

# **BY-LAWS OF SHEFFIELD FARMS HOMEOWNER'S ASSOCIATION**

## **ARTICLE ONE**

### **REGISTERED OFFICE**

- 1.01** The registered office of the Association is located at the address of the current elected president. The name of the registered agent of the Association at such address is the name of the current elected president. The business address of the Association is PO Box 623, Anna, TX 75409

## **ARTICLE TWO**

### **DEFINITIONS**

- 2.01** As used in these By-Laws the following definitions will apply:

- A. **SHEFFIELD FARMS SUBDIVISION:** Those portions of the property as are included in any section of the SHEFFIELD FARMS SUBDIVISION, as such sections are shown by plats of record among the plat Records of Collin County, Texas whether such plats are presently on record or are hereinafter to be recorded, so long as such properties are bound by any subdivision restriction promulgate by SPORTSMANS, INC., its successors or assigns, which subdivision restrictions provided for the payment of assessments to SPORTMANS, INC. until assigned to the Association herein.
- B. **MEMBERS:**
1. Ownership of each lot in SHEFFIELD FARMS SUBDIVISION shall entitle the owner thereof to one membership in the Association. Members of the Association shall include all persons or entities who are voting members, non-voting members, or advisory members of the Association as provided below.
  2. For the purposes of these provisions, those persons who have purchased any of the lots in SHEFFIELD FARMS SUBDIVISION under the provisions of any contracts of Sale and Purchaser with the Veterans Land Board of the State of Texas shall be considered as "members" of the Association, and the State of Texas shall not be considered as a member of the association. In the case of any lots owned by two or more persons or entities other than one individual, the owner or owners thereof may designate one person as the person eligible for membership.
  3. A person shall be considered as an owner of a lot in SHEFFIELD FARMS SUBDIVISION only after such person has received legal title to such lot, or after legal title to such lot has been transferred by SPORTMANS, INC. (ITS SUCCESSORS OR ASSIGNS).
- C. **VOTING MEMBERS:** All those persons or entities owning a lot or lots in SHEFFIELD FARMS SUBDIVISION who are (a) current in the payment of any and all assessments due to the Association; (b) not otherwise in default under any of the subdivision restrictions

affecting such lot or lots in the SHEFFIELD FARMS SUBDIVISION; and (c) are current in all other dues or other obligations to the Association.

- D. **NON-VOTING MEMBERS:** Non-voting members of the Association shall be those members who are in arrears for more than thirty (30) days in the payment of any assessments to be provided for hereunder, or in the payment of any other dues or accounts of the Association, or in default in the performance of any of the obligations contained in any of the subdivision restrictions affecting SHEFFIELD FARMS SUBDIVISION. However, no member shall be considered to be in default in the payment of any other dues or accounts, due the association unless such member has been notified of such default by a written statement. Notice shall be conclusively deemed as having been given if the notice has been deposited in the U.S. mail, with postage properly prepaid, addressed to the last known address of the member as shown by the records of the Association.
- E. The Board of Directors of the Association may designate any other person or entity as an advisory member of the Association. If so designated, such advisory member of the Association shall serve as an advisory member for so long as the Board of Directors shall permit.
- F. Any member shall be in default, as provided for herein, if such member shall have failed to pay any assessments to the Association, as provided for in any subdivision restrictions of the SHEFFIELD FARMS SUBDIVISION, for more than thirty (30) days after the same shall become due. A member shall be further considered in default if he/she has violated any of the terms, conditions, or stipulations of the restrictions affecting the SHEFFIELD FARMS SUBDIVISION, or is in violation of any local, state or federal law, order, rule, or regulation, has been notified of such violation, and has refused to correct such violation within thirty (30) days after the date such notice was sent.

## **ARTICLE THREE**

### **MEMBERS MEETINGS**

- 3.01** All meetings of the members shall be held at the registered office of the Association or at any other place within or outside this state as may be designated for that purpose from time to time by the Board of Directors.
- 3.02** **MEETINGS OF THE MEMBERS.** Meetings of the members shall be held not less than two times per year, with the first meeting of the year being considered the annual meeting for the purpose of electing new officers and approving the annual budget.
- 3.03** **NOTICE OF MEETINGS:** Notice of the meeting, stating the place, date, and hour of the meeting, and in the case of a special meeting, the purpose for which the meeting is called, shall be given in writing to each member (whether voting, non-voting, or advisory) at least five (5) but not more than thirty (30) days before the date of the meeting either personally or by mail or by other means of written communication addressed to the member at his address appearing on the books of the Association or given by him to the Association for the purpose of notice. Notice of adjourned meeting is not necessary until the meeting is adjourned for thirty (30) days or more, in which notice of the adjourned meeting shall be given as in the case of any special meeting.
- 3.04** **SPECIAL MEETINGS:** Special meetings of the members for any purpose or purposes whatsoever may be called at any time by the President, or by the Board of Directors, or by any three or more directors. Any special meeting must be called for specific purposes, which purposes shall be identified in the call of the meeting and notice of the meeting.

