

Sky Harbour Home Owner's Association (SHHOA)

By-Laws

November 2025

ARTICLE I. NAME AND LOCATION

The name of the corporation is SKY-HARBOUR HOMEOWNERS ASSOCIATION; INC. hereinafter referred to as the Association. The principle office of the corporation shall be located at Granbury, Texas, at the Sky-Harbour development, but meetings of Members and Trustees may be held at such places within the State of Texas, as may be designated by the Board of Trustees.

ARTICLE II. DEFINITIONS

Section 1: Association shall mean and refer to SKY HARBOUR HOMEOWNERS ASSOCIATION, INC.

Section 2: The property shall mean and refer to that certain real properly described in the Declaration of Covenants, conditions and Restrictions for Sky Enterprises, Inc. and such additions thereto as may hereafter be brought within the jurisdiction of this Association.

Section 3: Common Areas shall mean all real property owned by the Association for the common use and enjoyment of the Members of the Association.

Section 4: Lot shall mean and refer to that portion of any one of the parcels of property which has been subdivided by the developer and filed of record in Hood County, Texas.

Section 5: Member shall mean and refer to every person or entity that holds a membership in the Association.

Section 6: Owner shall mean and refer to the record owner, whether one or more persons or entities of the fee simple title to any lot which is a part of the properties, including contract buyers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7: Declarant shall mean and refer to Sky Enterprises, Inc. its successors and assigns if such successors or assigns should acquire more than one developed lot from the Declarant for the purpose of development.

Section 8: Declaration shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the office of the County Clerk of Hood County, Texas.

ARTICLE III. MEMBERSHIP

Section 1: Qualifications: There shall be three classes of membership in the Association. Class, "A" members shall consist of those persons including corporation owning real property in Sky Harbour Addition. Class "A" members shall be entitled to vote at all regular or special meetings of the members of the Association called pursuant to these By-Laws. Class "B" members shall consist of those persons

who rent property in Sky Harbour Addition. Class "B" members shall not be entitled to vote at meetings of the Association. Class "C" members shall not be entitled to vote at meetings of the Association. Membership fees for Class "B" and Class "C" members will be collected in accordance with ARTICLE III, SECTION 4 of these By-Laws. Class "B" and Class "C" memberships must be approved by a two-thirds vote of the entire Board of Trustees. Where two or more persons are the joint owners of real property in Sky Harbour Addition, one, and only one, shall become a Member. Where two or more persons are stockholders in a corporation owning real property in such subdivision, one and only one, shall become a Member. Only Class "A" Members shall be entitled to vote.

Section 2: Charter Members: The first purchaser of each lot in Sky Harbour Addition shall be a charter Member of the Association and may maintain his membership after the sale of his lot in said addition.

Section 3: Members: No member shall have a vested right, interest, or privilege of, in or to the assets, functions, affairs or franchises of the corporation, or any right, interest or privilege which may be transferable or inheritable, or which shall continue after his membership ceases.

Section 4: Manner of Admission:

Class "A" members will become members upon purchase of property in Sky Harbour Addition and payment of annual Maintenance Charges.

Class "B" members, who are defined as renters of property located in Sky Harbour, will become members upon approval by the Board of Trustees in accordance with ARTICLE III, Section I of these By-Laws after the renter provides information required by the Board of Trustees and pays a Membership Fee equal to $\frac{1}{2}$ of the current annual Maintenance Charge paid by Class "A" members. The Class "B" Membership Fee is in addition to any Maintenance Charges paid by the landlord on rental property.

Class "C" members, who are defined as persons that live outside of the subdivision whose property borders Sky Harbour, and use our facilities, will become members upon approval by the Board of Trustees in accordance with ARTICLE III, Section I of these By-Laws after the applicant provides information required by the Board of Trustees and pays a Membership Fee equal to the current annual Maintenance Charges paid by Class "A" members. Any Class "B" • Class "C" application may be rejected by the Board of Trustees and no reason for rejection shall be given to the applicant. The Business Manager shall notify the applicant of the rejection or acceptance of the application.

