-1.

Second Floor: Containing ten (10) apartments numbered 201 through 204 inclusive; and 206 through 211, inclusive; the size, dimensions, locations and boundaries of each being detailed on "map", sheet A-1-2.

Third Floor: Containing ten (10) apartments numbered 301 through 304, inclusive, and 306 through 311, inclusive; the size, dimensions, locations and boundaries of each being detailed on "map", sheet A-1-3.

Fourth Floor: Containing ten (10) apartments numbered 401 through 404, inclusive, and 406 through 411, inclusive; the size, dimensions, locations and boundaries of each being detailed on "map", Sheet A-1-3.

Fifth Floor: Containing ten (10) apartments numbered 501 through 504, inclusive, and 506 through 511, inclusive: the size, dimensions, locations and boundaries of each being detailed on "map", sheet A-1-3.

Sixth Floor: Containing ten (10) apartments numbered 601 through 604, inclusive, and 606 through 611 inclusive; the size dimensions, locations and boundaries of each being detailed on "map, sheet A-1-3.

Seventh Floor: Containing ten (10) apartments numbered 701 through 704, inclusive, and 706 through 711, inclusive; the size, dimensions, locations and boundaries of each being detailed on "map", sheet A-1-3.

Eighth Floor: Containing ten (10) apartments numbered 801 through 804, inclusive, and 806 through 811, inclusive; the size, dimensions, locations and boundaries of each being detailed on "map", Sheet A-1-3.

- (b) The remaining portion of the entire premises referred to as the general common elements, shall be held in common by the owners, the percentage interest in the general common elements attributable to and appurtenant to the respective apartments being set out in Exhibit "C" hereto, each of such undivided interest being appurtenant to one of the apartments covered hereby as scheduled.
- A portion of the general common elements is set aside and reserved for the exclusive use of individual owners, such areas being the limited common elements. The limited common elements reserved for the exclusive use of the individual owners are those automobile parking spaces in the parking garage so designated, balcony areas and patio spaces as same are shown and located on the map. Such automobile parking spaces, as assigned to specific units by Declarants hereby, are located as shown on "map" in the garage structure; the automobile parking space numbers being listed opposite the number of the apartment to which said spaces respectively are appurtenant. Such limited common elements shall be used in connection with the particular apartment unit, to the exclusion of the use thereof by the other owners except by invitation. A portion of the common area is intended as a recreation area, and will be improved with a swimming pool and related recreation facilities. Reasonable regulations governing the use of said recreational facilities by owners and their guests and invitees shall be promulgated by the Declarant, and by the Board of Managers after the same has been elected and by Managing Agent. Such regulations shall be permanently posted in said recreational area, and all owners shall be furnished with a copy thereof. Each owner shall be required strictly to comply with said Rules and Regulations, and with the "Community Rules" appended, marked Exhibit "E", and shall be responsible to the Board of

Managers for the compliance therewith by members of his or her family, relatives, guests or invitees, both minor and adult.

(i) Parking Spaces: Parking spaces designated as limited common elements shall be considered as appurtenant to the units, respectively, but same may be transferred as below provided only. Exhibit "B" hereto lists the spaces assigned to each apartment unit. The Association shall maintain a book for the purpose of listing each Assignee of each parking space and the transfers thereof (the "Book"). The owner of the unit to which its use is assigned shall have the exclusive right to the use thereof. The parking space(s) assigned shall be appurtenant to said unit and shall be deemed encumbered by and subject to any mortgage or any claim thereafter encumbering said Apartment Unit. Upon conveyance of, or passing of title to the unit, the parking spaces appurtenant thereto, or assigned thereto, shall be transferred therewith, automatically. Upon conveyance of title the Seller shall execute notice of transfer to the Association which shall thereupon record the transfer in the Book.

## (ii) Restrictions on Separate Transfer of Parking:

- (a) The use of a parking space may at any time be surrendered by a particular condominium unit owner to the Association.
- (b) The use of a parking space may be transferred by a unit owner to another condominium unit owner within the Woodway Place Atrium Condominium (to whose unit the space shall thereafter be appurtenant) provided that the transferror shall execute a written assignment which shall describe the identification number of the parking space, the unit to which it was appurtenant, the name of the transferee and the transferee's condominium unit to which the transferred space shall thereafter be appurtenant and furnish the same to the Association who shall record such transfer in the Book.
- (c) The Board shall have the absolute right to assign parking spaces transferred to the Association. Requests for the assignment of parking spaces transferred to the Association shall be

considered by the Board on a first-come-firstserved basis or upon such other terms and conditions as to the selection of users as the Board may provide by written regulation.

- (d) Any transfer of a parking space made by the Association shall be an assignment to any condominium unit owner, as appurtenant to his or her unit, by a written instrument signed by any two officers of the Association which shall describe the parking space to be assigned and the name of the transferree and the transferree's condominium unit number which shall thereupon be recorded in the Book.
- (e) Whenever the Association shall be the transferee of a parking space or whatever parking spaces have not been assigned to the use of any particular unit, the parking space may be assigned, used or leased on such terms and conditions as the Board may from time to time determine.
- (f) No transfer shall have the effect of releasing or diminishing the enforcibility of any mortgage lien affecting a parking space appurtenant to a unit, nor of diminishing the percentage of common expenses to be paid by the transferor.
- 6. Each apartment and the undivided fractional (percentage) interest in and to the general common elements appurtenant thereto, shall be inseparable and may be conveyed, leased or encumbered only as a condominium unit.
- 7. Every deed, lease, mortgage, trust deed or other instrument may legally describe a condominium unit by its identifying apartment number as shown on the map, followed by the words "Woodway Place Atrium Condominium" and by a reference to this recorded Declaration and Map. Every such description shall be deemed good and sufficient for all purposes to convey, transfer, encumber or otherwise affect the general common elements.
- 8. Declarant shall give written notice to the assessor of the creation of condominium ownership of this property, as provided by law, so that each apartment unit and its percentage of undivided interest in the general common elements shall be deemed a separate parcel and subject to separate assessment and taxation.

- 9. A condominium unit may be held and owned by more than one person as joint tenants or as tenants in common, or in any real property tenancy relationship recognized under the laws of the State of Texas.
- 10. The general common elements shall be owned in common by all of the owners of the apartment units and shall remain undivided, and no owner shall bring any action for partition or division of the general common elements. Nothing contained herein shall be construed as a limitation of the right of partition of a condominium unit between the owners thereof, but such partition shall not affect any other condominium unit.
- 11. (A) Each owner shall be entitled to exclusive ownership and possession of his apartment unit. Each owner may use the general common elements in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other owners.
- (B) Each apartment shall be occupied and used by the owner only as and for a single family residential dwelling for the owner, his family, his social guests or his tenants.
- 12. If any portion of the general common elements encroaches upon an apartment unit or units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion of an adjoining apartment unit or units encroaches upon the common elements, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. For title or other purposes, such encroachment(s) and easement(s) shall not be considered or determined to be encumbrances either on the general common elements or the apartment units.
- 13. Subsequent to the completion of the improvements described on the map, no labor performed or materials furnished and incorporated in an apartment unit with the consent or at the request of the owner thereof or any owner's tenant or agent, contractor, or subcontractor of the owner or his tenant shall be the basis for filing of a lien against the condominium project or any part thereof other than the apartment unit of such owner. Each owner shall indemnify and hold harmless each of the other owners, the Association, and the Condominium Regime from and against all liability arising from the claim of any lien against the apartment unit of any other owner or against the general common elements for construction performed or for labor, materials, services or other products incorporated in the owner's apartment unit at such owner's request.

- 14. The administration of this condominium property shall be governed by By-Laws of WOODWAY PLACE ATRIUM CONDO-MINIUM ASSOCIATION, a nonprofit corporation, hereinafter referred to as the "Association". A copy of "By-Laws" is hereto attached, marked Exhibit "D" and incorporated herein; and same shall be deemed adopted by Declarant as sole owner of the property herein described, and all owners shall be bound thereby. Declarant shall cause to be formed a Texas nonprofit corporation bearing said name, and such nonprofit corporation shall thereafter act and do all things to be done by "Association", and the said nonprofit corporation, shall be bound by, adopt and observe as its By-Laws the By-Laws hereto attached, marked Exhibit "D". "Association" as here used shall refer to the member owners as a group, both before and after incorporation. Upon incorporation, a certified copy of the Certificate of Incorporation of WOODWAY PLACE ATRIUM CONDOMINIUM ASSOCIATION, shall be recorded and shall provide that three persons shall act as a Board of Managers and shall serve as the Managers until their successors have been elected and qualified. An owner of a condominium unit, upon becoming an owner, shall be a member of the Association and shall remain a member for the period of his ownership. The Managing Agent shall be ARENCO DEVELOPMENT COMPANY and BLAND DEVELOPMENT CORPORATION, whose address is 4544 Post Oak Place, Suite 110, Houston, Texas 77027, and the Managing Agent shall perform all of the duties of the Board of Managers until October 31, 1981, or until 95% of apartment units shall be sold and conveyed by Declarant, whichever first occurs (the "Association date").
- 15. The Owners Association shall have the irrevocable right, to be exercised by the Managing Agent or Board of Managers of the Association, to have access to each apartment unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the general common elements therein or assessable therefrom, or for making emergency repairs therein necessary to prevent damage to the general or limited common elements or to another apartment unit or units.
- 16. An owner shall maintain and keep in repair the interior of his own apartment, including the fixtures thereof. All fixtures and equipment, including the heating and air conditioning system, installed within the apartment unit, serving said unit, (but only to the extent that same are serving only said unit), commencing at a point where the utility lines, pipes, wires, conduits or systems (which for brevity are hereafter referred to as "utilities") emerge from the finished walls of the apartment unit, shall be maintained and kept in

repair by the owner thereof. Without limitation on the generality of the foregoing, an owner shall maintain and keep in good repair (and replace, if so required) the air conditioning equipment in the apartment, fans, ductwork, heating and cooling coils, utilized in and for his unit; as well as all other fixtures therefor situated within or installed into the limited common elements appurtenant to such unit; and an owner shall be obliged to promptly repair and replace any broken or cracked windows, doors, or glass therein that might be so broken or cracked by act or omission of the owner only. The owner shall not be required to repair or replace piping or other utility installation within the walls, except for electrical wiring serving the unit.

- 17. An owner shall do no act nor any work that will impair the structural soundness or integrity of the building or impair any easement or hereditament. No owner shall in any way alter, modify, add to, or otherwise perform any work whatever upon any of the common elements, save with written consent of the Board of Managers first obtained. The automobile parking spaces allocated to an apartment shall be used only for parking of automobiles and bicycles. No furniture or things shall be placed on the balcony adjacent to an apartment which may be seen from the street, save with written consent of the Board of Managers first obtained.
- 18. An owner shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding his apartment unit, nor shall such owner be deemed to own the utilities running through his apartment unit which are utilized for, or serve more than one apartment unit, except as a tenant in common with the other owners. An owner, however, shall be deemed to own and, subject to the provisions of Paragraph 16 above, shall maintain the inner decorated and/or finished surfaces of the perimeter and interior walls, floors and ceilings, doors, windows and other elements consisting of paint, wallpaper, and other such finishing materials. The owner shall not modify or alter nor maintain the corridor facing sides of the entrance doors to the unit.
- 19. Each owner shall comply strictly with the provisions of this Declaration, the By-Laws, the "Community Rules" now or hereafter existing, and the decisions and resolutions of the Association, adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply

with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Managing Agent or Board of Managers on behalf of the owners or, in proper case, by an aggrieved owner.'

- 20. This Declaration shall not be revoked nor shall any of the provisions herein be amended unless the owners representing an aggregate ownership interest of ninety percent (90%) of the Condominium Units then subject thereto, or more, and all of the holders of any recorded mortgage or deed of trust covering or affecting any or all condominium units, consent and agree to such revocation or amendment by instrument(s) duly recorded. Provided, however, that the percentage of the undivided interest of each unit owner in the general common elements as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all of the unit owners expressed in an amended Declaration duly recorded.
- The assessments made shall be based upon the cash requirements deemed to be such aggregate sum as the Managing Agent or Board of Managers of the Association shall from time to time determine are to be paid by all of the owners, including Declarant, after "Association date" (per Paragraph 14) on units not sold and conveyed to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the general common elements, and as required to allocate expenses shared with adjacent condominium associations (per Paragraph 34 below) which sum may include, but shall not be limited to among other things, costs of management, taxes (other than ad valorem taxes), assessments, fire insurance with extended coverage and vandalism and malicious mischief with endorsements attached, issued in the amount of the maximum replacement value of all of the condominium units, casualty and public liability and other insurance premiums, landscaping and care of grounds, common lighting, common utility charges, repairs and renovations, garbage collections, wages, water charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Managing Agent or Board of Managers under or by reason of this Declaration, the payment of any deficit remaining from a previous period, the creation of a reasonable contingency or other reserve or surplus funds as well as other costs and expenses relating to the general common elements. The omission or failure of the Board to fix the assessment for any month shall not be deemed a waiver,

with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Managing Agent or Board of Managers on behalf of the owners or, in proper case, by an aggrieved owner.