- 3.05 QUORUM:** Ten percent (10%) of the voting members constitutes a quorum for transaction of business. Once the presence of a quorum has been confirmed, business may continue despite any failure to maintain a quorum during the remainder of the meeting.
- 3.06 VOTING:** Only persons listed as voting members on the date of the meeting shall be entitled to vote at such meeting. Any non-voting member may elevate his status to a voting member by curing any default prior to the stated time of the meeting. Votes shall be apportioned by lots, i.e., each lot shall be entitled to two (2) votes, and therefore, if any voting member owns two or more lots, he shall be entitled to the same number of corresponding votes as he shall own lots. In regards to the election of officers, a voting member may execute a written proxy granting to another voting member, or to an advisory member, the right to cast such voting member's vote(s) at any meeting. A voting member may not grant a proxy to a non-voting member as defined in Article 2.01 D. Written proxy may not be used for any other type of votes except issues as predetermined and distributed by the Board.
- 3.07 PRESIDING OFFICER:** All meetings of the membership shall be presided by the President of the Association or other designated Association Officer, and shall be conducted in accordance with Robert's Rules of Order.

## **ARTICLE FOUR**

### **BOARD OF DIRECTORS**

- 4.01** The management of the Association shall be vested in a Board of Directors consisting of nine directors consisting of the four elected officers and five elected directors, which shall have full power and authority to carry out the purposes of the Association and to do any and all lawful acts necessary or profitable thereto. A director shall act only as part of the board. An individual director shall have no individual power as such. The powers of the Association shall be exercisable by the Board of Directors under its authority, and the action of the President of the Association shall be controlled by the Board of Directors, subject, however, to such limitations as are imposed by law, the Articles of the Association, or these By-Laws as to actions to be authorized or approved by the members. The Board of Directors may, by contract or otherwise, give general or limited power and authority to the officers and employees of the Association to transact the general business, or any special business of the Association, and may give powers of attorney to agents of the Association to transact any special business required by such authorization.
- 4.02** The authorized number of directors of this Association shall be five. The directors shall be elected from among the voting members of the Association only. The number of directors may be increased or decreased from time to time by amendment of these By-Laws, but no decrease shall have the effect of shortening the term of any incumbent director. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of the members called for that purpose.
- 4.03** The directors shall be elected to two-year staggered terms. Each voting member will cast a vote(s) for one candidate for each board vacancy being filled. The directors shall hold office until their respective successors are elected, or until their death, resignation, or removal.

- 4.04** Vacancies on the Board of Directors may be temporarily filled until the next Homeowner's Association Meeting, by a voting member, by a majority of the remaining directors, or by the sole remaining directors. The entire Board of Directors or any individual director may be removed from office with or without cause by a vote of the majority of the voting members at any regular or special meeting.
- 4.05** All meetings of the Board of Directors shall be held at the principal office of the association at such place within or outside the state as may be designated from time to time by resolution of the board or by written consent of the members of the board. Regular meetings of the Board of Directors shall be held, without call or notice, immediately following each annual meeting of the membership of the Association, and at such other times as the directors may determine.
- 4.06** Special meetings of the Board of Directors for any purpose shall be called at any time by the President, or if the President is absent or unable or refuses to act, by the vice-president or any two directors. Written notices of the special meetings, stating the time and in general terms the purpose or purposes thereof, shall be mailed or e-mailed five (5) days prior to the meeting or personally delivered to each director not later than three (3) days before the day appointed for the meeting.
- 4.07** A majority of the authorized number of Board of Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present shall be regarded as an act of the Board of Directors.
- 4.08** Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, and with the same force and effect as the unanimous vote of the Directors, if all of the members of the board shall individually collectively consent in writing to the action.
- 4.09** A quorum of the directors may adjourn any director's meeting to meet again at a stated hour on a stated day. Notice of the time and place where an adjourned meeting will be held, need not be given absent directors if the time and place is fixed at the adjourned meeting. In the absence of a quorum, a majority of the directors present at any directors' meeting, either regular or special may adjourn from time to time until the time fixed for the next regular meeting of the board.
- 4.10** The President, or in the President's absence, any director selected by the directors present, shall preside at the meeting of the Board of Directors. The Secretary of the Association, or, in the Secretary's absence, any other director appointed by the presiding officer, shall act as Secretary of the Board of Directors.
- 4.11** Directors and members of the board shall not receive any compensation for their services. They may receive reimbursement for actual expenses incurred only upon the submission of appropriate written evidence of such expenses incurred.
- 4.12** The Board of Directors may authorize the Association to pay expenses incurred by, or to satisfy a judgment or fine rendered or levied against present or former directors, officers, or employees of this Association as provided by Article 1296.22A of Title 32 of the Miscellaneous Association Act of the State of Texas.