Section 5: Membership Not Transferable: Each Member shall be entitled to Sky Harbour Membership decals for his family automobiles. Each such decal shall be valid only when held by a Member of the Association, and such designation of membership shall be subject to the By-Laws, when and which may thereafter be made, and such By-Laws shall be considered as and shall be an essential part of the contract between the Association and Member holding such decal. No membership shall be sold, signed, or transferred, voluntarily, by will, or by operation of law except to a person otherwise qualified for membership and approved for membership as hereinafter set out.

Section 6: Termination of Membership: Whenever any Member, except a charter member, shall cease to have all the qualifications necessary for admission to membership in the Association, then such membership shall terminate.

Section 7: Annual Dues: Every member shall be required to pay annual dues, an amount which shall be determined by the Board of Trustees and may be changed annually by 2/3rds vote of the Board of Trustees and majority vote (greater than 50%) of the members initiated for a regularly scheduled or special meeting of the Membership.

Membership votes collected over time require a validated quorum (10% of the community) for the votes tallied to be valid. The Dues Value will be maintained and visible in Addendum - B SHHOA Table of Dues, Fees and Fines.

ARTICLE IV. LOSS OF PROPERTY

Section 1: The Board of Trustees shall not be liable or responsible for the destruction, loss or damage to the property of any member or the quest of any member or visitor, or other person.

ARTICLE V. USE, ENJOYMENT AND MANAGEMENT OF ASSOCIATION PROPERTY AND COMMON FACILITIES

Section 1: Use of Association Property and Common Facilities: The use and enjoyment of the Association Property and Common Facilities is limited to those persons or entities who are Class "A", "B" or "C" Members of the Association, as set forth in ARTICLE III, MEMBERSHIP, and their respective families and guests, subject to Section 2 hereof. "Guest(s)" shall mean and refer to person(s) who is not an owner, renter, tenant, or lessee of property in this subdivision but is in the subdivision at the invitation of and in anticipation of receiving hospitality at the home of an owner, renter, tenant, or lessee who is in good standing. Renters who have not applied for Class B tenancy may not use the amenities of Sky Harbour property regardless if the renter(s) has relatives living in Sky Harbour or are invited by friends or neighbors who are members in good standing in Sky Harbour. Use and enjoyment of Association Property and Common Facilities shall, pursuant to rules and regulations established by the Board of Trustees, be limited to members who are current in payment of assessments and/or maintenance fees as provided herein

Section 2: Regulation for Use of Association Property and Common Facilities. Such rules and regulations as may be necessary for the orderly use and management of Association Property and Common Facilities including but not limited to, rules and regulations concerning the rights and privileges of tenants and guests of members, shall be made by the Board of Trustees of this Association or by committees appointed by the Board of Trustees for such purpose and attached as an addendum to these By-Laws.

Section 3: Management of Association Property and Common Facilities. The Association, by and through its Board of Trustees, has the sole responsibility for the ownership, maintenance, improvement, management, administration, security and regulation of the Association Property and Common Facilities.

Section 4: Alcoholic Beverages: NO alcoholic beverages shall be consumed on or in ANY Association owned Property or Common Facility.

Section 5: Illegal Drugs: No illegal drugs of any type shall be consumed on or in ANY Association owned Property or Common Facility.

Section 6: Tobacco: No tobacco products of any kind shall be consumed inside ANY Association owned Property.

Section 7: Minors (less than 18 years of age): No Tobacco products of any kind shall be consumed on or in ANY Association owned Property or Common Facility.

ARTICLE VI: BOARD OF TRUSTEES

Section 1: Number of Trustees: The business and affairs of this Association shall be managed by a Board of eleven (11) Trustees.

Section 2: Executive Committee: The Board of Trustees may elect from their number of Executive Committee consisting of not less than three members of the Board, which committee shall have all the powers of the Board of Trustees between meetings, regular or special. The President of the corporation shall be a member of and shall be Chairman of the Executive Committee.

Section 3: Regular Meetings: The Board shall meet for the transaction of business at such place as may be designated from time to time.

Section 4: Special Meetings: Special Meetings of the Board of Trustees may be called by the President or by three members of the Board for any time and place, provided reasonable notice, of such meeting shall be given to each member of the Board before the time appointed for such meetings.