- any of the provisions herein be amended unless the owners representing an aggregate ownership interest of ninety percent (90%) of the Condominium Units then subject thereto, or more, and all of the holders of any recorded mortgage or deed of trust covering or affecting any or all condominium units, consent and agree to such revocation or amendment by instrument(s) duly recorded. Provided, however, that the percentage of the undivided interest of each unit owner in the general common elements as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all of the unit owners expressed in an amended Declaration duly recorded.
- The assessments made shall be based upon the cash requirements deemed to be such aggregate sum as the Managing Agent or Board of Managers of the Association shall from time to time determine are to be paid by all of the owners, including Declarant, after "Association date" (per Paragraph 14) on units not sold and conveyed to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the general common elements, and as required to allocate expenses shared with adjacent condominium associations (per Paragraph 34 below) which sum may include, but shall not be limited to among other things, costs of management, taxes (other than ad valorem taxes), assessments, fire insurance with extended coverage and vandalism and malicious mischief with endorsements attached, issued in the amount of the maximum replacement value of all of the condominium units, casualty and public liability and other insurance premiums, landscaping and care of grounds, common lighting, common utility charges, repairs and renovations, garbage collections, wages, water charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Managing Agent or Board of Managers under or by reason of this Declaration, the payment of any deficit remaining from a previous period, the creation of a reasonable contingency or other reserve or surplus funds as well as other costs and expenses relating to the general common elements. The omission or failure of the Board to fix the assessment for any month shall not be deemed a waiver,

estimated common expenses, including insurance, shall be due monthly in advance on or before the fifth day of each month. Failure to pay by the fifteenth day of each month shall require the imposition of the late charge of \$25.00.

Contribution for monthly assessments shall be prorated if the ownership of a condominium unit commences on a day other than on the first day of a month.

Additionally, all Owners shall be obligated to pay by the 5th day of the month following date of billing for any services rendered to the unit owner by the Association, or arising as the obligation of such unit owner to the Association.

- 24. No owner may exempt himself from liability for his contribution toward the common expenses by waiver of the use of enjoyment of any of the general common elements, or by abandonment of his apartment.
- 25. All sums assessed but unpaid for the share of common expenses chargeable to any condominium unit, including interest thereon at ten percent (10%) per annum, together with any and all other amounts owed by the unit owner to the Association, shall constitute a lien on such unit superior (prior) to all other liens and encumbrances, except only for:
  - (a) Tax and special assessment liens in favor of any assessing entity; and
  - (b) All sums unpaid on a first mortgage or first Deed of Trust of record, including all unpaid obligatory sums as may be provided by such encumbrances, and including additional advances made thereon prior to the arising of such a lien.

To evidence such lien the Board of Managers or Managing Agent may, but shall not be required to, prepare a written notice setting forth the amount of such unpaid indebtedness, the name of the owner of the condominium unit and a description of the condominium unit. Such a notice shall be signed by one of the Board of Managers or by the Managing Agent and may be recorded in the office of the Clerk and Recorder of Harris County, Texas. Such lien for the common expenses shall attach from the date of the failure of payment of the assessment. Such lien may be enforced by foreclosure of the defaulting owner's condominium unit by the Association in

like manner as a mortgage on real property upon the recording of a notice of claim thereof. In such foreclosure, the owner shall be required to pay the costs and expenses of such proceedings, the cost and expenses for filing the notice or claim of lien and all reasonable attorney's fees. The owner shall also be required to pay to the Association a reasonable rental for the condominium unit during the period of foreclosure, and the Association shall be entitled to collect the same. The Association shall have the power to bid on the condominium unit at foreclosure sale and to acquire and hold, lease, mortgage and convey same.

The amount of the common expenses assessed against each condominium unit shall also be a debt of the owner thereof at the time the assessment is made. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing same.

Any encumbrancer holding a lien on a condominium unit may pay any unpaid common expenses payable with respect to such unit, and upon such payment such encumbrancer shall have a lien on such unit for the amounts paid of the same rank as the lien of his encumbrance.

26. Upon the written request of any owner or any encumbrancer or prospective encumbrancer of a condominium unit, the Association, by its Managing Agent or Board of Managers, shall issue a written statement setting forth the unpaid common expense, if any, with respect to the subject unit, the amount of the current monthly assessment and the date that such assessment becomes due, credit for advanced payments or for prepaid items, including but not limited to insurance premiums, which shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Unless such request for a statement of indebtedness shall be complied with within thirty (30) days, all unpaid common expenses which become due prior to the date of making of such request shall be subordinate to the lien of the person requesting such statement.

The grantee of a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his proportionate share of the common expenses up to the time of the grant or conveyance, without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor; provided, however, that upon written request any such prospective Grantee shall

be entitled to a statement from the Managing Agent or Board of Manggers, setting forth the amount of the unpaid assessments, if any, with respect to the subject unit, the amount of the current monthly assessment and the date that such assessment becomes due, credit for advanced payments or for prepaid items, including but not limited to insurance premiums, which shall be conclusive upon the Association. Unless such request for a statement of indebtedness shall be complied with within ten (10) days of such request, then such Grantee shall not be liable nor shall the unit conveyed be subject to a lien for any unpaid assessments against the subject unit.

- Any owner shall have the right from time to time to mortgage or encumber his interest by deed of trust, mortgage or other security instrument. A first mortgage shall be one which has first and paramount priority under The owner of a condominium unit may create applicable law. a second mortgage on the following conditions: (1) That any such second mortgage shall always be subordinate to all of the terms, conditions, covenants, restrictions, uses limitations, obligations, lien for common expenses, and other payments created by this Declaration and by the By-Laws; (2) That the mortgagee under any second mortgage shall release, for the purpose of restoration of any improvements upon the mortgaged premises, all of his right, title and interest in and to the proceeds under all insurance policies upon said premises, which insurance policies were effected and placed upon the mortgaged premises by the Association. Such release shall be furnished forthwith by a second mortgagee upon written request by the Association.
- In the event any owner of a condominium unit shall wish to sell, lease or rent the same, and shall have received a bona fide offer therefor from a prospective purchaser or tenant, the remaining owners shall be given written notice thereof together with an executed copy of such offer and the terms thereof. Such notice and copy shall be given to the Board of Managers for all of the owners. The remaining owners through the Board of Managers, or a person named by them shall have the right to purchase or lease or rent the subject apartment upon the same terms and conditions set forth in the offer therefor, provided written notice of such election to purchase or lease is given to the selling or leasing owner, and a matching down payment or deposit is provided to the selling or leasing owner during the ten day period immediately following the delivery of the notice of the bona fide offer and copy thereof to purchase or lease.

In the event any owner shall attempt to sell, rent, or lease his condominium unit without affording the other owners the right of first refusal herein provided, such sale or lease shall be wholly null and void and shall confer no title or interest whatsoever upon the intended purchaser or lessee. Possession of or residence in a condominium unit by any other person other than the record owners, their lineal descendant or lineal ascendant relatives in the absence of such record owners, their lienal descendant or lineal ascendant relatives, shall be deemed to constitute a leasing or renting of the condominium unit, whether or not any considera-tion has been paid therefor; and in such event, the Board of Managers may require the removal of such occupant(s), it being hereby agreed that the Board of Managers, in event of the possession of the condominium unit by other persons in the absence of the record owners, their lineal descendants or lineal ascendant relatives; shall be entitled to remove such persons therefrom, and to have the possession thereof, upon demand therefor of and from such occupant, with or without written notice to the record owner(s) thereof; and in the event of failure to surrender such possession, the Board of Managers may institute its action in statutory Forcible Entry and Detainer Proceedings for the possession of such unit, and have and retain such possession until the record owner thereof, or his purchaser (in event of sale, with all prerequisites of this Paragraph 28 having been complied with) retakes physical possession of such permises. During any time when the Board of Managers shall have possession of such unit hereunder the record owner and all his guests, licensees and invitees, shall be deemed to waive any claim for damages to person or property in or on account of such proceeding.

The subleasing or subrenting of a condominium unit shall be subject to the same limitations as are applicable to the leasing or renting thereof. The liability of the owner under these covenants shall continue, notwithstanding the fact that he may have leased or rented said interest as provided herein.

In no case shall the right of first refusal reserved herein affect the right of an owner to subject his interest in the project parcel to a trust deed, mortgage or other security instrument.

The failure of or refusal by the Board of Managers to exercise the right to so purchase or lease shall not constitute or be deemed to be a waiver of such right to purchase or lease when an owner receives any subscupent bona fide offer from a prospective purchaser or tenant.

The provisions of this Article 28 shall not apply to any sale, lease or rental if made by Declarant at any time hereafter whether same be a "first sale or letting" or "resale or reletting" of an apartment unit. Declarants shall have the further right to use any five apartment units as office and sales area and display advertising signs at the premises at any time hereafter until 72 units have been sold by Declarant.

The right of first refusal, as provided herein, shall extend and run for the period of the lives of the now living children of Robert F. Kennedy, formerly Attorney General of the United States and the now living children and grand-children of Bob Casey, M.C., whichever of said children and grandchildren shall live the longer, plus twenty-one years; from and after the date of execution of this Declaration.

Except as is otherwise provided in Paragraph 29 and except upon a transfer of title to a Public Trustee or to a first Mortgagee, each Grantor of a condominium unit, upon transferring or conveying his interest shall incorporate in such instrument of conveyance an agreement that the Grantee carry out the provisions of the "right of first refusal" as provided in this paragraph.

29. In the event of any default on the part of any owner under any first mortgage which entitled the holder thereof to foreclose same, any sale under such foreclosure, including delivery of a deed to the first mortgagee in lieu of such foreclosure, shall be made free and clear of the provisions of Paragraph 28, but the purchaser (or Grantee under such deed in lieu of foreclosure) of such condominium unit shall be thereupon and thereafter subject to the provisions of this Declaration and By-laws. If the purchaser following such foreclosure sale (or Grantee under deed given in lieu of such foreclosure) shall be the then holder of the first mortgage, or its nominee, the said holder or nominee may thereafter sell and convey the condominium unit free and clear of the provisions of Paragraph 28, but its Grantee shall thereupon and thereafter be subject to all of the provisions thereof.

The transfer of a deceased joint tenant's interest to the surviving joint tenant or the transfer of a deceased's interest to a devisee by will or his heirs at law under intestacy laws shall not be subject to the provisions of Paragraph 28.

- 30. Upon written request of any prospective transferor, purchaser, tenant or existing or prospective Mortgagee of any condominium unit, the Managing Agent or Board of Managers of the Association shall forthwith, or where time is specified at the end of the time, issue a written acknowledged certificate in recordable form, evidencing that:
  - (a) With respect to a proposed lease or sale under Paragraph 28, that proper notice was given by the selling or leasing owner and that the remaining owners did not elect to exercise their option to purchase or lease;
  - (b) With respect to a deed to a first mortgagee or its nominee in lieu of foreclosure, and a deed from such first Mortgagee or its nominee, pursuant to Paragraph 29, that the deeds were in fact given in lieu of foreclosure and were not subject to the provisions of Paragraph 28;
  - (c) With respect to any contemplated transfer which is not in fact a sale or lease, that the transfer is not or will not be subject to the provisions of Paragraph 28;

Such a certificate shall be conclusive evidence of the facts contained therein.

31. This Declaration hereby makes mandatory the irrevocable appointment of an attorney-in-fact to deal with the property upon its destruction or obsolescence.

