

2. Defendant CHARLES GLEN HYDE is an individual who resides in Denton County, Texas, and who may be served with citation in person at the airport's office at 302 Phantom Way, Roanoke, TX 76262-5792.

3. Defendant CANDACE L. HYDE is an individual who resides in Denton, County, Texas, and who may be served with citation in person at the airport's office at 302 Phantom Way, Roanoke, TX 76262-5792.

4. Defendant DREAMSHIPS, INC. is a Texas Corporation with its principal offices in Denton County, Texas. It may be served with process by delivering a copy of the citation to its President and registered agent, CHARLES GLEN HYDE, at the airport's office at 302 Phantom Way, Roanoke, TX 76262-5792.

5. Defendant HYDE-WAY, INC. is a Texas Corporation with its principal offices in Denton County, Texas. It may be served with process by delivering a copy of the citation to its President and registered agent, CHARLES GLEN HYDE, at the airport's office at 302 Phantom Way, Roanoke, TX 76262-5792.

6. Defendant TEXAS AIR CLASSICS, INC. is a Texas Corporation with its principal offices in Denton County, Texas. It may be served with process by delivering a copy of the citation to its President and registered agent, CHARLES GLEN HYDE, at the airport's office at 302 Phantom Way, Roanoke, TX 76262-5792.

7. Because Charles Glen Hyde owns or controls all defendant entities, defendants will be referred to as "HYDE" and/or collectively as "Defendants" whether the context refers to a single entity or all entities collectively.

II.
DISCOVERY

8. Plaintiff requests that discovery in this case be governed by a Level 2 Discovery Control Plan. Tex. R. Civ. P. 190.4.

III.
JURISDICTION AND VENUE

9. The Court has subject matter jurisdiction because the amount in controversy is within the jurisdictional limits of the Court.

10. As required by Texas Rule of Civil Procedure 47, this lawsuit seeks monetary relief of more than \$100,000 but less than \$200,000 and non-monetary relief.

11. Venue is proper in Denton County because all or a substantial part of the events or omissions giving rise to the claim occurred in Denton County, as more specifically described below. Tex. Civ. Prac. & Rem. Code, Sec. 15.002(a)(1).

IV.
SUPPORTING EVIDENCE

12. This Motion for injunctive relief is supported by the Affidavits of Mitch Whatley, Alicia Harrison, Zane Harper, Dustyn Potter and Vaughn Proffitt attached hereto as Exhibits 1, 2, 3, 4 and 5 respectively.

V.
FACTUAL BACKGROUND

SUMMARY

1. Aero Valley Airport (n/k/a Northwest Regional Airport¹) is a relatively small, common-interest community serving the needs of general aviation. It was founded in 1969 by American aviation pioneer Edna Gardner Whyte. Located in southwest Denton County, it is about

¹ Hyde changed the name to Northwest Regional Airport without the consent of the property owners on December 31, 1992. See Denton Co. Deed Rec'd. Vol. 3415, pg. 321.

3.5 miles north of Roanoke, Texas between I-35W and U.S. Hwy 377. Ms. Whyte lived and worked on the airport from the time she created it until she died in February 1992 at the age of 89.²

2. Plaintiff is an incorporated nonprofit association of airport property owners (“POA”) formed in the 1980s. Plaintiff’s members own various tracts surrounding the airport’s runway. All properties within airport boundaries enjoy non-exclusive appurtenant easements for runway access and use of all airport facilities. The airport’s original deed restrictions require an Architectural Control Committee (“ACC”) to serve as the airport’s governing body.³ The ACC’s duties include administering the rights and duties of all easement holders regardless of which deed restrictions, if any, apply. Plaintiff’s board of directors is the successor to the ACC’s governing authority.⁴

3. Defendants are also airport property owners. Whether in their personal or corporate capacities, Defendants acquired airport properties consisting of both dominant and servient estates that benefited from and were burdened by the same easements and deed restrictions as all other properties then within airport boundaries.⁵ In late 1982, Defendant Hyde-Way, Inc. assumed fee title to the airport’s common areas consisting of the runway, parallel taxiway, and ramp area.⁶

4. In early 1983, Defendant Hyde-Way, Inc. acquired a large tract of land (119.5 acres) located northwest of the airport and outside airport boundaries.⁷ Although Whyte and Aero

² <https://exhibits.library.unt.edu/women/edna-gardner-whyte>; https://en.wikipedia.org/wiki/Edna_Gardner_Whyte.