Section 5: Quorum: The Trustees shall act only as a board, and the individual Trustee shall have no power as such. The majority of the Trustees for the time being in office shall constitute a quorum for the transaction of business. but a majority of those present at the time and place of any regular or special meeting although less than a quorum may adjourn the same from time to time without notice until a quorum be at hand. The act of a majority of Trustees presents at any meeting at which there is a quorum shall be the act of the Board of Trustees, except as may be otherwise provided by law.

Section 6: Order of Business: The Board of Trustees may from time to time determine the order of business at its meetings.

Section 7: Chairman: At all meetings of the Board of Trustees, the President, or in his absence the Vice President, or in the absence of both, a chairman chosen by the Trustees present shall preside.

Section 8: Terms of Members of the board: Members of the Board shall be elected to two year terms by the Members of the Association at the annual meeting of the Members in September. Candidates for Members of the Board shall be members in good standing (dues, fines and/or fees paid in full, no outstanding balances) from within the general membership. A staggered schedule shall be employed such that approximately ½ the trustees are up for election each year.

Section 9: Annual Report: The Board of Trustees, after the close of the fiscal year, shall submit to the members of the Association, a report as to the condition of the Association and its Property shall submit also an account of the financial transactions of the past year. The board will require an annual compilation or review of the financial transactions of the Association on or about November 1st of each year.

Section 10: Vacancies in the Board: Whenever a vacancy in membership of the Board shall occur, the remaining members of the Board shall have the power, by majority vote, to select a Member of the Association to serve the unexpired term of the vacancy. The candidate / elected member shall be a member in good standing. A board member that misses 3 consecutive board and/or membership meetings without sufficient cause is automatically removed from the board of trustees creating a vacancy in the board.

Section 11: Budget: The Association will operate under a budget prepared by the Board of Trustees set forth below:

- (a) The Budget will be prepared for the ensuing fiscal year by a budget committee of three Members of the Association, at least one of whom shall be a member of the Board of Trustees.
- (b) The Budget as prepared by the budget committee shall be presented to the Board at its regular meeting in July for its approval.
- (c) After approval by the Board, the Budget will be posted in a public place so the Homeowners may study it. Copies of the proposed budget shall be made available to members that may request them. The cost of preparation of such copies shall be paid by the member making the request.
- (d) The final budget shall be presented to the members for their approval at the annual meeting of the Association on the third Saturday in September of each year.
- (e) Any accumulated expenditures in excess of 110% of the budgeted amounts for any item included in the budget or expenditures for any item not included in the budget shall not be made by the officers and trustees of the Association without prior approval of the Members at a meeting of the Association duly called according to the By-Laws.
- (f) The treasurer's report presented at the annual meeting of the Association shall show a comparison of actual expenditures to date with the amounts shown in the approved budget.

Section 12: Powers: The Board of Trustees shall have the power to:

- (a) Adopt and publish rules and regulations governing the use of the Association Property and Common Facilities, and the personal conduct of the Members and their guest thereon, and to establish penalties for the infraction thereof.
- (b) suspend the right to use Association Property and Common Facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association.
- (c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.
- (d) Employ a Business Manager, Maintenance Man, and independent contractor, or other such employees as they deem necessary, and to prescribe their duties.
- (e) Supervise all officers, agents and employees of this Association, and see that their duties are properly performed.

ARTICLE VII OFFICERS

Section 1: Executive Officers: The Executive Officers of the corporation shall be a President, Vice-President, and Secretary/Treasurer. The officers shall be elected annually by the Board of Trustees and shall take office immediately after election, the election will be held at the first regular Board Meeting following the election of Board members by the Members of the Association. Officers shall be members of the Board of Trustees.

Section 2: The President: Subject to the direction of the Board of Trustees, the President shall be the Chief Executive of the corporation and shall perform such other duties as from time to time may be assigned to him by the Board. The President shall be an ex officio member of all committees; shall see that orders and resolution of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall cosign all promissory notes with the Secretary. The President shall supervise the Business Manager.