Title to any condominium unit is declared as expressly made subject to the terms and conditions hereof, and acceptance by a Grantee of a deed from the Declarant or from any owner shall constitute appointment of the attorney-in-fact herein provided. All of the owners irrevocably constitute and appoint WOODWAY PLACE ATRIUM CONDOMINIUM ASSOCIATION, a nonprofit association or its successor nonprofit corporation, if same be hereafter organized, their true and lawful attorney in their name, place and stead, for the purpose of dealing with the property upon its destruction or obsolescence as is hereafter provided. As attorney-in-fact, the Association, by its president and secretary, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instrument with respect to the interest of a condominium unit owner

which are necessary and appropriate to exercise the powers herein granted. Repair and reconstruction of the improvement(s) as used in the succeeding subparagraphs means restoration of the improvement(s) to substantially the same conditions in which it existed prior to the damage, with each unit and the general and limited common elements having the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be made available to the Association for the purpose of repair, restoration or replacements unless the owners and all first mortgagees agree not to rebuild in accordance with the provisions set forth hereinafter.

- (a) In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement(s), shall be applied by the Association, as attorney-in-fact, to such reconstruction, and the improvement(s) shall be promptly repaired and reconstructed.
- (b) If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is not more than fifty percent of all of the general common elements, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as attorney-in-fact, using the proceeds of insurance and the proceeds of an assessment to be made against all of the owners and their condominium units. Such deficiency assessment shall be a common expense made pro rata according to each owner's percentage interest in and to the general common elements and shall be due and payable within thirty days after written notice thereof. The Association shall have the authority to cause the repair or restoration of the improvements using all of the insurance proceeds for such purpose notwithstanding the failure of an owner to pay the assessment. The assessment provided for herein shall be a debt of each owner and a lien on his condominium unit and may be enforced and collected as is provided in Paragraph 25. addition thereto, the Association, as attorney-in-fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such deficiency assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the Association. The

proceeds derived from the sale of such condominium unit shall be used and disbursed by the Association, as attorney-in-fact, in the following order:

- For payment of the balance of the lien of any first mortgage;
  - For payment of taxes and special assessment liens in favor of any assessing entity;
  - 3. For payment of unpaid common expenses;
  - For payment of junior liens and encumbrances in the order of and to the extent of their priority; and
  - The balance remaining, if any, shall be paid to the condominium unit owner.
- (c) If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if more than fifty percent of all of the general common elements, not including land, are destroyed or damaged, and if the owners representing an aggregate ownership interest of sixty-seven percent (67%) of the condominium units then subject hereto, or more, do not voluntarily, within one hundred days thereafter, make provision for reconstruction, which plan must have the unanimous approval or consent of every first mortgagee, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's president and secretary, the entire remaining premises shall be sold by the Association, as attorney-in-fact for all of the owners, free and clear of the provisions contained in this Declaration, the Map and the By-laws. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each unit owner's interest (as such interest appears on the policy or policies), and such divided proceeds shall be paid into individual separate accounts, each such account representing one of the condominium units. Each such account shall be in the name of the Association, and shall be further identified by the number of the apartment unit and the name of the owner. There shall be added to each such account the portion of the sale proceeds attributable to each unit, respectively, the apportionment shall be based upon each condominium unit owner's percentage interest in the general common

proceeds derived from the sale of such condominium unit shall be used and disbursed by the Association, as attorney-in-fact, in the following order:

- For payment of the balance of the lien of any first mortgage;
  - For payment of taxes and special assessment liens in favor of any assessing entity;
  - 3. For payment of unpaid common expenses;
  - 4. For payment of junior liens and encumbrances in the order of and to the extent of their priority; and
  - The balance remaining, if any, shall be paid to the condominium unit owner.
- If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if more than fifty percent of all of the general common elements, not including land, are destroyed or damaged, and if the owners representing an aggregate ownership interest of sixty-seven percent (67%) of the condominium units then subject hereto, or more, do not voluntarily, within one hundred days thereafter, make provision for reconstruction, which plan must have the unanimous approval or consent of every first mortgagee, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's president and secretary, the entire remaining premises shall be sold by the Association, as attorney-in-fact for all of the owners, free and clear of the provisions contained in this Declaration, the Map and the By-laws. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each unit owner's interest (as such interest appears on the policy or policies), and such divided proceeds shall be paid into individual separate accounts, each such account representing one of the condominium units. Each such account shall be in the name of the Association, and shall be further identified by the number of the apartment unit and the name of the owner. There shall be added to each such account the portion of the sale proceeds attributable to each unit, respectively, the apportionment shall be based upon each condominium unit owner's percentage interest in the general common

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elements. The total funds of each account shall be used and disbursed, without contribution from one account to another, by the Association, as attorney-infact, for the same purposes and in the same order as is provided in subparagraph (b)1-5 of this paragraph.

If the owners representing an aggregate ownership interest of 67% of the condominium units then subject hereto, or more, adopt a plan for reconstruction, which plan has the unanimous approval of all first Mortgagees, then all of the owners shall be bound by the terms and other provisions of such plan. Any assessment made in connection with such plan shall be a common expense and made pro rata according to each owner's percentage interest in the general common elements and shall be due and payable as provided by the terms of such plan but not sooner than thirty days after written notice thereof. The Association shall have the authority to cause the repair or restoration of the improvements using all of the insurance proceeds for such purpose notwithstanding the failure of an owner to pay the assessment. The assessment provided for herein shall be a debt for each owner and a lien on his condominium unit and may be enforced and collected as is provided in Paragraph 25. In addition thereto, the Association, as attorney-infact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the Association. The proceeds derived from sale of such condominium unit shall be used and disbursed by the Association, as attorney-infact, for the same purposes and in the same order as is provided in subparagraph (b) 1-5 of this paragraph.

(d) The owners representing an aggregate ownership interest of 90% of the condominium units then subject hereto, or more, may agree that the general common elements of the property are obsolete and that same should be renewed or reconstructed. In such instance, then the expenses thereof shall be payable by all of the property owners as common expenses; provided, however, that any owner not agreeing to such renewal or reconstruction may give written notice to the Association that such unit shall be purchased by the Association,

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for the fair market value thereof. If such owner and the Association can agree on the fair market value thereof, then such sale shall be consummated within thirty days thereafter. If the parties are unable to agree, the date when either party notifies the other that he or it is unable to agree with the other shall be the "commencing date" from which all periods of time mentioned herein shall be measured. Within ten days following the commencement date, each party shall nominate in writing (and give notice of such nomination to the other party), the appraiser who shall be a member of the Houston Real Estate Board. If either party fails to make such a nomination, the appraiser nominated shall within five days after default by the other party appoint and associate with him another appraiser (to be selected from the Houston Real Estate Board). If the two appraisers designated by the parties, or selected pursuant hereto in the event of the default of one party, are unable to agree, they shall appoint another appraiser (to be selected from the Houston Real Estate Board) to be umpire between them, if they can agree on such person. If they are unable to agree upon such umpire, then each appraiser previously appointed shall nominate two persons (each of whom shall be a member of the Houston Real Estate Board) and from the names of the four persons so nominated shall be drawn by lot by any Judge of any Court of record in Texas, and the name so drawn shall be such umpire. The nominations from whom the umpire is to be drawn by lot shall be submitted within ten days of the failure of the two appraisers to agree, which in any event shall not be later than twenty days following the appointment of the second appraiser. The decision of the appraisers as to the fair market value or in the case of their disagreement, the decision of the umpire shall be final and binding. The expenses and fees of such appraisers shall be borne equally by the Association and the owners. The sale shall be consummated within fifteen days thereafter, and the Association, as attorney-infact, shall disburse such proceeds as is provided in subparagraph (b) 1-5 of this paragraph.

(e) The owners representing an aggregate ownership interest of 95% of the condominium units then subject hereto, or more, may agree that the general common elements of the property are obsolete and that the same should be sold. In such instance, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's president and secretary, the entire premises shall be sold by the Association, as attorneyin-fact, for all of the owners, free and clear of the provisions contained in this Declaration, the Map and The sales proceeds shall be apportioned between the owners on the basis of each owner's percentage interest in the general common elements, such apportioned proceeds shall be paid into separate accounts, each such account representing one condominium unit. such account shall be in the name of the Association, and shall be further identified by the number of the apartment and the name of the owners. From each separate account, the Association, as attorney-in-fact, shall use and disburse the total amount (of each) of such funds, without contribution from one fund to another, for the same purposes and in the same order as provided in subparagraph (b) 1-5 of this paragraph.

- 32. Upon a date defined in paragraph 14 herein, Declarant shall execute and deliver a Bill of Sale to the Association transferring all items of personal property located on the entire premises and furnished by Declarant, which property is intended for the common use and enjoyment of the condominium unit owners and occupants. The Association shall hold title to such property, for the use and enjoyment of the condominium unit owners and occupants. No owner shall have any other interest and right thereto, and all such rights and interest shall absolutely terminate upon the owner's termination of possession of his condominium unit.
- All notices, demand or other notices intended to be served upon an owner shall be sent by ordinary or certified mail, postage prepaid, addressed in the name of such owner in care of the apartment number and building address of such owner; or, to such other address as owner may request, by certified or registered mail, delivered to the Managing Agent, or Board of Trustees. All notices, demands, or other notices intended to be served upon the Managing Agent shall be sent by ordinary or certified mail, postage prepaid to 4544 Post Oak Place, Suite 110, Houston, Texas 77027; all notices, demands, or other notices intended to be served upon the Association or the Board of Managers of the Association shall be sent by ordinary or certified mail, postage prepaid, to Suite 107, WOODWAY PLACE ATRIUM CONDOMINIUM, 661 Bering Drive, Houston, Texas 77057, until such address is changed by a notice of address change duly recorded.

34. Declarant reserves, and shall have the continuing right until October 31, 1981, without the joinder of owners or any person or entity (whether or not condominium units have been conveyed) to amend this Declaration or the By-laws for the purpose of clarifying or resolving any ambiguities or conflicts herein, or correcting any inadvertant misstatements, errors or omissions herein, provided that no such Amendment shall change the stated numbers of units nor the percentage interest in the common elements attributable thereto, nor materially adversely affect the interest of any owner.

### 35. Association and Adjacent Condominium Associations.

- (a) Declarant, Bland Development Corporation, contemplates and anticipates the erection of additional condominium buildings, to a maximum of two in number, on lands adjacent to the Woodway Place Atrium Condominium. In order that common project-wide services and interests may be most effectively administered and operated, for the mutual benefit of owners of units in Woodway Place Atrium Condominium and of the proposed condominium buildings that may be erected adjacent thereto, Declarant, Bland Development Corporation, may recommend that Woodway Place Atrium Condominium Association, with each of the Associations administering adjacent buildings equitably share (based on numbers of units respectively) in the cost and expenses of common management and operation so that those functional services and activities, other than those clearly attributable specifically to one of the specific condominium regimes involved, shall be shared, rateably to numbers of units, by the Associations.
- manner required or committed that there may be erected around all or a portion of the perimeter of Woodway Place Atrium Condominium and around the adjacent condominium projects (if erected) a wall or other structure designed to restrict and control access to the area of the condominium projects involved; such wall, if erected, shall be erected at the cost of Declarant, and without cost to the Woodway Place Atrium Condominium Association or its owners; and that the Declarant therefore reserves an easement for the erection of such wall along the East, South and West property lines, such easement being five feet in width, the use thereof being solely and only for the placement of a suitable fence architecturally consonant with the structures involved, the

precise location of same to be at the option of the Declarant. Such right of easement is further conditioned that if such wall or fence be erected and any existing street access be modified thereby, that (i) Access by gates, unimpaired and perpetual be provided the Association at present access points; (ii) That easement for access at any relocated access roads or streets crossing adjacent properties be provided to and for the benefit of Woodway Place Atrium Condominium; and (iii) that all requirements of municipal governing bodies pertaining thereto be complied with. It is to be expressly understood, however, that nothing herein shall obligate Declarant to erect such fence nor the adjacent buildings, nor to require the cooperative management of such condominium regimes save at the option of Declarant; such right of Declarant shall continue for a period of five years next hereafter; in the event that the fence shall not have been erected within such time period the easement shall terminate of its terms. Such right shall be non-assignable and personal to Declarant Bland Development Corporation. In event of construction of such wall, the maintenance thereof, and the cost (rateably to numbers of units in each, as between the adjacent condominiums included within the enclosure) of operating an appropriate security system; including a manned entry with security personnel therefor; shall be paid by the Associations included within such enclosement served by the security system.

- 36. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase or word, or the application thereof in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of this Declaration and the application of any such provision, paragraphs, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.
- 37. The provisions of this Declaration shall be in addition and supplemental to the Condominium Ownership Act of the State of Texas and to all other provisions of law.
- 38. That whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

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IN WITNESS WHEREOF, Declarant by their respective corporate officers, have duly executed this Declaration this Land day of double 1980.