³ 922/478, refiled at 1015/136.

⁴ A newly elected ACC permanently delegated its authority to the POA’s board of directors in June 2019.

⁵ Dominant estates: e.g., 1022/644, 1122/625. Servient estates: e.g., 1174/615.

⁶ 1174/615.

⁷ 1186/27. All this land is on the west side of Cleveland Gibbs Road The runway is on the east side of Cleveland Gibbs Road, a county road. Thus, accessing the runway from this acreage would require aircraft to cross a county road.

Valley Development Company (“AVDCO”) never intended to include this land within airport boundaries, Defendants managed to bring part of it within airport boundaries by deceit and intimidation.⁸

5. Based solely on its assumption of fee title to the servient estates, Defendants asserted total authority to govern, operate, manage, and maintain the airport, ignoring the pre-existing rights and duties of the easement holders.⁹ Defendants’ misrepresentations, wrongful actions, and failures to act have resulted in nearly four decades of litigation and created an oppressive atmosphere of crisis, conflict, and confusion.

6. Faced with a practically unusable runway and severely deteriorated infrastructure, Plaintiff sought and the 16th District Court of Denton County granted a TRO against Defendants in 2016.¹⁰ Property owners then raised and spent \$870,000 to repair drainage and replace the runway. Plaintiffs amended Defendants’ contradictory deed restrictions and combined all other deed restrictions into one document—the Integrated Deed Restrictions (“IDRs”)—to bring all properties within airport boundaries under consistent rules and return airport governance to the property owners.¹¹ With the Court’s Final Judgment in hand, an overwhelming positive attitude spread throughout the airport, bringing with it renewed enthusiasm, widespread improvements, and new construction plans. A positive, joyful attitude permeated the airport and a long-overdue renaissance began.

7. The effects of the Final Judgment were short-lived. In December 2018, the Fort Worth Court of Appeals reversed and rendered on a technical issue. The Court invalidated the

⁸ 1297/151; 1536/176; 2414/215; 2547/228 – 265.

⁹ 2548/79; Doc # 2008-25753 (new version).

¹⁰ Cause No. 16-05997-16, final judgment entered Aug. 4, 2017.

¹¹ Integrated Deed Restrictions (“IDRs”) Doc # 2016-55259

IDRs based on its interpretation of what constituted a majority under each set of restrictions. Although Plaintiff acted quickly to neutralize the Court's opinion and put Defendant back in the same position it occupied after this court's judgment,¹² Defendants' destructive behavior has started all over again. Hyde's misrepresentations and wrongful actions interfere with Plaintiff's ability to perform its legal duties. These include collecting the assessments necessary to service the debt on the runway and repair drainage problems that jeopardize the runway's integrity, among many others. In summary, Plaintiff must seek judicial relief for the same reasons Plaintiff sought relief in 2016.

DEVELOPMENT AND GROWTH OF AERO VALLEY AIRPORT

8. In 1969 and at the age of 67, Edna Whyte acquired 34.0 acres of land and established Aero Valley Airport. For the next eight years, she managed and operated the airport primarily as a flight school.¹³ Whyte supported herself and operated the airport from revenue she received from flight instruction, fuel sales, and hangar rents.

9. Whyte acquired a 47.5-acre tract of land on the airport's northern border in 1976 that more than doubled the acreage available for development.¹⁴ To help execute her general development plan while she continued her primary roles as flight instructor and airport manager, Whyte formed Aero Valley Development Company ("AVDCO") with two partners.¹⁵

¹² Property owners in the NW Development re-amended their deed restrictions to name the POA's board of directors as the governing authority and eliminating any reference to Hyde's License, which was void as a license anyway but nevertheless effective as an easement. *Walchshauser v. Hyde*, 890 S.W.2d 171, 174 (Tex. App.—Fort Worth 1994, writ denied).