Section 3: The Vice-President: The Vice-President shall have such powers and perform such duties as may be assigned to him by the Board of Trustees or the President. In case of the absence or disability of the President, the Vice-President shall perform the duties of that officer.

Section 4: The Secretary/Treasurer: The Secretary/Treasurer shall keep the minutes of all meeting of the Board of Trustees and the minutes of the Members' meetings in books provided for that purpose. He/ she shall share custody of the Corporate Seal and such books and papers as the Board may direct, and he shall in general perform all the duties incident to the office of Secretary/Treasurer and other duties as may from time to time be assigned to him by the Board of Trustees or the President. In the absence of the President. the Secretary/Treasurer shall cosign all checks with the Business Manager.

Section 5: Subordinate Officers: The President, with approval of the Board of Trustees, may appoint such other officers and agents as the Board may deem necessary that shall have such authority and perform such duties as from time to time may be prescribed by the President or by the Board.

ARTICLE VIII. MEETINGS OF MEMBERS

Section 1: There shall be annual meetings of the Members of the Association at such place as may be designated on the third Saturday in September of each year at 2:00PM. Notice of the meeting shall be mailed to each Class "A" Member of the Association on or before the first day of September. Such notice shall include the time and place of the meeting as determined by the Board of Trustees and summary of the business to be transacted at such meeting.

Section 2: Special Meetings: Special Meetings of the Members may be called by the Board of Trustees, or upon written request of ten (10) per cent of the Class "A" Members of the Association. Written notice of such special meeting of the Members shall be given by the Secretary or Business manager, by mailing copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the members address last appearing on the books of the Association, or supplied by such member of the association for the purpose of notice. Such notice shall specify the place, day, hour, and purpose of the meeting, as stated in writing by the Members requesting the special meeting.

Section 3: Proxy: Every Class "A" Member present at an Association meeting may cast one vote. Votes may be cast by proxy, email, fax, US postal service, hand delivered to Business Office, or placed in Sky Harbour night depository.

Section 4: Quorum: At any meeting of the Members, a quorum shall consist of ten (10) per cent of all Class "A" Members of the Association on the day of the meeting whether present or not by casting as prescribed by Article VIII - Section 3. A majority in the amount of such quorum decides any questions that may come before the meeting.

Section 5: Agenda Input: If a Class "A" Member desires specific items be included on the agenda at the annual meeting, such Member must submit in writing no less than 30 days prior to the scheduled annual meeting.

Section 6: Recount of Votes:

a) Any Homeowner may, no later than the 15th day after the date of the meeting at which the election was held, require a recount of votes. A demand for a recount must be submitted in writing either:

(1) By certified mail, return receipt requested, or by delivery by the United States Postal Service with signature confirmation service to the Homeowners' Association's mailing address.

(2) In person to the Homeowners' Association managing agent.

b) The Homeowners' Association shall, at the expense of the owner requesting the record retain for the purpose of performing the recount, the services of person qualified to tabulate votes. The Association shall enter into a contract for the services of a person who:

(1) Is not a member of the Association or related to a member of the Association Board within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code; and

(2) Is:

(A) A current or former:

(i) County Judge

(ii) County elections administrator

(iii) Justice of the peace; or (iv) County voter registrar; or

(B) A person agreed on by the Association and the Homeowner requesting the recount

c) Any recount must be performed on or before the 30th day after the date of receipt of a request and payment for a recount in accordance with Subsections (a) and (c). If the recount changes the results of the election, the Homeowners' Association shall provide the results of the recount to each owner who requested the recount. Any action taken by the board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

Section 7: No Secret Ballots

(a) Any vote cast in an election or vote by a member of a Homeowners Association must be in writing and signed by the member.

(b) Electronic votes (email or faxed) may be cast and constitute written and signed ballots. Homeowners may return signed ballot by the day preceding the election and before 12:00 noon.

(c) In an Association-wide election, written and signed ballots are not required for uncontested races.

ARTICLE IX. COMMITTEES

Section 1: The Board of Trustees shall appoint an Architectural Control/Restriction Committee, as provided in the Declaration. In addition, the Board of Trustees shall appoint other committees as deemed appropriate in carrying out its purpose, including standing committees for maintenance, recreation, security, and membership.