By:

and

WOODWAY PLACE ATRIUM CONDOMINIUM, a Joint Venture

By: BLAND DEVELOPMENT CORPORATION

ATTEST:

JOAN H. BURT Se

ATTEST:

Pally Monzery

POLLY MONZINGO

ROBERT F. BLAND

ARENCO DEVELOPMENT COMPANY

RONALD L. REILLY

its President

THE STATE OF TEXAS

COUNTY OF HARRIS 5

BEFORE ME, the undersigned authority, on this day personally appeared ROBERT F. BLAND, known to me to be the person whose name is subscribed to the foregoing instrument as President of BLAND DEVELOPMENT CORPORATION, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said corporation.

GIVEN under my hand and seal of office this and day of

Notary Public in and for Harris County, Texas

My Commission Expires: /-//-8/

FEGGY A. ROUGEOU Notary Public in and for Harris County, Texas My Commission Expires January 11, 1981 THE STATE OF TEXAS \$

COUNTY OF HARRIS \$

BEFORE ME, the undersigned authority, on this day personally appeared Royally F. Reilly, known to me to be the person whose name is subscribed to the foregoing instrument as E. V. President of ARENCO DEVELOPMENT COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said corporation.

GIVEN under my hand and seal of office this 2,2 day of ADR.L , 1980.

Notary Public in and for Harris County, Texas

POLLY MONZINGO

My Commission Expires: 2-17-04

The undersigned lienholder on this the 20 day of 1980, hereby consents to the foregoing Declaration and agrees that its lien will be subject thereto.

THE FIRST NATIONAL BANK OF CHICAGO

By:

Assistant Vice President
TIMOTHY D. MAYES

THE STATE OF ILLINOIS S

appeared Time with the undersigned authority, on this day personally appeared Time with the person whose name is subscribed to the foregoing instrument as Assistant Vice President of THE FIRST NATIONAL BANK OF CHICAGO, a banking corporation, and acknowledged to me that he executed the same as the corporate act and deed of said corporation, in his capacity therein stated, and for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this the did day of

Notary Public in and for Harlicook County, Illinois Tele

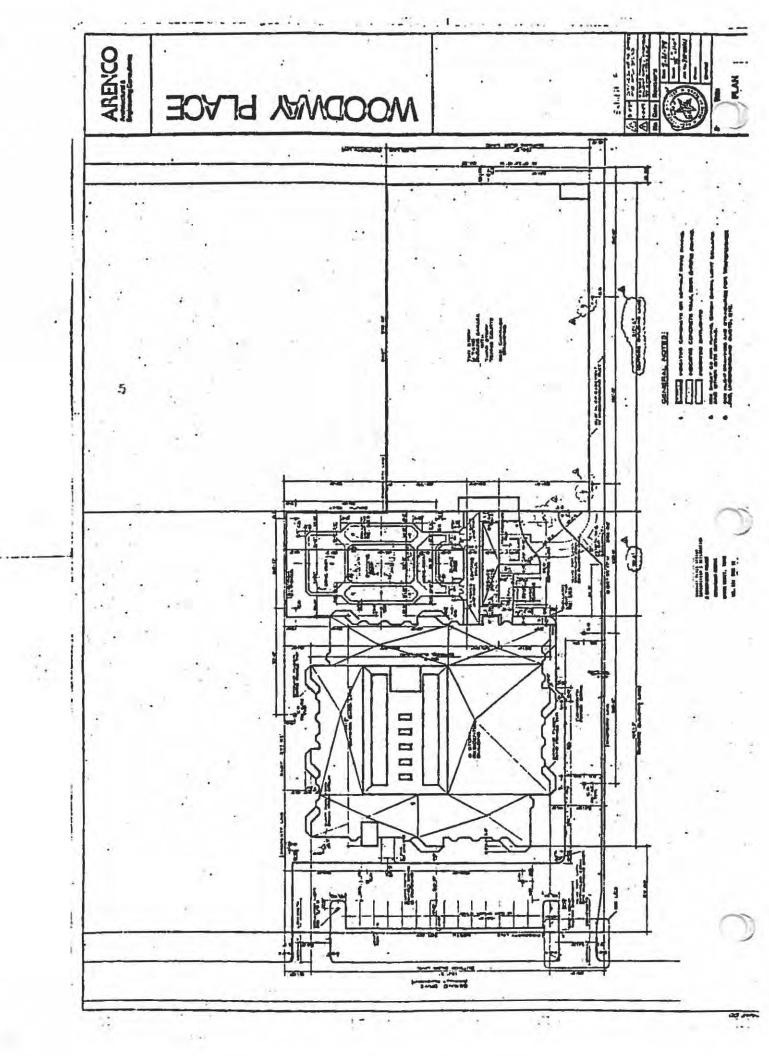
My Commission Expires:

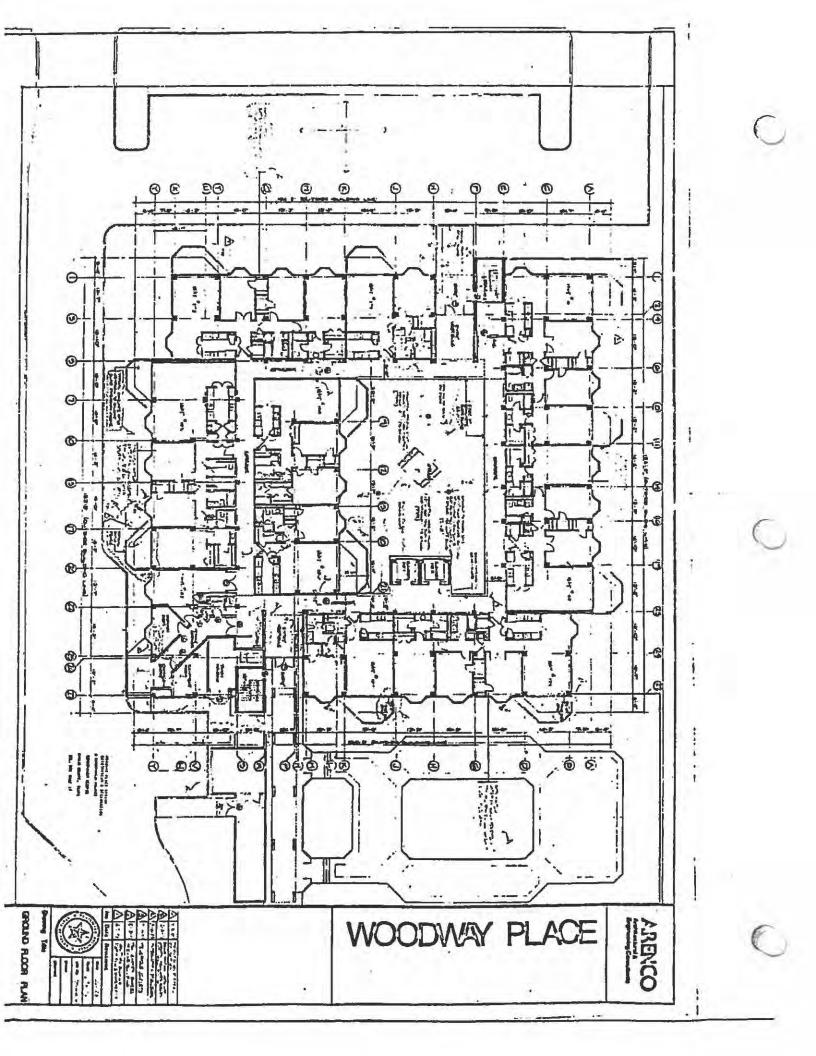
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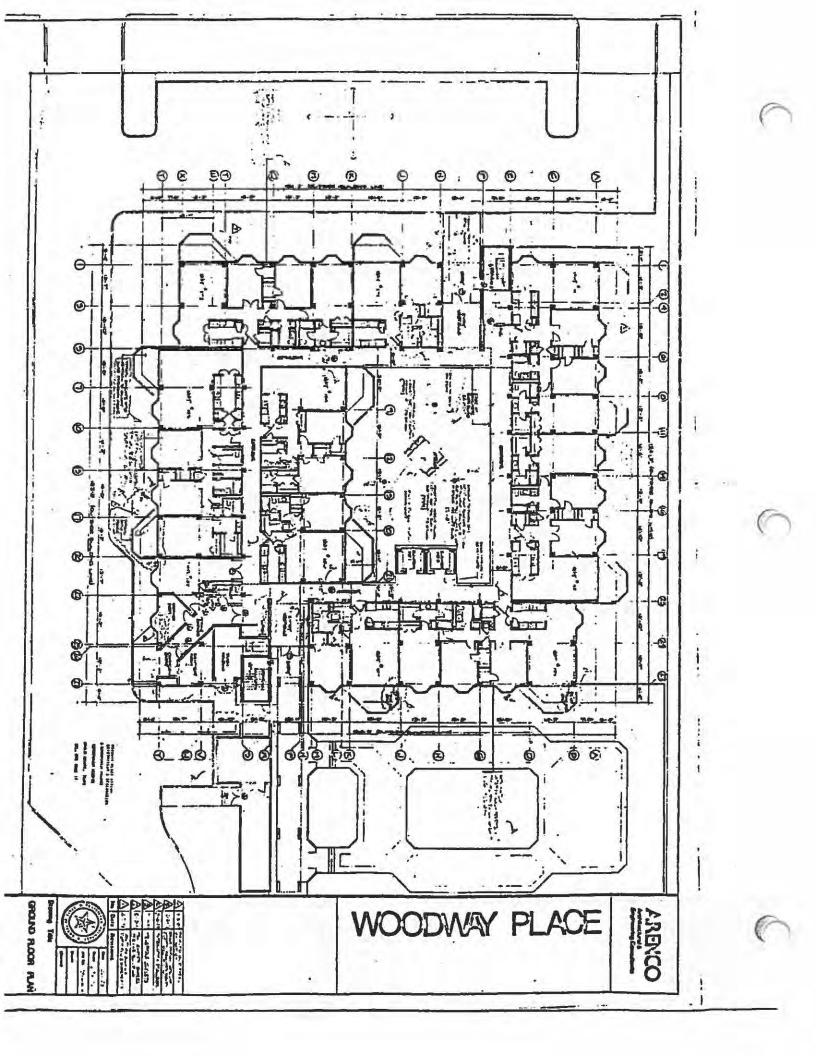
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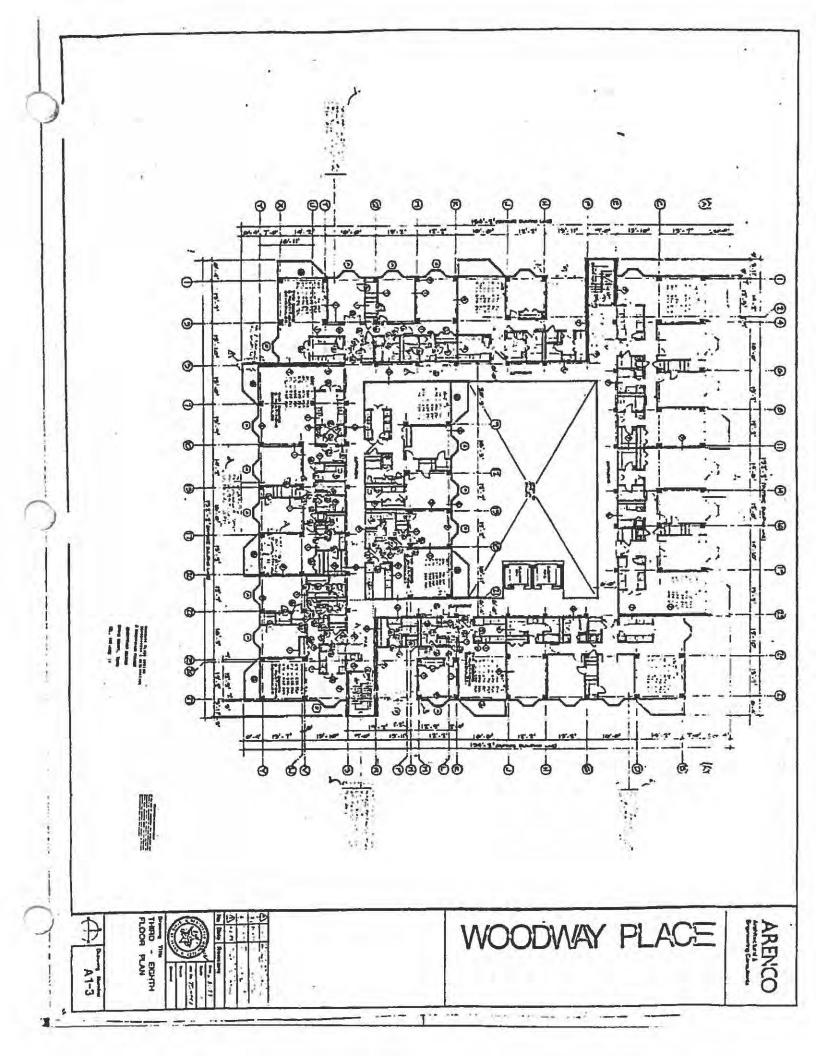
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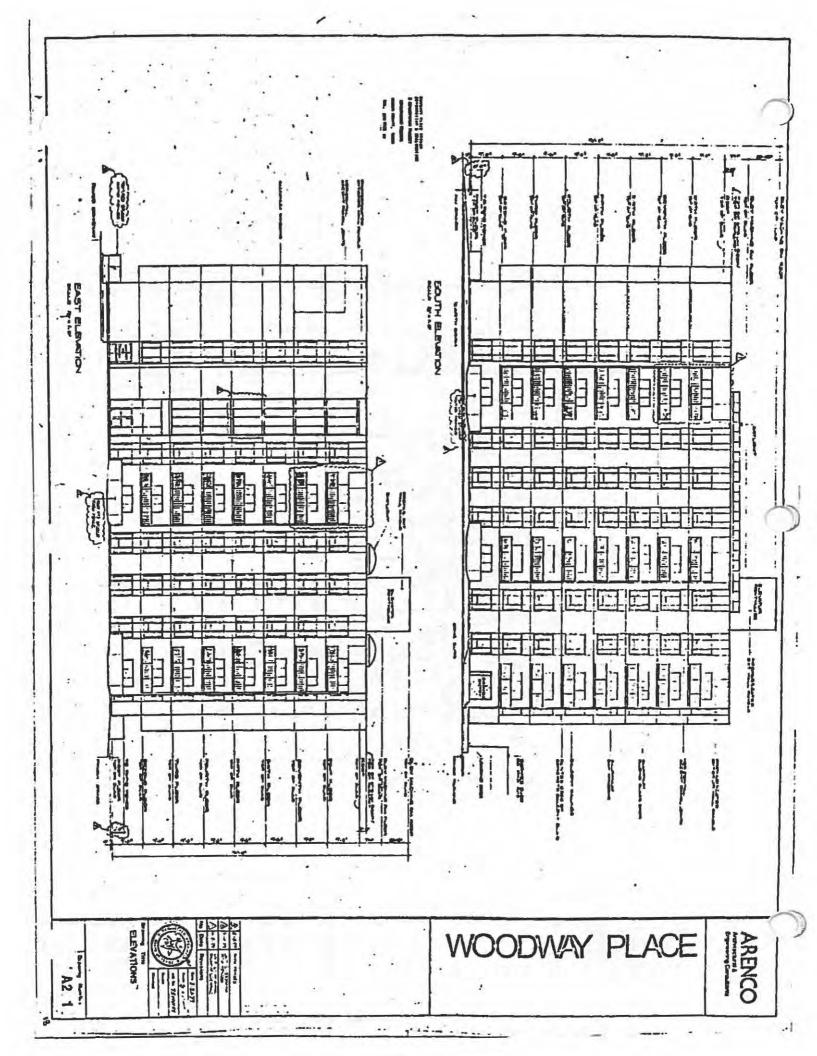
# EXHIBIT "A"