## **ARTICLE FIVE**

### **OFFICERS**

- 5.01** The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. All officers shall be elected by the voting members of the Association. The officers shall serve without compensation.
- 5.02** The officers of the Association shall have the power and duties generally ascribed to the respective offices, and such additional authority or duty as may from time to time be established by the Board of Directors.

## **ARTICLE SIX**

### **EXECUTION OF INSTRUMENTS**

- 6.01** The Board of Directors may, in its discretion, authorize an officer or officers to execute any corporate instrument or document, or sign the association name only as provided in the annual budget or upon specific authorization by a majority vote of the voting members of the Association in regular or special meeting.

## **ARTICLE SEVEN**

### **MISCELLANEOUS**

- 7.01** The Board of Directors, on behalf of the Association, shall have the authority to employ agents or employees as provided in the annual budget or upon specific authorization by a majority of the voting members of the Association in regular or special meeting.
- 7.02** There shall be no initiation fees for memberships in the Association. The Board of Directors shall have discretion over the disposition of any and all assessments paid as provided for in any of the subdivision covenants, restrictions, and requirements imposed on any lot in the SHEFFIELD FARMS SUBDIVISION. Subject to the approval of 2/3 majority of the members at a meeting of the membership duly convened, the board of Directors may increase or decrease the assessments described in the subdivision restrictions, restrictive covenants, and conditions affecting any lot of the SHEFFIELD FARMS SUBDIVISION as shown by recorded instruments filed for record in Collin County, Texas. All of the provisions relating to such increases and decreases, and to such assessments, which are shown by recorded instruments affecting any lot of the SHEFFIELD FARMS SUBDIVISION, or which may be hereinafter filed as to any subsequently created section of the SHEFFIELD FARMS SUBDIVISION are hereby incorporated herein by reference as if stated in full.
- 7.03** The Board of Directors shall have the authority to appoint such committees to assist in the managing the Association, as it shall deem appropriate. Such committees shall be of such numbers and serve such functions as the Board of Directors may determine; however,

there shall always be elected an Architectural Review Board consisting of three members whom shall be elected to two-year terms.

- 7.04** The Association shall not enter into any contract to pay and shall not pay any salary or other remuneration to any officer, director, or committee member for their services as such, nor in any other capacity regardless of the capacity in which they may act. However, nothing in this section shall prevent the Association from reimbursing any officer or director for actual expenses incurred by such director or officer in the performance of his duties.
- 7.05** Any and all funds of the Association shall be deposited in a bank account owned by the Association. All demand withdrawal instruments and checks on such bank account shall bear the signature of at least two authorized persons, namely any two members of the Board of Directors.
- 7.06** The Board of Directors shall prepare a budget which shall be presented to the members of the Association for the revision and adoption by majority vote at the annual meeting, except that in the first year of the adoption of this amendment, the Board of Directors shall have thirty calendar days from the date of their election to prepare a budget to present to a special meeting of the members of the Association. No funds shall be disbursed except as provided in the budget, or as authorized by a majority vote of the members of the Association in special meeting. All books and records provided by statute shall be open to inspection by the members at any reasonable time.
- 7.07** The power to alter, amend, or repeal these by-laws is vested in the members of the Association, by a majority vote of the voting members present at an annual meeting of the Association, or at a special meeting called for that purpose.
- 7.08** The Sheffield Farms Home Owners Association shall adopt and implement Rules and Regulations, pursuant to Section I specifically and all sections in aggregate, of the Declaration of Association Agreement and Protective Covenants, hereafter AAPC as recorded in the office of the County Clerk of Collin County, Texas.