Section 2: Each of these committees will be chaired by a Trustee and consist of at least three members and shall serve for one (1) year or until the first Homeowners meeting of the calendar year. Each committee will establish rules for that activity, which upon approval by the Board of Trustees, become addendum's to these By-Laws. The President shall be an ex officio member of each committee.

Section 3: The chairman of the Maintenance committee shall supervise all personnel performing maintenance duties for the Association. The Chairman of the Recreation committee shall supervise all personnel performing recreational duties for the Association. The supervision includes volunteers as well as persons employed by the Association.

Section 4: The Architectural Control/Restrictions committee shall supervise and advise all lot owners on the Deed Restrictions involved so that owners shall comply with the Deed Restrictions in the entire subdivision, and they will issue a building permit before any construction to such lot owner so that he may construct a dwelling, other structure, or move in a mobile home according to Deed restrictions. Permits are required for site-built homes, mobile homes, and other structures, placed or altered on any property in Sky Harbour Addition. Exterior construction of site-built homes is to be completed within 120 days of permit date.

ARTICLE X. MAINTENANCE CHARGES

Section 1: The Board of Trustees of Sky Harbour Homeowners Association, Inc. shall have the right and power to subject the Property situated in Sky Harbour Addition, except streets, ways and parks to an annual maintenance charge. The annual charge may be established, adjusted, or reduced from year to year by the Board of Trustees, in it's judgement, as the needs of the Property may require. (a) Dues of the established rate as defined in the Addendum D - SHHOA Table of Dues, Fees and Fines will be paid annually in September. Dues will be paid on lots as follows:

- (1) Single Lot- vacant or developed- 1 dues
- (2) Two or more lots adjacent to one another- 1 dues per dwelling
- (3) Rental units- 1 dues per rental unit
- (4) Duplex lot with two or more residences- 1 due per residence
- (5) Two or more undeveloped lots adjacent to one another - 1 dues per lot
- (6) Dues will be paid in multiple categories, if applicable

Section 2: All property sales and transfers must be reported within fifteen (15) business days to the Sky Harbour Homeowners' Association Business Office. A Fifty (\$50) per lot transfer fee will be included on all closings and transfers. There will be a fifty (\$50.00) assessment to the owner of property that is sold or transferred and not reported to the Sky Harbour Homeowner's Business Office within fifteen (15) days of closing and transfer.

Section 3: Owners of rental property in Sky Harbour must report change of renters within seven (7) business days of renter move-in. It is the responsibility of the rental property owner to instruct renters to obtain a copy of the Sky Harbour HOA by-laws and restrictions from the HOA business office. There will be a fifty (\$50.00) dollar assessment to property owners who fail to notify the business office when renters move in or out of rental property.

Section 4: The maintenance fund may be used for lighting, improving and maintaining the streets and dedicated right-of-way areas maintained for the general use of the owners and occupants of land included in such subdivision; for operating and maintaining any storm water drains now or hereafter constructed in such subdivision that are not or will not be under direct supervision of the State or County for collecting and disposing of garbage, ashes and rubbish; for employing policemen or watchmen; and for doing any other thing necessary or desirable in the opinion of the Board of Trustees, to keep the property neat and in good order and to eliminate fire hazards, or which in the opinion of the Board of Trustees may be of the general benefit to the owners or occupants of the land included in such subdivision.

Section 5: Military Notice – Homeowners who are serving on active-duty military may have special rights under federal laws, including Service members Civil Relief Act (50 U.S.C. app. Sect. 501 ET. Seq.)

Section 6: The Corporation shall have a lien on all the lots in the subdivision to secure the payment of maintenance charges due and to become due, and the record owners of such lots shall be personally liable for all maintenance charges. Upon demand, the corporation shall furnish to any owner or mortgagee, or person interested a certificate showing the unpaid maintenance charges against any lot or lots. The corporation may, in its discretion, subordinate in writing for limited periods of time, the liens of the Association against any lot or lots for the benefit or better security or mortgagee.