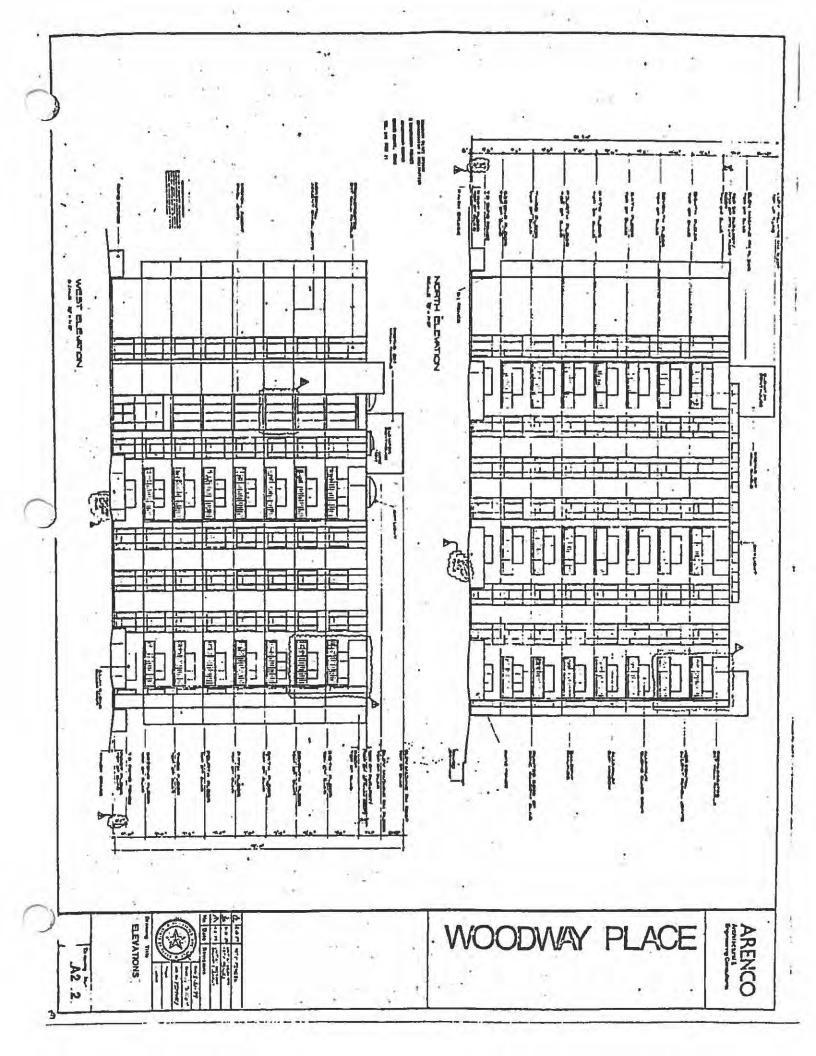


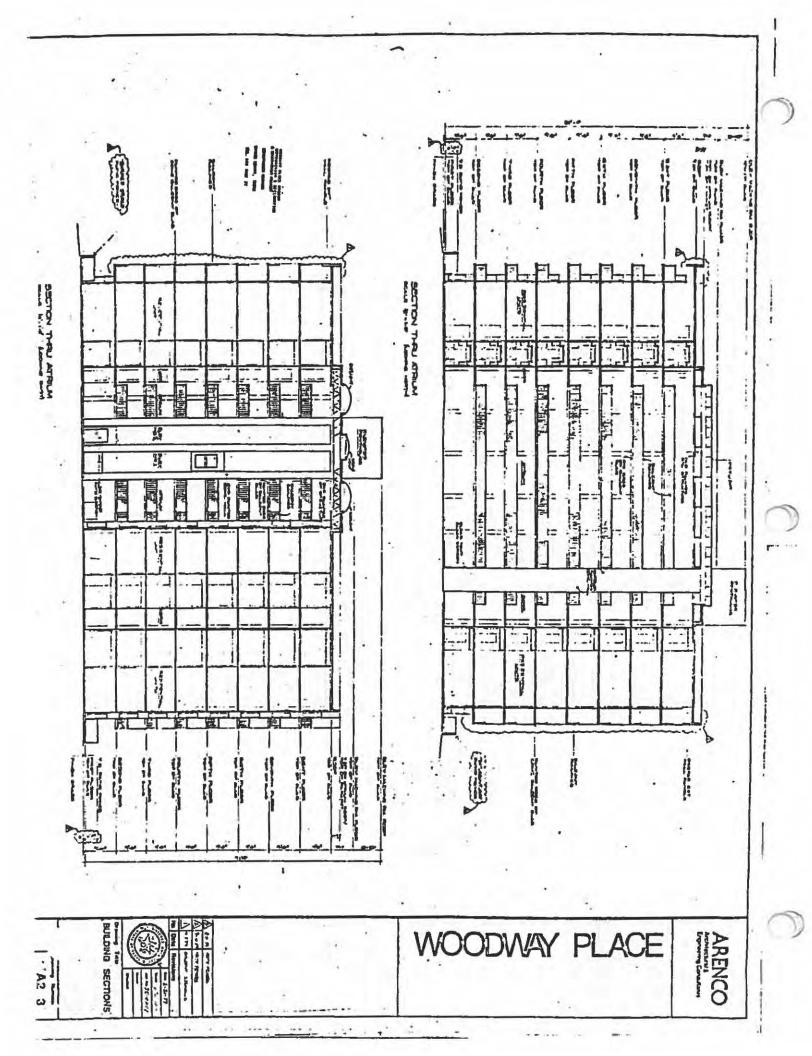


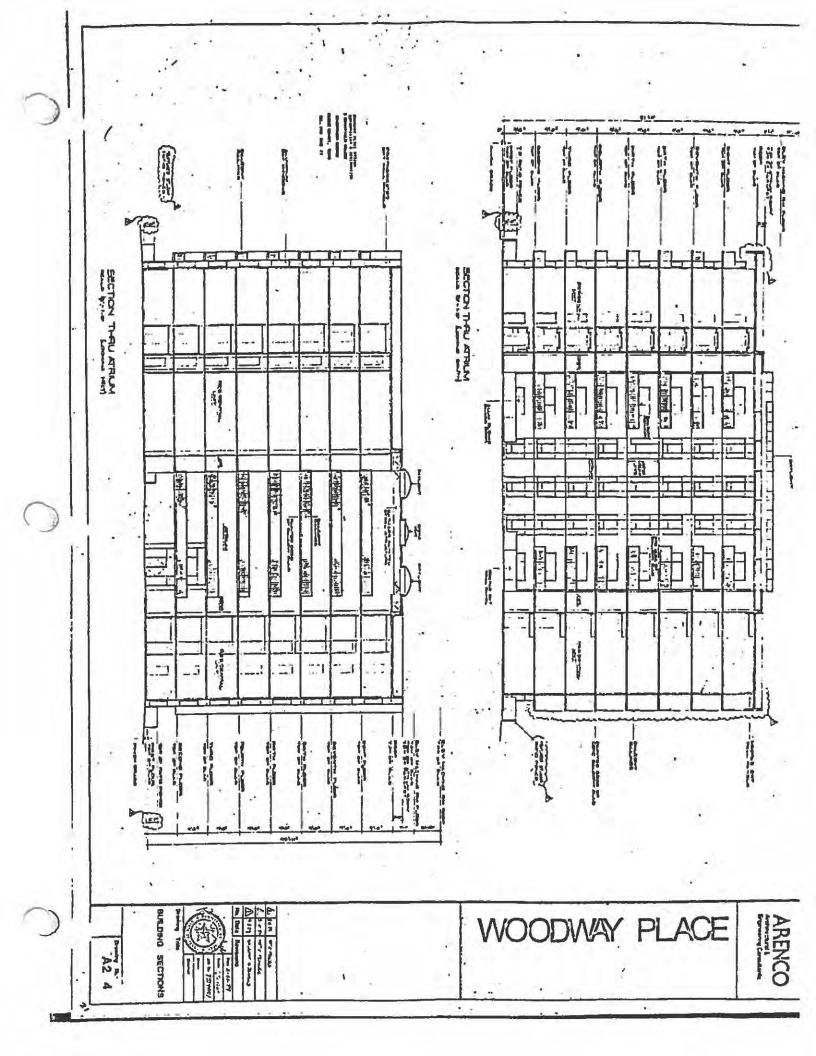


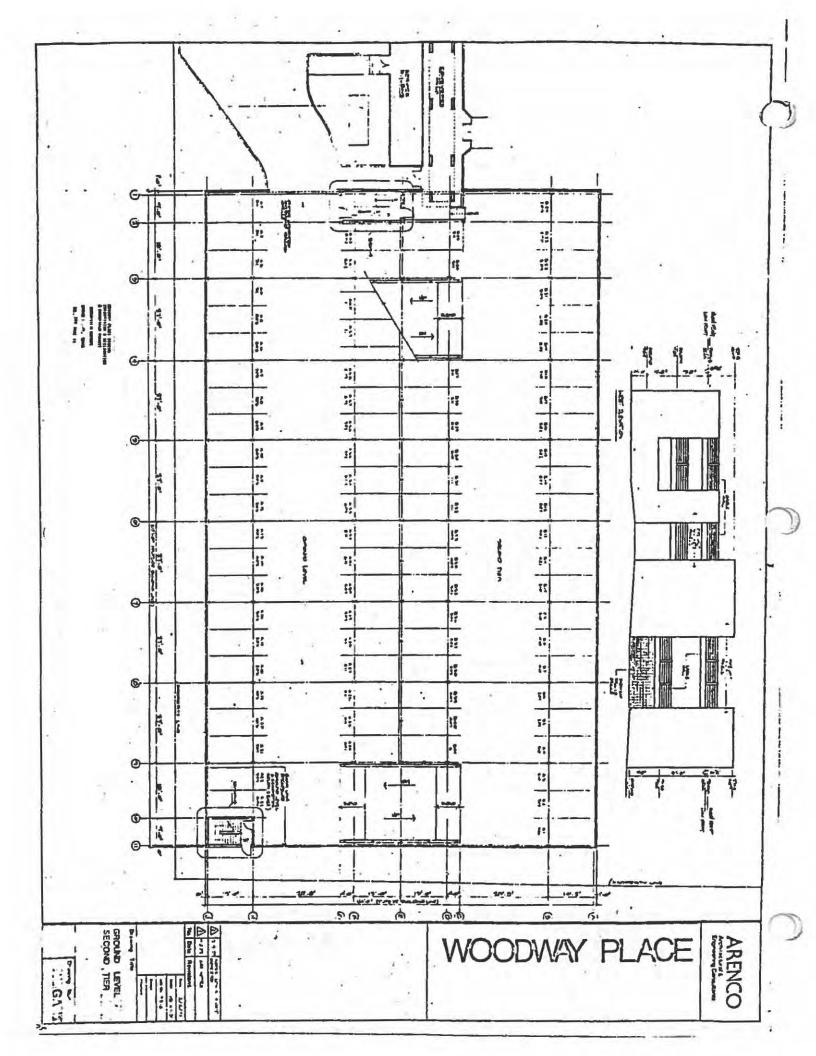


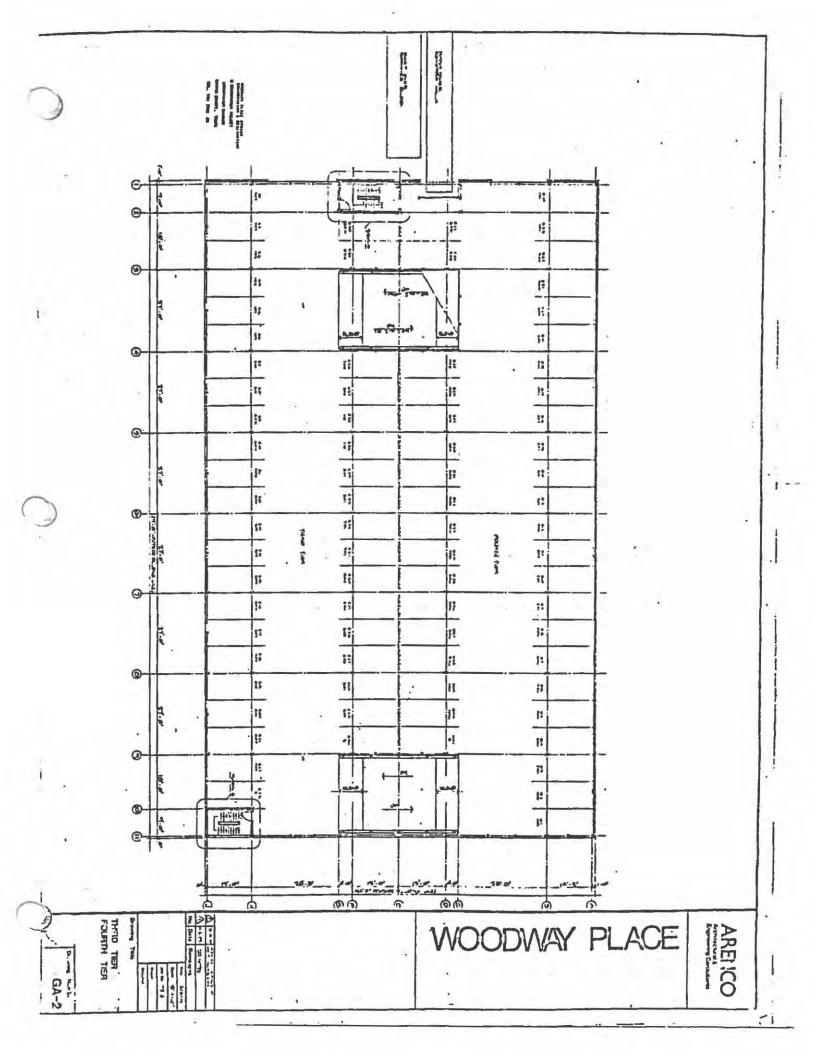












## **EXHIBIT "B"**

## WOODMAY PLACE ATRIUM CONDOMINIUM DECTARATION

STATE OF TEXAS

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COUNTY OF HARRIS 928530 於學 100421 4 16

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WHEREAS, on April 23rd, 1980, WOODWAY PLACE ATRIUM CONDOMINIUM, a joint venture composed of Bland Development Co oration and Arenco Development Company, both Texas corporations, executed an instrument entitled "CONDONIFIUM DECLARATION FOR WOODWAY PLACE ATRIUM CONDOMINIUM", which Declaration was filed for record on April 23, 1980, under County Clerk's File No. G-510325, and in Volume 108, Page 1, et

WHEREAS, Exhibit "B" attached to and made a part of said Condominium Declaration sets out the garage spaces attributable to each condominium or apartment unit and to be appurtenent to each such unit; and

seq. of the Condominium Records of Harris County, Texas; and

WHEREAS, by sorivenor's error, sertain mistakes were made as to the garage or parking spaces attributable to certain units as hereinafter itemized, and the parties hereto desire to amend the Condominium Declaration, and Exhibit "B" specifically; and

WHEREAS, Woodway Place Atrium Condominium, a joint venture. declarant in said Condominium Declaration is still the owner of several condominium units which are unsold and unconveyed at this time, together with the appurtenant garage spaces; and

WHEREAS, under said Condominium Declaration, Woodway Place Atrium Condominium Association, a Texas Non-profit Corporation, is given the right to assign garage or parking places transferred to the Association; and

WHEREAS, it is deemed desirable by the undersigned to amend Exhibit "B" to said Condominium Declaration to correctly set out the garage or parking spaces which are attributable to certain Condominium Units; and in order to offectuate such correction a written document signed by the interested and effected parties is required,

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NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

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50 100 The above mentioned Condominium Declaration for Woodway Place Atrium Condominium 15 heraby amended to the extent that in the place of Exhibit "B" attached to the above described Condominium there is hereby attached as a rider hereto a list of Condominium Unita alongside of which is listed the parking or garage spaces attributable to each such unit.

The undersigned lienholders join in the execution hereof to consent to the changes of garage or parkings spaces as hereinabove set forth.

EXECUTED on this the 10 H day of \_ Thank , 1981.

WOODWAY PLACE ATRIUM CONDOMINIUM ASSOCIATION

By: ( Cut ] Cold

WOODWAY PLACE ATRIUM CONDONINIUM, a joint venture composed of

BLAND DEVELOPMENT CORPORATION, a Texas Corporation

By: | CATOOL |
Joint Venturer

ARENCO DEVELOPMENT COMPANY, a Texas corporation

By: Joint Venturer

Exhibit "B" to said Condominium Declaration to correctly set out the garage or parking spaces which are attributable to certain Condominium Units; and in order to effectuate such correction a written document signed by the interested and effected parties is required,

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COUNTY CLERK HARRIS COUNTY, TEXAS

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CONDOMINIUM DEC TRATES

A CONDOMINIUM PROJECT COMDOMINIUM RECORDS HARRIS COUNTY, TEXAS VOL. 116 PAGE;