¹³ By the end of her long career, Whyte had trained thousands of pilots, many of whom enjoyed careers as military or commercial airline pilots.

¹⁴ 8/14/99.

¹⁵ John Everett and Michael O'Brien.

10. Whyte and AVDCO now owned all property adjacent to the runway except 8.7 acres on the runway's southwest side. Whyte collaborated with three individuals who agreed to purchase portions of this land and develop it for airport purposes if Whyte would agree to grant them easements for access and use of the airport's runway and other airport facilities.¹⁶ Whyte and AVDCO not only agreed and granted such easements,¹⁷ but they also granted similar easements to another 4.40 acres west of these tracts for further hangar development.¹⁸

11. By 1983, Aero Valley Airport had grown from 34.0 acres to 94.6 acres with enough hangar owners to distribute operation and maintenance costs sufficiently to make the airport self-sustainable and prosperous for those passionate about aviation but of modest means.

12. Whyte had transformed the airport from a small flight school into a robust common-interest community covering a broad spectrum of aviation-related activities. These included a residential section restricted to single-family homes with a single detached private hangar,¹⁹ another section for multiple rows of T-hangars,²⁰ and other sections for box hangars of varying sizes to accommodate everything from private aircraft storage to sophisticated aircraft dealerships and maintenance facilities.²¹ The additional acreage also allowed AVDCO to extend the runway to accommodate much larger and faster aircraft than the small aircraft Whyte typically used for primary flight instruction.

¹⁶ Bob Cole, Ted Fischer, and Lee Waldrop.

¹⁷ In 1977, Cole & Fischer acquired the southernmost 6.784 acres with Whyte granting a runway access easement on the same day, both deeds recorded consecutively: 862/938; 862/941, re-recorded in 1980 at 1150/268 to grant access to the entire newly extended runway. Cole's 3.0 acres became Southwest Development Phase 1. Waldrop acquired 1.85 acres in 1974; Whyte granted a runway access easement in 1980: 726/406, 1109/537. Waldrop originally used his hangar as an oilfield tools machine shop. He later platted his 1.85 acres as Southwest Development Phase 2.

¹⁸ Fischer 2.40 acres: 1235/919. Miller 2.0 acres: 1289/977.

¹⁹ 922/478.

²⁰ 1002/363.

²¹ 1025/830, 1070/529, et al.

13. The terms of all easements require the property to be used for vehicular access and airport and taxiway purposes or uses consistent with airport purposes.²² AVDCO platted the runway-parallel taxiway as an easement.²³

14. Regardless of the section or type of structure, Whyte and AVDCO conveyed nonexclusive appurtenant easements to all purchasers of airport property to access and use the airport's runway, taxiways, and all other airport facilities. AVDCO also imposed deed restrictions to accommodate single-family residential homes, T-hangars, and box hangars.²⁴ Rather than impose these restrictions in a single declaration, AVDCO applied the restrictions appropriate for the intended structure as lots were sold. Except for variations applicable to each structure type,²⁵ the AVDCO restrictions are otherwise identical. In 2019, Plaintiff consolidated these restrictions into one document for convenience and clarification (attached Exhibit A to the Affidavit of Mitch Whatley).

15. All recordings of AVDCO's amendable deed restrictions²⁶ require an Architectural Control Committee ("ACC") to govern the airport.²⁷ The ACC consists of seven members elected every two years by the property owners. Its enumerated powers include assessing and collecting fees to keep the airport properly maintained.²⁸ To close any gaps in its enumerated powers, AVDCO gave the ACC the "legal authority to make whatever rulings, or call for an election,

²² E.g., 1003/20, 1144/179.

²³ 909/651, 654-655 (Exhibit B). Warranty Deed from AVDCO to Donald Sitta.

²⁴ See e.g., 1206/218 (Aero Valley Estates); 1002/363 (11 rows of T-hangar tracts); 1112/465 (box hangars).