Section 7:

The annual assessment provided for herein shall commence on the first day of the month following the purchase of a lot by the owner, whether the owner holds title in fee simple or as an equitable owner under a contract of sale from Sky Enterprises, Inc. and/or any other seller.

The Board of Trustees shall:

1. Determine and set the amount of the annual assessment.
2. Establish the due date for payment.
3. Provide written notice of the annual assessment to all owners subject thereto.

Owners who fail to pay the annual assessment within thirty (30) days of the due date shall incur a late fee of twenty-five dollars (\$25) per month, applied while the account balance remains overdue and non-zero. Notice of this late fee will be included in all written communications regarding assessments sent to property owners.

Section 9: Special Assessments for Capital Improvements: In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the common area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of 2/3 of the votes of each of the Members at a meeting duly called for this purpose, written notice of which shall be sent to all Members in advance of the meeting setting for a purpose of the meeting.

Section 10: Purchases in Excess of \$2000.00: The Board of Trustees shall pursue the following procedure with respect to all purchases amounting to \$2000.00 or more (with the exception of regular expenditures such as utilities, taxes, labor, etc.).

- (a) A request for sealed bids shall be posted by the Treasurer stating the closing date.
- (b) At least 3 sealed bids shall be obtained
- (c) The bids shall be opened at the next Board meeting after the closing date for the bids.
- (d) The members of the Board shall determine which of the bids shall be accepted by the Association.
- (e) The successful bidders name shall be posted.
- (f) The bids submitted to the Association shall be filed by the Secretary and made available to any Homeowner in good standing upon request.

11 ARTICLE XI OTHER CHARGES

Section 1: In accordance with Paragraph 8(a) and 9(a) (Sky Harbour Homeowner's Association Inc.) of the Dedications and other provisions of these By-Laws, the Board of Trustees will levy the charges described below on an individual basis.

Section 2: Any person who violates any provisions of the rules and regulations shall be subject to a fine and/or suspension of the right to use Association Property and Common Facilities, but with no reduction of any other assessments due to the corporation, all as determined by the Board of Trustees after affording the alleged violator an opportunity for a hearing before it, if requested by the violator. A request for a hearing before the Board of Trustees must be made in writing at least 10 days prior to any scheduled board meeting.

Section 3: Any person who violates any published or posted rule or regulation shall be issued a citation naming the offense and, after a hearing if requested, the Board of Trustees may assess a penalty.

Section 4: Such fines/penalties assessed by the Board of Trustees shall be charged to the lot account of the violator. If the violator does not own a lot or lots, then such fines/penalties shall be made to the account of the parent, guardian, host or landlord of such Violating person. The Board, on behalf of the Association, shall file suit in Small Claims Court against Members who are assessed fines/penalties and refuse to pay said fines/penalties.

Section 5: Fines for violations of rules and regulations may be assessed by the Board of Trustees at the following rates:

- (a) First violation - \$50.00
- (b) Second violation of same rule or regulation - \$75.00
- (c) Subsequent violations of same rule or regulation - \$100.00 each violation

Section 6: In the even of the non-payment of such fine/penalty within fifteen (15) days from and after the hearing date if requested, the violator will automatically forfeit the privilege of use of Association Property and common Facilities until the fine is paid.

Section 7: Citations may be issued in person or by a Board of Trustees Member or the Business Manager, or by the United States Postal Service. Section 8: No special meeting of the Board of Trustees may be called for the purpose of providing a hearing at the request of violators. Such hearing will be held at the beginning of the next regularly scheduled meeting of the Board of Trustees following the request for a hearing. Hearings must be requested within fifteen (15) days of receipt of citation.

ARTICLE XII. NOTICE

Section 1: Notice: Whenever, according to these By-Laws, a notice shall be given to any member or Trustee, it shall not be construed to mean personal notice, but such notice may be given in writing by depositing same in a post office in Hood County, Texas, in post-paid sealed wrapper, addressed to such member or Trustee at his address as the same appears on the books of the corporation and the time when such notice is mailed shall be deemed the time of giving of such notice.

Section 2: Waiver of Notice: Any notice required to be given by these By-Laws may be waived by the person in title thereto.