THE STATE OF TEXA.

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COUNTY OF HARRIS

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personally appeared for the undersigned authority, on this day of ARENCO DEVELOPMENT COMPANY, a Texas corporation, known to se to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to se that he executed the same for the purposes and consideration therein expressed and in the mapacity therein stated as the act and deed of said corporation.

day of Mench , 1981.

HARRIS COUNTY, T BY ASS

THE STATE OF THE

PEGGY A ROLLORDA ) ( Notery Public in and for Hearth

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personally appeared whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the apacity therein stated as the act and deed of said corporation.

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HOTANY PUBLIC IN AND OF THE COUNTY, Zallas COUNTY, Zallas COUNTY

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BEFORE ME, the undersigned authority, on this day, of HOUSTON of HOUSTON of HOUSTON of HOUSTON of HOUSTON and acknowledged to me that he executed the same for purposes and consideration therein expressed and in the larger therein stated as the act and deed of said corporation.

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ARENCO DEVELOPMENT COMPANY. a Texas corporation

TODWAY PLACE . I LIM MOUNTAIN BE LARATION CONDOMINIUM PROJECT HOOMINILM RECORDS PRIS COUNTY, TEXAS PAGE 100 b. die

THE FIRST NATIONAL BANK OF

HOUSTON FIRST AMERICAN SAVINGS ASSOCIATION

HE STATE OF TEXAS

COUNTY OF HARRIS

)( )(

personally appeared Fold Sociation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the day of Mount, 1981.

HARRIS COUNTY, TEXAS

THE STATE OF TEXAS

CHINTY OF HARRIS

FEGGY A ROUGEOU ! Notary Public in and for Harry 1210 STRAN My Commission Expires Jaunuay is

BEFORE ME, the undersigned authority, on this day personally appeared Kolut J. Blood of BLAND DEVELOPMENT CORPORATION, a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed in the capacity therein stated as the act and deed of said orporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 1044 try of Morch, 1981.

HARRIS COUNTY, TEXAS

AMENDED EXHIBIT "B"

Unic Numbe	Garage Spaces r Appurtenant to Unit	Unit Number	Garage Spaces Appurtenant to Unit	
101	n23 D24	501	C25 C26	
102	-3 C4	502	B15 B16	
103	A19 A20	503	A11 A12	
104	029 030	504	C15 C16	
106	D39 D40	506	D35 D36	
107				-
108	D1 D2 A7, A8 (9.	2.99 508	025 026 127 120 025, 32 89 810	( n in 2000)
109	GS CO AT, AD C	509	129 40 025, 32	6 (10.101)
110	C35 C36	510	B9 B10	
111	B31 B32	511	A27 A28	
201	D9 D10	601	A5 A6	
202	B37 B38	602	B19 B20	
203	A17 A18	603	A9 A10	
204	D19 D20	604	C9 C10	
206	D3 D4	606	D7 D8	
207	D15 D16	2607	B39 B40	
208	B23 B24	100 E08	C27 C28	
209	85 86	10,10,00 609	A33 A34	
210	BES BES A29, A30	610	B29 B30	
211	B15 D16 B23 B24 B5 B6 BES BES A29, A30 B7 B8	611	A31 A32	
301	D13 D14	701	C31 C35	
302	B35 B36	702	A35 A36	G GO
303	A15 A16	703	17 AB CG,C6	(9.22.99)
304	D21 D22	704	C37 C38	
306	D37 D38	706	D33 D34	
307	C13 C14	707	C1 C2	
308	D31 D32	708	B1 B2	
309	B21 B22	709	A21 A22	
310	B3 B4	710	B17 B18	
311	A13 A14	711	A3 A4	
401	D17 D18	801	C33 C34 A 25 , A	26 (5.16.2006)
402	B11 B12	802	A41 A42	
403	A23 A24	803	B27 B28	
404	C29 C30	804	C39 C40	
1106	D5 D6	806	D11 D12	
407	C21, C55	807	B13 B14	
408	D27 D28	808	C11 C12	
409	B33 B34	809	A37 A38	
410		810	C19 C20	
411	125 126 C33,C34	1000 811	A1 A2	

\*\*\*If purchasing and/ or selling a property, please verify current records with the City of Houston and/or your title company. Any changes to the amended Exhibit "B" would be handled directly by the individual homeowners.