²⁵ T-hangar owners cannot store flammable liquids in their hangars or display large signs, but box hangar owners can do both to accommodate the needs of their businesses.

²⁶ One set of unamendable restrictions established a runway safety zone to preserve the runway's status as a Category II utility runway under FAA guidelines. See 1137/932.

²⁷ 922/478.

²⁸ E.g., 1002/363, 1112/465.

deemed necessary to protect the best interests of the property owners.”²⁹ In 2019, a newly elected ACC permanently delegated its governing authority to Plaintiff’s board of directors.³⁰

GENE VARNER ASSUMES WHYTE’S ROLE

16. In 1980 and 78 years old, Whyte retired from managing daily airport operations but continued flight instruction. After moving into her home in Aero Valley Estates, she conveyed the airport’s runway-parallel taxiway-ramp area servient estates to Gene Varner.³¹ Whyte’s deed includes two reservations. First, she reserved the 8.38-acre strip of land planned for future hangar development that borders the southeast side of the runway (part of her first 24.216-acre tract). She then reserved an easement for runway access and use, as well as the right to assign the easement to permit others to use it.³² She also subjected both tracts to “all recorded or unrecorded easements or restrictions.”³³ The only recorded easements and restrictions in existence at that time were those granted and recorded by Whyte and her AVDCO partners. Whyte financed Varner’s purchase and Varner secured the debt by granting Whyte a deed of trust.³⁴ Less than two months later, on May 29, 1980, Whyte conveyed to Varner the same southeast hangar development area (8.38 acres) she had previously reserved. This deed subjected the property to AVDCO’s restrictions and all easements.³⁵

17. From 1980 until late 1982, Gene Varner assumed Whyte’s management role and continued the airport’s buildout with Whyte’s and her partners’ consent. During this time, Varner began building hangars along the runway’s southeast side and granted easements for runway

²⁹ *Id.*

³⁰ Resolution July 9, 2019. Recorded at Doc # 2019-136773 and Doc # 2020-120919.

³¹ 1014/48.

³² 1014/46 at 48. The north runway extension contains 5.7 acres, the original runway-taxiway tract contains 10.06 acres.

³³ *Id.*

³⁴ 570/175.

³⁵ 1018/501 at 502.

access and use to two smaller tracts acquired out of Whyte's property on the runway's west side by John Brown and Glen Hyde.³⁶

GLEN HYDE'S INVOLVEMENT

18. On October 22, 1982, Defendant Hyde-Way, Inc. assumed Varner's deed and deed of trust to the servient estates in violation of the deed of trust's terms.³⁷ But rather than call the loan and foreclose on the property, Whyte consented to Hyde's assumption of the deed and deed of trust based on the promises Hyde made in two recorded agreements.³⁸ Hyde breached the terms of this agreement by defaulting on payments in 1984.

19. Glen Hyde became involved in Aero Valley Airport in 1979. In April of that year, Hyde and his wife Candace formed Hyde-Way, Inc., Glen as president and Candace as secretary-treasurer.³⁹ Hyde-Way, Inc. borrowed money to acquire a 4.537-acre tract in AVDCO's new northeast acreage. AVDCO planned this tract to accommodate several rows of T-hangars. Between 1980 and 1982, Hyde built and sold these T-hangars with AVDCO's easements and deed restrictions intact.⁴⁰

20. By 1983, Hyde had borrowed over \$2.1 million to purchase airport properties. Two months after Hyde assumed Varner's deed and note to the servient estate tracts (runway-taxiway-ramp area), Hyde acquired a 119.5-acre parcel west of Cleveland-Gibbs Road on the airport's northwest side.⁴¹ Without the consent of Whyte, AVDCO, or any of the other easement holders,

³⁶ 1.08 acres to Brown: 1145/812. 1.42 acres to Hyde: 1144/179. Both tracts came out of Whyte's 9.784-acre tract.

³⁷ 570/175 "If there shall be any change in the ownership of the premises covered hereby without the consent of the Mortgagee [Whyte], the entire principal and all accrued interest shall become due and payable at the election of the Mortgagee, and foreclosure proceedings may be instituted."