ARTICLE XIII. RECORDS AND DOCUMENTS

Section 1: Open Records • Homeowners (or their agents designated in writing) may have access to the Association records, but they must submit written request to the Association by certified mail. The request must identify the records requested and indicate whether the requesting owner wants to inspect the records or have the Association forward copies. The association then has 10 business days from receipt of the request to, as appropriate to:

- (1) Provide written notice of dates on which records may be inspected, or
- (2) Provide the requested copies, or
- (3) Provide the owner written notice that is unable to produce the records within the 10 day period and provide a date, within an additional 15 business days, by which the records will be sent or made available to the owner for inspection.

- General exceptions are made for attorney's files
- Inspection must take place at mutually agreed time during normal business hours.
- Records can be produced in hard copy, electronic or other format reasonably available.
- Copy charges of 10 cents per copy may be charged and the Association may require the owner to pay in advance. If estimated costs are lesser or greater than actual costs, the Association shall submit a final invoice to the owner before the 30th business day after information is delivered. If final invoice includes additional amounts due, are not reimbursed to Association before 30th business day after date invoice sent to owner, the amounts may be added to the owners account as an assessment. If estimated cost exceeded the final invoice amount, the owner is entitled to a refund that shall be issued no later than the 30th business day after the date the invoice is sent to the owner.
- Associations may keep certain records confidential and decline to make them available (e.g. violation, histories of owners, owners' personal financial information, owners' contact information other than

address, and association personnel file) unless the owner gives written approval or a court order for the Association to release the information.

- Owners is denied access to records are given JP court remedies, after certified demand; prevailing party is entitled to attorneys' fees.

Section 2: Record Retention Policy

- (1) Financial Records (7 years)
- (2) Account records of current owners (5 years)
- (3) Contracts for terms of at least one year or more (4 years after expiration of contract)
- (4) Minutes of Association meetings and board meetings (7 years)
- (5) Tax returns and audits (7 years)
- (6) Governing documents (permanently)

ARTICLE XIV: AMENDMENTS

These By-laws may be amended at any regularly scheduled or special meeting of the Board of Trustees, by a 2/3 vote of the Board of Trustees and majority vote (51%) of the Members initiated for a regularly scheduled or special meeting of the Membership before they are enacted. Membership votes collected over time require a validated quorum (10% of the community) for votes tallied to be valid.

ARTICLE XV: CORPORATE SEAL

Section 1: Corporate Seal: the Corporate Seal shall have engraved thereon the following: SKY-HARBOUR HOMEOWNERS ASSOCIATION, INC. It shall remain in the custody of the Secretary and shall be by him affixed to all certificates of membership of the corporation and to all instruments in writing requiring the corporate seal for complete execution. An impression thereof is directed to be affixed to these By-laws.

ARTICLE XVI: FISCAL YEAR

Section 1: Fiscal Year of the corporation shall begin on the first day of September, and terminate on the last day of August of each year.

ARTICLE XVII: PARLIAMENTARY PROCEDURE

The rules contained in the Robert's Rules of Order Newly Revised (1970 or newer revision) shall govern the Association in all cases to which they are applicable, and in which they are not inconsistent with the By-Laws or any special rules of order of this Association.

Rules and Regulations of Use of Association Property and Common Facilities

1. No alcoholic beverages and/or illegal drugs are to be consumed on or in any Association owned property or common facilities, ie., park, pool clubhouse, tennis court, boat ramp, dock, greenbelts or any parking areas owned by the Association (including in use in private vehicles while parked on Association property).
2. No food or drinks are to be consumed instead the fenced area surrounding the swimming pool.
3. When the swimming pool gates are locked, there shall be NO swimming or trespass inside the fenced area surrounding the pool.
4. No loitering is permitted on any Association property.
5. No unattended parking of boats shall be allowed at the boat dock.
6. No boat trailers shall be left parked on Association property without tow vehicle attached.
7. No household garbage belonging to full time residents of Sky Harbour shall be placed in the dumpster.
8. No household trash or other litter shall be thrown along roadways or onto Association property.
9. No parking shall be allowed on Association property further than 10 feet away from established roadways or parking areas
10. No bicycles, motorcycles, all terrain vehicles or other wheeled vehicles shall be driven across vacant lots, Association property, or other private property without the consent of the owner.
11. No climbing on or jumping from the roofs of the dock, pavilion, pump house or clubhouse shall be allowed.
12. All dogs shall be fenced, tied or on a leash. NO dogs shall be allowed at the swimming pool or the clubhouse.
13. Specific rules and regulations for use of swimming pool, clubhouse and other Association property will be posted in, on, or near the property involved and shall be enforced in the same manner as all other rules and regulations.
14. NO FIREWORKS on Association property or Common Facilities.