## **RULES & REGULATIONS**

### **OF THE SHEFFIELD FARMS HOMEOWNER'S ASSOCIATION**

#### **Objectives**

The objective of this document is to provide the Rules and Regulations for the Sheffield Farms Homeowner's Association in accordance with the AAPC.

#### **Reporting and Control**

Any association member is responsible for reporting perceived violations. Violations should be reported to the Architectural Review Board (ARB) or the Board of Directors (BOD).

The BOD is responsible for determination of violations for all violations in Section I of this document. The ARB is responsible for determinations of violation for all violations in Section II

of this document. The BOD has the ultimate authority for determining enforcement of the provisions of the AAPC and the rules and regulations contained herein.

**SECTION I**

**I. General Association Rules**

Rules in accordance with Deed Restrictions

The BOD shall determine the enforcement of the rules and regulations stated in the AAPC Article I, II, III, IV, and V. The include, but are not limited to, the following items:

Dwellings	Section A. 1
Walls & Fences	Section A.13
Prohibition of Offensive Activities	Section A.9
Garbage & Trash Removal	Section A.5 & 6
Junked Motor Vehicles	Section A.4
Animal Husbandry	Section A.11
Commercial Activities	Section A.10

**SECTION II**

**I. Regulations Regarding Construction on Lots**

The ARB shall enforce the rules and regulations stated in the AAPC sections I and IV. These include the following items:

Building Type & Land Use	Article I and IV
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**II. Additional Rules and Regulations not covered by the AAPC**

**A. Bathroom Facilities During Home Construction**

Homeowners or builder must provide a bathroom facility for workers during the building process. The bathroom facility needs to meet the safety and health criteria of Collin County

**B. Construction Safety**

Builders shall provide a safe route for temporary electrical power during construction. Wire shall not be run through trees or left exposed. All electric

service, both temporary and permanent shall comply with the National Electric Code and any minimums required by Collin County.

### **SECTION III**

#### **I. Procedures for Resolving Violations**

In accordance with the AAPC, these procedures outline the steps necessary for resolving perceived existing or future violations.

##### **I. Informal Procedures**

1. Property owner will be given a verbal warning followed by a written warning from a BOD member.
2. Parties involved will attempt to resolve the violation informally in a timely manner agreed upon by both parties affected.
3. If a time frame cannot be negotiated or the violation has not been resolved within the time agreed upon, then formal proceedings will be initiated.

##### **II. Formal Procedures**

1. The property owner will be notified of the violation by registered mail and return receipt. A copy will be provided to the ARB if applicable. Any certified/registered mail rejected by the property owner will constitute notification by the BOD of the violation. Rejection of a Certified Letter does not constitute a grace period. No other notification will be required to proceed with "Formal Procedures" as outlined in Section III, Article II.
2. The property owner has a right to a hearing before the association general membership to appeal the violation. The property owner must request this hearing within 30 days to rectify the violation.
3. If the appeal is unsuccessful, the property owner will be given 30 days to rectify the violation.
4. In the event that the appeal is unsuccessful and the violation cannot be rectified within the 30 day period, the property owner shall submit a plan in writing to the BOD within this 30 day time period for review and approval by the BOD. This plan shall set forth the proposal and specific timetable to rectify the violation. Upon timely receipt of a plan within the 30 day time period, fines will not be assessed unless the plan is rejected by the BOD. In the event the plan is rejected, fines shall commence the day after the property owner receives written notice of the rejection of the plan by certified/registered mail. Any certified/registered mail rejected by the property owner will constitute notification by the BOD of the rejection of the plan.
5. Assessment of fines shall begin the day after expiration of the 30 day mitigation period following an unsuccessful appeal, or the day after expiration of the time period in which to file an appeal, whichever is later.
6. Fines not paid within 30 days of their issuance shall be subject to a property lien.
7. Once assessment of fines begins, fines will be applied at Twenty dollars and no/100 (\$20.00) per day regardless of the type of violation, not to exceed Five Thousand dollars and no/100 (\$5,000.00) per year. Fines will continue to accumulate from the initial date of



assessment until the violations are rectified. After 30 days of fines, a notice of fines accrued will be sent to the property owner via certified mail. Any certified/registered mail rejected by the property owner will constitute notification of fines accrued. Fines shall continue to accrue after this notice until the violation is rectified. Failure to pay all outstanding fines within 30 days of this notice, including fines that accrue daily after the initial notice of the fines accrued, shall subject the property owner to suit, judgment, and a lien on his property.

The BOD has discretion to reduce or eliminate said fines when the BOD determines that the property owner has made a reasonable effort to rectify the violation in a reasonable time.