³⁸ 1012/826, 1174/619.

³⁹ Texas SOS filing number 47156400.

⁴⁰ E.g., 1022/622, 1058/668, 1175/800.

⁴¹ 1186/27.

Hyde platted four phases of about 14 acres each as additions to the airport. Each phase consists of several rows of T-hangars and box hangars. Of these four roughly 14-acre additions, Hyde developed only Phase 1 and a small fraction of Phase 2. Phases 3 and 4 remain undeveloped.

21. Rather than conveying appurtenant easements for runway access and use, Hyde began to impose a modified version of the AVDCO deed restrictions (“Hyde restrictions”) with an addendum that alleged to grant runway access via a “runway and taxiway license” (“License”). Beginning in 1983, Hyde used the License to claim the exclusive right to govern, control, and maintain all airport facilities and force lot owners to make annual payments to him. Hyde attempted to apply his License not only to his Northwest Development, but also to other tracts within airport boundaries including those he knew already benefitted from runway access easements and were subject to AVDCO’s deed restrictions.⁴²

22. Enraged by Hyde’s actions, Whyte sued Hyde.⁴³ In this lawsuit, she challenged Hyde’s authority to grant runway access from the Northwest Development by any means.⁴⁴ After Hyde failed to make payments on Whyte’s loan, Hyde conveyed nine hangar tracts from Northwest Development Phase 1 to Whyte in partial payment for what he owed.⁴⁵ Whyte now had no choice but to agree to allow runway access from these tracts or they would be worthless. Hyde later detained and had one of Whyte’s tenants arrested for trespass, claiming that he had no right to cross the ramp area to get to and from the runway.⁴⁶ The tenant’s criminal conviction was overturned on appeal.⁴⁷

⁴² 2006-14931.

⁴³ 1536/176.

⁴⁴ *Id.*

⁴⁵ 1297/151.

⁴⁶ *Hann v. State*, 771 S.W.2d 731 (Tex. App.—Fort Worth 1989, no pet.).

⁴⁷ *Id.*

23. Despite Hyde's deed restrictions that imposed the License on all tracts in all four phases of the Northwest Development, Hyde later conveyed appurtenant easements for runway access and use to these same tracts. For example, on May 5, 1983, Hyde granted a non-exclusive easement for runway ingress and egress to seven T-hangars in Phase 1.⁴⁸ Then, in 1988, Hyde granted appurtenant easements to another 189 lots in his Northwest Development as the result of a settlement agreement with Allied Bank of Dallas after a Dallas District court held Hyde liable for fraud with damages totaling \$1.68 million.⁴⁹ In these settlement documents, Hyde also promised not to interfere with runway access rights and he also agreed that the covenants ran with the land.⁵⁰

24. In December 1992, Hyde-Way, Inc. conveyed the runway, runway access routes, three of the Varner tracts immediately adjacent to the runway, and all four phases of the northwest additions to Defendant Texas Air Classics, Inc., an entity owned and controlled by Hyde.⁵¹ This conveyance imposed a radically different version of the Hyde Restrictions.

25. The Hyde Restrictions and these new restrictions purported to grant Hyde the authority to restrict access to the runway and access areas in total disregard of the easements already granted and the ACC's governing authority. These restrictions include the following provisions:

- a. The airport name was deed restricted to be "Northwest Regional Airport" rather than Aero Valley.
- b. The runway length was restricted to 3500' unless a waiver was purchased from and approved in writing from Hyde-Way, Inc.

⁴⁸ E.g., 706/215.

⁴⁹ 2547/228-265; Abstract of Judgment 2142/207.

⁵⁰ *Id.*

⁵¹ 3415/321.