SHHOA Rules and Regulations

- Overnight parking on SHHOA property is expressly prohibited. Exception can be made for 48 hours max period for homeowners (homeowners in good standing) that contact the SHHOA office (The Property Center) and request an exception. A sign shall be placed in the windshield of the vehicle with the contact information of the homeowner (name, address, phone number) and dates of allowed overnight parking. Violators are subject to towing at their own expense.
- Quiet Enjoyment - Homeowners have the right to enjoy their property in relative peace. Excessive noise has been proven to be a health hazard. SHHOA designates quiet times from 1030p to 7a.
- Fireworks (airborne) displays shall conclude by 1030p. (Exceptions on July 4 and Dec 31, where 1a is cut-off)
- Gunfire / firearm discharge is expressly prohibited within the SHHOA subdivision / development per SHHOA Deed Restrictions. This is also in accordance with Texas law, specifically Texas Local Government Code 229.002 requiring a 10 acre minimum for discharging firearms even in unincorporated areas.
- Boat dock usage / tie-up is intended to be temporary for passenger & equipment loading and unloading and not for extended mooring. Durations exceeding 30 minutes are prohibited.
- Hunting within the SHHOA subdivision with primitive weapons like bow/arrow or spears, etc is prohibited.
- Meeting conduct policy: Disruptive behavior in meetings, like shouting or profanity, is prohibited. Violators may be removed and face sanctions.
- Respectful communication: All members, including board members, are required to treat each other with respect and professionalism, even during disagreements.
- Violators of SHHOA Rules and Regulations are fined \$50 for the first violation, \$75 for the second violation and \$100 for the third and subsequent violations. Violators receiving fines can appeal for waiver at the monthly Board meeting.

Addendum B

Rules and Regulations For Use of Golf Carts in Sky Harbour

1. Must have a valid driver's license or accompanied by a licensed driver who is at least 18 years of age in the front seat with with the driver.
2. Must be registered at the homeowner's office by obtaining a sticker for each golf cart.
3. Must be driven on County Roads only and abide by all the rules of the road.
4. Must have a slow moving triangle on the back.
5. Must not drive on Association Common Property except in designated parking lots.
6. Must be driven in day light hours only.

Addendum C

Compliance with State Law

The Association is committed to complying with all provisions of federal and state laws applicable to it as a Texas non-profit corporation and a property owners association, as that term is defined in Texas Property Code Section 209.002(7) or newer version. In the event any provision of the Association's governing documents (including but not limited to Restrictions, By-Laws or Rules) conflict with the applicable laws, the Association shall follow the applicable law.

Ratified by President, Marty Womack, September 21, 2013.

Addendum D

SHHOA Table of Dues, Fees and Fines

| # | Item | Value |
|---|--|---|
| 1 | Annual Dues* | \$250 |
| 2 | Transfer Fee* | \$50 |
| 3 | Failure to report property sale or transfer fee | \$50 |
| 4 | Renter Change Fee | \$50 |
| 4 | Failure to report Renter Change fee | \$50 |
| 5 | Dues Late Fee (monthly) | \$25 |
| 6 | Additional Dues Late Fee (Collections) | Per Delinquent Dues Collections Process Fee Schedule |
| 7 | Violation of Rules and Regulations (1 st offense) | \$50 |
| 8 | Violation of Rules and Regulations (2 nd offense) | \$75 |
| 9 | Subsequent Violations (each violation) | \$100 |