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## EXHIBIT "C"

## EXHIBIT "C" OWNERSHIP PERCENTAGE

<u>Unit Number</u>	Percentage Interest In Common Elements Appurtenant to Unit	Unit Number	Percentage Interest In Common Elements Appurtenant to Unit
101	.767178	501	1.077459
102	1.449967	. 502	
103	1.814804		1.449967
104	1.114114	503	1.814804
	THE ALL ALE ALL ALL ALL ALL ALL ALL ALL AL	504	1.114114
106	.785932	506	.785932
. 107	Office	507	1.103884
108	.767178	508	1.077459
109	1.449967	509	1.449967
110	1.417575	510	1.417575
111	1.501965	511	1.501965
201	.767178	601	1.077459
202	1.449967	602	1.449967
203	1.814804	603	1.814804
204	1.114114	604	1.114114
206	.785932	606	.785932
207	1.103884	607	1.103884
208	.767178	608	1.077459
209	1.449967	609	1.449967
210	1.417575	610	1.417575
211	1.501965	611	.1.501965
301	1.077459	701	1.077459
302	1.449967	702 .	1.449967
303	1.814804	703	1.814804
304	1.114114	704	1.114114
306	.785932	706 .	.785932
307	1.103884	707	1.103884
308	1.077459	708	1.077459
309	1.449967	709	1.449967
310	1.417575	710	1.417575
311	1.501965	711	1.501965
401	1.077459	801	1.077459
402	1.449967	802	1.449967
403	1.814804	803	1.814804
404	1.114114	804	1.114114
406	.785932	806	~ .785932
407	, 1.103884	807	1.103884
408	1.077459	808	1.077459
409	1.449967	809	
410	1.417575	810	1.449967
411	1.501965		1.417575
411	1.501365	811	1.501965





§ 82.002, APPLICABILITY. (a) This chapter applies to all commercial, industrial, residential, and other types of condominiums in this state for which the declaration is recorded on or after January 1, 1994. A condominium for which the declaration was recorded before January 1, 1994, may be governed exclusively under this chapter if either:

- (1) the owners of units vote to amend the declaration, in accordance with the amendment process authorized by the declaration, to have this chapter apply and that amendment is filed for record in the condominium records in each county in which the condominium is located; or
- (2) a declaration or amendment of declaration was recorded before January 1, 1994, and the declaration or amendment states that this chapter will apply in its entirety on January 1, 1994.
- (b) An amendment to a declaration under Subsection (a)(1) that implements a vote of the unit owners to be governed by this chapter may not affect the rights of a declarant or impose duties on a declarant that are greater than or in addition to the declarant's duties immediately before the date of the vote or amendment.
- (c) This section and the following sections apply to a condominium in this state for which the declaration was recorded before January 1, 1994: Sections 82.005, 82.006, 82.007, 82.053, 82.054, 82.102(a)(1)-(7) and (12)-(22), 82.108, 82.111, 82.113, 82.114, 82.116, 82.157, and 82.161. The definitions prescribed by

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Section 82.003 apply to a condominium in this state for which the declaration was recorded before January 1, 1994, to the extent the definitions do not conflict with the declaration. The sections listed in this subsection apply only with respect to events and circumstances occurring on or after January 1, 1994, and do not invalidate existing provisions of the declaration, bylaws, or plats or plans of a condominium for which the declaration was recorded before January 1, 1994.

(d) Chapter 81 does not apply to a condominium for which the declaration was recorded on or after January 1, 1994, and does not invalidate any amendment to the declaration, bylaws, or plats and plans of any condominium for which the declaration was recorded before January 1, 1994, if the amendment would be permitted by this chapter. The amendment must be adopted in conformity with the procedures and requirements specified by those instruments and by Chapter 81. If the amendment grants to a person a right, power, or privilege permitted by this chapter, all correlative obligations, liabilities, and restrictions prescribed by this chapter also apply to that person.

Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1994.

Amended by Acts 1997, 75th Leg., ch. 956, § 1, eff. Jan. 1, 1998.

§ 82.005. SEPARATE TITLES AND TAXATION. (a) If there is a unit owner other than a declarant, each unit that has been created, together with its interest in the common elements, constitutes for

all purposes a separate parcel of real property.

- (b) If there is a unit owner other than a declarant, each unit must be separately taxed and assessed, and no separate tax or assessment may be rendered against common elements for which a declarant has not reserved development rights. Any portion of the common elements for which a declarant has reserved any development right must be separately taxed and assessed against the declarant, and the declarant alone is liable for payment of those taxes.
- (c) If there is no unit owner other than a declarant, the real property constituting the condominium may be taxed and assessed in any manner provided by law.
- (d) The laws relating to homestead exemptions from property taxes apply to condominium units, which are entitled to homestead exemptions in those cases in which the owner of a single family dwelling would qualify.

Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1994.

§ 82.006. APPLICABILITY OF LOCAL ORDINANCES, REGULATIONS,

AND BUILDING CODES. A zoning, subdivision, building code, or other

real property use law, ordinance, or regulation may not prohibit

the condominium form of ownership or impose any requirement on a

condominium that it would not impose on a physically identical

development under a different form of ownership. Otherwise, this

chapter does not invalidate or modify any provision of any zoning,

subdivision, building code, or other real property use law,



Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1994.

\$ 82.007. CONDEMNATION. (a) If a unit is acquired by condemnation condemnation, or if part of a unit is acquired by condemnation leaving the unit owner with a remnant that may not practically or lawfully be used for any purpose permitted by the declaration, the condemnation award must compensate the unit owner for the unit and its common element interest, whether or not any common element interest is acquired. On acquisition, unless the decree provides otherwise, the condemned unit's entire allocated interests are automatically reallocated to the remaining units in proportion to the respective allocated interests of those units before the taking, and the association shall promptly prepare, execute, and record an amendment to the declaration reflecting the reallocations. A remnant of a unit remaining after part of a unit is taken under this subsection is a common element.

(b) Except as provided by Subsection (a), if part of a unit is acquired by condemnation, the award must compensate the unit owner for the reduction in value of the unit and its common element interest. On acquisition, the condemned unit's allocated interests are reduced in proportion to the reduction in the size of the unit, or on any other basis specified by the declaration, and the portion of the allocated interests divested from the partially acquired unit are automatically reallocated to that unit and the remaining

units in proportion to the respective allocated interests of those units before the taking, with the partially acquired unit participating in the reallocation on the basis of its reduced allocated interests.

- condemnation, the award must be paid to the association, as trustee for the unit owners, and to persons holding liens on the condemned property, as their interests may appear. The association shall divide any portion of the award not used for any restoration or repair of the remaining common elements among the unit owners in proportion to their respective common element interests before the taking, but the portion of the award attributable to the acquisition of a limited common element must be equally divided among the owners of the units to which that limited common element was allocated at the time of acquisition, or in any manner the declaration provides.
- (d) The court decree shall be recorded in each county in which any portion of the condominium is located.

Added by Acts 1993, 73rd Leg., ch. 244, 5 1, eff. Jan. 1, 1994.

§ 82.053. CONSTRUCTION AND VALIDITY OF DECLARATION AND BYLAWS. (a) The provisions of the declaration and bylaws are severable.

(b) The rule against perpetuities may not be applied to defeat any provision of the declaration, bylaws, or rules of the

- (c) If there is a conflict between the provisions of the declaration and the bylaws, the declaration prevails except to the extent the declaration is inconsistent with this chapter.
- (d) Title to a unit and common elements is not made unmarketable or otherwise affected by a provision of unrecorded bylaws or by reason of an insubstantial failure of the declaration to comply with this chapter. Whether a substantial failure impairs marketability is not affected by this chapter.

Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1994.

§ 32.054. DESCRIPTION OF UNITS. A description of a unit is a sufficient legal description of the unit and all rights, obligations, and interests appurtenant to the unit that were created by the declaration or bylaws if the description contains:

- (1) the name of the condominium;
- (2) the recording data for the declaration, including any amendments, plats, and plans;
- (3) the county in which the condominium is located; and
  - (4) the identifying number of the unit.

Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1934.

- § 82.108. MEETINGS. (a) Meetings of the association must be held at least once each year. Unless the declaration provides otherwise, special meetings of the association may be called by the president, a majority of the board, or unit owners having at least 20 percent of the votes in the association.
- (b) Meetings of the association and board must be open to unit owners, subject to the right of the board to adjourn a meeting of the board and reconvene in closed executive session to consider actions involving personnel, pending litigation, contract negotiations, enforcement actions, matters involving the invasion of privacy of individual unit owners, or matters that are to remain confidential by request of the affected parties and agreement of the board. The general nature of any business to be considered in executive session must first be announced at the open meeting.
- (c) Unless the declaration, bylaws, or articles of incorporation of the association provide otherwise:
- (1) a meeting of the board may be held by any method of communication, including electronic and telephonic, if:
- (A) notice of the meeting has been given in accordance with Subsection (e);
- (B) each director may hear and be heard by every other director; and
- (C) the meeting does not involve voting on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular association member before the member has an opportunity to attend a

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board meeting to present the member's position, including any defense, on the issue; and

- (2) the board may act by unanimous written consent of all the directors, without a meeting, if:
- (A) the board action does not involve voting on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular association member before the member has an opportunity to attend a board meeting to present the member's position, including any defense, on the issue; and
- (B) a record of the board action is filed with the minutes of board meetings.
- (d) Notice of a meeting of the association must be given as provided by the bylaws, or, if the bylaws do not provide for notice, notice must be given to each unit owner in the same manner in which notice is given to members of a nonprofit corporation under Section A, Article 2.11, Texas Non-Profit Corporation Act (Article 1396-2.11, Vernon's Texas Civil Statutes).
- (e) Notice of a meeting of the board must be given as provided by the bylaws, or, if the bylaws do not provide for notice, notice must be given to each board member in the same manner in which notice is given to members of the board of a nonprofit corporation under Section B, Article 2.19, Texas Non-Profit Corporation Act (Article 1396-2.19, Vernon's Texas Civil Statutes).
  - (f) An association, on the written request of a unit owner,

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shall inform the unit owner of the time and place of the next regular or special meeting of the board. If the association representative to whom the request is made does not know the time and place of the meeting, the association promptly shall obtain the information and disclose it to the unit owner or inform the unit owner where the information may be obtained.

Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1994.

§ 82.111. INSURANCE. (a) Beginning not later than the time of the first conveyance of a unit to a person other than a declarant, the association shall maintain, to the extent reasonably available:

- elements insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage, in a total amount of at least 80 percent of the replacement cost or actual cash value of the insured property as of the effective date and at each renewal date of the policy; and
- (2) commercial general liability insurance, including medical payments insurance, in an amount determined by the board but not less than any amount specified by the declaration covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the common elements.
  - (b) If a building contains units having horizontal



boundaries described in the declaration, the insurance maintained under Subsection (a)(1), to the extent reasonably available, must include the units, but need not include improvements and betterments installed by unit owners.

- (c) If the insurance described by Subsections (a) and (b) is not reasonably available, the association shall cause notice of that fact to be delivered or mailed to all unit owners and lienholders. The declaration may require the association to carry any other insurance, and the association in any event may carry any other insurance the board considers appropriate to protect the condominium, the association, or the unit owners. This section does not affect the right of a holder of a mortgage on a unit to require a unit owner to acquire insurance in addition to that provided by the association.
- (d) Insurance policies carried under Subsection (a) must provide that:
- (2) the insurer waives its right to subrogation under the policy against a unit owner;
- (3) no action or omission of a unit owner, unless within the scope of the unit cwner's authority on behalf of the association, will void the policy or be a condition to recovery under the policy; and

- (4) if, at the time of a loss under the policy, there is other insurance in the name of a unit owner covering the same property covered by the policy, the association's policy provides primary insurance.
- (e) A claim for any loss covered by the policy under Subsection (a)(1) must be submitted by and adjusted with the association. The insurance proceeds for that loss shall be payable to an insurance trustee designated by the association for that purpose, if the designation of an insurance trustee is considered by the board to be necessary or desirable, or otherwise to the association, and not to any unit owner or lienholder.
- insurance proceeds in trust for unit owners and lienholders as their interests may appear. Subject to Subsection (i), the proceeds paid under a policy must be disbursed first for the repair or restoration of the damaged common elements and units, and unit owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the condominium is terminated.
- (g) An insurance policy issued to the association does not prevent a unit owner from obtaining insurance for the owner's own benefit.
- (h) The insurer issuing the policy may not cancel or refuse to renew it less than 30 days after written notice of the proposed cancellation or nonrenewal has been mailed to the association.

(12)

(i) Any portion of the condominium for which insurance is required that is damaged or destroyed shall be promptly repaired or replaced by the association unless the condominium is terminated, repair or replacement would be illegal under any state or local health or safety statute or ordinance, or at least 80 percent of the unit owners, including each owner of a unit or assigned limited common element that will not be rebuilt or repaired, vote to not rebuild. A vote to not rebuild does not increase an insurer's liability to loss payment obligation under a policy, and the vote does not cause a presumption of total loss. The cost of repair or replacement in excess of the insurance proceeds and reserves is a common expense. If the entire condominium is not repaired or replaced, any insurance proceeds attributable to the damaged common elements shall be used to restore the damaged area to a condition compatible with the remainder of the condominium, the insurance proceeds attributable to units and limited common elements that are not rebuilt shall be distributed to the owners of those units and the owners of the units to which those limited common elements were assigned, or to their mortgagees, as their interests may appear, and the remainder of the proceeds shall be distributed to all the unit owners as their interests may appear. If the unit owners vote to not rebuild any unit, that unit's allocated interests shall be automatically reallocated on the vote as if the unit had been condemned, and the association shall prepare, execute, and record an amendment to the declaration reflecting the reallocation. Section 82.068 governs the distribution of insurance proceeds if

the condominium is terminated.

(j) The provisions of this section may be varied or waived if all the units in a condominium are restricted to nonresidential use.

Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1994. Amended by Acts 1997, 75th Leg., ch. 956, § 3, eff. Jan. 1, 1998.

S 82.113. ASSOCIATION'S LIEN FOR ASSESSMENTS. (a) An assessment levied by the association against a unit or unit owner is a personal obligation of the unit owner and is secured by a continuing lien on the unit and on rents and insurance proceeds received by the unit owner and relating to the owner's unit. In this section, "assessments" means regular and special assessments, dues, fees, charges, interest, late fees, fines, collection costs, attorney's fees, and any other amount due to the association by the unit owner or levied against the unit by the association, all of which are enforceable as assessments under this section unless the declaration provides otherwise.

- (b) The association's lien for assessments has priority over any other lien except:
- (1) a lien for real property taxes and other governmental assessments or charges against the unit unless otherwise provided by Section 32.05, Tax Code;
- (2) a lien or encumbrance recorded before the declaration is recorded;
  - (3) a tirst vendor's lien or first deed of trust lien

(14)

recorded before the date on which the assessment sought to be enforced becomes delinquent under the declaration, bylaws, or rules; and

- (4) unless the declaration provides otherwise, a lien for construction of improvements to the unit or an assignment of the right to insurance proceeds on the unit if the lien or assignment is recorded or duly perfected before the date on which the assessment sought to be enforced becomes delinquent under the declaration, bylaws, or rules.
- (c) The association's lien for assessments is created by recordation of the declaration, which constitutes record notice and perfection of the lien. Unless the declaration provides otherwise, no other recordation of a lien or notice of lien is required.
- (d) By acquiring a unit, a unit owner grants to the association a power of sale in connection with the association's lien. By written resolution, a board may appoint, from time to time, an officer, agent, trustee, or attorney of the association to exercise the power of sale on behalf of the association. Except as provided by the declaration, an association shall exercise its power of sale pursuant to Section 51.002.
- (e) The association has the right to foreclose its lien judicially or by nonjudicial foreclosure pursuant to the power of sale created by this chapter or the declaration, except that the association may not foreclose a lien for assessments consisting solely of fines. Costs of foreclosure may be added to the amount owed by the unit owner to the association. A unit owner may not

petition a court to set aside a sale solely because the purchase price at the foreclosure sale was insufficient to fully satisfy the owner's debt.

- (f) The association may bid for and purchase the unit at foreclosure sale as a common expense. The association may own, lease, encumber, exchange, sell, or convey a unit.
- (g) The owner of a unit used for residential purposes and purchased by an association at a foreclosure sale of the association's lien for assessments may redeem the unit not later than the 90th day after the date of the foreclosure sale. To redeem the unit, the owner must pay to the association all amounts due the association at the time of the foreclosure sale, interest from the date of foreclosure sale to the date of redemption at the rate provided by the declaration for delinquent assessments, reasonable attorney's fees and costs incurred by the association in foreclosing the lien, any assessment levied against the unit by the association after the foreclosure sale, and any reasonable cost incurred by the association as owner of the unit, including costs of maintenance and leasing. On redemption, the association shall execute a deed to the redeeming unit owner. The exercise of the right of redemption is not effective against a subsequent purchaser or lender for value without notice of the redemption after the redemption period expires unless the redeeming unit owner records the deed from the association or an affidavit stating that the owner has exercised the right of redemption. A unit that has been redeemed remains subject to all liens and encumbrances on the unit

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before foreclosure. All rents and other income collected from the unit by the association from the date of foreclosure sale to the date of redemption belong to the association, but the rents and income shall be credited against the redemption amount. An association purchasing a unit at a sale foreclosing its lien may not transfer ownership of the unit during the redemption period to a person other than a redeeming owner.

- (h) If a unit owner defaults in the owner's monetary obligations to the association, the association may notify other lien holders of the default and the association's intent to foreclose its lien. The association shall notify any holder of a recorded lien or duly perfected mechanic's lien against a unit who has given the association a written request for notification of the unit owner's monetary default or the association's intent to foreclose its lien.
- (i) This section does not prohibit the association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien.
- (j) At any time before a nonjudicial foreclosure sale, a unit owner may avoid foreclosure by paying all amounts due the association.
- (k) If, on January 1, 1994, a unit is the homestead of the unit owner and is subject to a declaration that does not contain a valid assessment lien against the unit, the lien provided by this section does not attach against the unit until the unit ceases to be the homestead of the person owning it on January 1, 1994.

- (1) Foreclosure of a tax lien attaching against a unit under Chapter 32, Tax Code, does not discharge the association's lien for assessments under this section or under a declaration for amounts becoming due to the association after the date of foreclosure of the tax lien.
- (m) If a unit owner is delinquent in payment of assessments to an association, at the request of the association a holder of a recorded lien against the unit may provide the association with information about the unit owner's debt secured by the holder's lien against the unit and other relevant information. At the request of a lien holder, the association may furnish the lien holder with information about the condominium and the unit owner's obligations to the association.

Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1994.

§ 92.114. ASSOCIATION RECORDS. (a) The association shall keep:

- (1) detailed financial records that comply with generally accepted accounting principles and that are sufficiently detailed to enable the association to prepare a resale certificate under Section 82.157;
- (2) the plans and specifications used to construct the condominium except for buildings originally constructed before January 1, 1994;
  - (3) the condominium information statement prepared

under Section 82.152 and any amendments;



- (4) the name and mailing address of each unit owner;
- (5) voting records, proxies, and correspondence relating to amendments to the declaration; and
  - (6) minutes of meetings of the association and board.
- (b) All financial and other records of the association shall be reasonably available at its registered office or its principal office in this state for examination by a unit owner and the owner's agents. An attorney's files and records relating to the association are not records of the association and are not subject to inspection by unit owners or production in a legal proceeding.
- (c) The association shall, as a common expense, annually obtain an independent audit of the records. Copies of the audit must be made available to the unit owners. An audit required by this subsection shall be performed by a certified public accountant if required by the bylaws or a vote of the board of directors or a majority vote of the members of the association voting at a meeting of the association.
- (d) A declarant shall furnish copies to the association of the information required by Subsection (a) on the date the first unit is sold.
- (e) Not later than the 30th day after the date of acquiring an interest in a unit, the unit owner shall provide the association with:
- (1) the unit owner's mailing address, telephone number, and driver's license number, if any;

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- (2) the name and address of the holder of any lien against the unit, and any loan number;
- (3) the name and telephone number of any person occupying the unit other than the unit owner; and
- (4) the name, address, and telephone number of any person managing the unit as agent of the unit owner.
- (f) A unit owner shall notify the association not later than the 30th day after the date the owner has notice of a change in any information required by Subsection (e), and shall provide the information on request by the association from time to time.

  Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1994.
- § 82.116. MANAGEMENT CERTIFICATE. (a) An association shall record in each county in which any portion of the condominium is located a certificate, signed and acknowledged by an officer of the association, stating:
  - (1) the name of the condominium;
  - (2) the name of the association;
  - (3) the location of the condominium;
  - (4) the recording data for the declaration;
- (5) the mailing address of the association, or the name and mailing address of the person or entity managing the association; and
- (6) other information the association considers appropriate.
  - (b) The association shall record a management certificate

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not later than the 30th day after the date the association has notice of a change in any information in a recorded certificate required by Subdivisions (a) (1)-(5).

(c) The association and its officers, directors, employees, and agents are not subject to liability to any person for delay or failure to record a management certificate, unless the delay or failure is wilful or caused by gross negligence.

Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1994. § 82.118 Reserved

Subsection (c), if a unit owner other than a declarant intends to sell a unit, before executing a contract or conveying the unit, the unit owner must furnish to the purchaser a current copy of the declaration, bylaws, any association rules, and a resale certificate that must have been prepared not earlier than three months before the date it is delivered to the purchaser. The resale certificate must be issued by the association and must contain the current operating budget of the association and statements of:

- (1) any right of first refusal or other restraint contained in the declaration that restricts the right to transfer a unit;
- (2) the amount of the periodic common expense assessment and the unpaid common expenses or special assessments currently due and payable from the selling unit owner;
  - (3) other unpaid fees or amounts payable to the

association by the selling unit owner;



- (4) capital expenditures, if any, approved by the association for the next 12 months;
- (5) the amount of reserves, if any, for capital expenditures and of portions of those reserves designated by the association for a specified project;
- (6) any unsatisfied judgments against the association;
- (7) the nature of any pending suits against the association;
- (8) insurance coverage provided for the benefit of unit owners;
- (9) whether the board has knowledge that any alterations or improvements to the unit or to the limited common elements assigned to that unit violate the declaration, bylaws, or association rules;
- (10) whether the board has received notice from a governmental authority concerning violations of health or building codes with respect to the unit, the limited common elements assigned to that unit, or any other portion of the condominium;
- (11) the remaining term of any leasehold estate that affects the condominium and the provisions governing an extension or renewal of the lease; and
- (12) the name, mailing address, and telephone number of the association's managing agent, if any.
  - (b) Not later than the 10th day after the date of receiving a

written request by a unit owner, an association shall furnish to the selling unit owner or the owner's agent a resale certificate signed and dated by an officer or authorized agent of the association containing the information required by Subsection (a). A selling unit owner or the owner's agent is not liable to the purchaser for erroneous information provided by the association in the certificate. If an association does not furnish a resale certificate or any information required in the certificate within the 10-day period, the unit owner may provide the purchaser with a sworn affidavit signed by the unit owner in lieu of the certificate. An affidavit must state that the unit owner requested information from the association concerning its financial condition, as required by this section, and that the association did not timely provide a resale certificate or the information required in the certificate. If a unit owner has furnished an affidavit to a purchaser, the unit owner and the purchaser may agree in writing to waive the requirement to furnish a resale certificate. The association is not liable to a selling unit owner for delay or failure to furnish a resale certificate, and an officer or agent of the association is not liable for a delay or failure to furnish a certificate unless the officer or agent wilfully refuses to furnish the certificate or is grossly negligent in not furnishing the resale certificate. Failure to provide a resale certificate does not void a deed to a purchaser.

(c) If a properly executed resale certificate incorrectly states the total of delinquent sums owed by the selling unit owner

to the association, the purchaser is not liable for payment of additional delinquencies that are unpaid on the date the certificate is prepared and that exceed the total sum stated in the certificate. A unit owner or the owner's agent is not liable to a purchaser for the failure or delay of the association to provide the certificate in a timely manner.

- (d) A resale certificate does not affect:
- (1) an association's right to recover debts or claims that arise or become due after the date the certificate is prepared; or
- (2) an association's lien on a unit securing payment of future assessments.
- (e) A purchaser, lender, or title insurer who relies on a resale certificate is not liable for any debt or claim that is not disclosed in the certificate. An association may not deny the validity of any statement in the certificate.

  Added by Acts 1993, 73rd Leg., ch. 244, § 1, eff. Jan. 1, 1994.
- S 82.161. EFFECT OF VIOLATIONS ON RIGHTS OF ACTION AND ATTORNEY'S FEES. (a) If a declarant or any other person subject to this chapter violates this chapter, the declaration, or the bylaws, any person or class of persons adversely affected by the violation has a claim for appropriate relief.
- (b) The prevailing party in an action to enforce the declaration, bylaws, or rules is entitled to reasonable attorney's fees and costs of litigation from the nonprevailing party.