- c. Access to the airport for use by anyone or any entity was restricted to access by the License Agreement only.
 - d. The airport was Deed Restricted to a “Public Use” airport. This restriction allows airport access to transient visiting aircraft but not to those who own property within airport boundaries.
 - e. Non-based flight school aircraft were prohibited from using the airport unless they first obtain written permission and paid an appropriate landing fee as determined by the airport manager and published in the Airport Facilities Directory.
 - f. Operations including parachuting, ultra-light aircraft operations, gliders, sailplanes, agriculture aviation application businesses, banner towing, balloon operations, or airship operations were prohibited without first obtaining written consent of Hyde-way, Inc.
26. Hyde also reserved for himself the following:
- a. The exclusive right to grant or sell access to the airport to any number [of] persons or entities.
 - b. The right to prevent anyone or any entity who owns property near the airport (runway) from accessing the airport if he determined that the person or entity accessing the airport with aircraft has not obtained either a properly executed easement or a properly executed license agreement which would otherwise permit such access.
 - c. The right to store aviation fuels in any amount up to 20,000 gallons in the fuel storage area without charge.
 - d. The right to enter upon the boundary lines of any or all property transferred for the purpose of laying, maintaining, initiating, or terminating water, sewer or any other utility as deemed necessary and expedient by Hyde-Way, Inc.
 - e. An easement for leach fields between the runway and taxiway.
 - f. The use of the airport for airshows, fly-ins, or for any other aviation activity as desired.
 - g. The right to waive, remove, or amend any Deed Restrictions.

Hyde had no authority to impose or reserve any of these provisions. Moreover, Hyde did not record these restrictions anywhere but in warranty deeds between Hyde entities. Thus, they do not appear in anyone's chain of title except Hyde's.⁵²

27. In 1995, Texas Air Classics, a non-profit entity, pledged as collateral all its real property in Denton County to Glen Hyde's brother, Ronald R. Hyde, a director of the nonprofit entity.

28. Texas Air Classics has been used for the benefit of the Hydys personally and all of their for-profit entities including Hyde-Way, Inc. Hyde-Way, Inc. reserved the right to sell access through a license agreement to the airport's runway and taxiway in its conveyance of the runway to Texas Air Classics. (Ray v. Hyde Depo. 18:9-11; 25:6-8). Glen Hyde has claimed that Hyde-Way, Inc. has the right to collect the associated fees from those licenses. *Id.* at 19:1-10. Texas Air Classics receives the license fees collected by Hyde-Way, Inc. *Id.* at 25:21-26:1. Glen Hyde has testified that he and his wife have lived off of rental income from Texas Air Classics.⁵³ (Ray v. Hyde Depo., 158:21-22; 159:16-17). He also testified that he confuses Texas Air Classics and Hyde-Way, Inc. *Id.* at 69:24-25.

29. Although still insufficient under the law for tax exemption, Hyde argued that he intended Texas Air Classics to benefit airport lot owners by maintaining the runway, taxiways, and common areas. Despite these contractual promises, Hyde has never kept them. He has been recorded stating that he has never had a plan for financing runway maintenance or to maintain the taxiways and access areas.⁵⁴

⁵² 3415/321, 3415/338; Doc # 2009-29338.

⁵³ Stated under oath by Glen Hyde in his deposition (hereafter "Ray v. Hyde Depo.") taken on August 6, 2009 in the case of Ray v. Hyde, Cause No. 2003-60038-393 in the 393rd District Court in Denton County, Texas.

⁵⁴ March 11, 2016 meeting at Hyde's office between Hyde, Clinton Pye, Scott Doores, and Carey Sharp. Excerpt sent to Jeff Springer by email on April 22, 2019.

30. On December 31, 2008, Hyde-Way, Inc. transferred several tracts to Texas Air Classics including all lots in Northwest Development Phases 3 and 4, and “[a]ny and all other Hyde-Way, Inc. real estate of record in Denton County.” The Warranty Deed references no lien. *Id.* Only Hyde’s non-profit corporation, Texas Air Classics, existed at the time.

31. On August 6, 2009, Glen Hyde testified that Texas Air Classics “is presently transitioned from a 501(c)(3) to a C-Corp because the entity was audited by the IRS.” (Ray v. Hyde Depo. 33:3-10).

32. Texas Air Classics (nonprofit) filed a Certificate of Termination on May 1, 2013, signed by Glen Hyde. Hyde swore under penalty of perjury that “property of the nonprofit corporation has been transferred, conveyed, applied, or distributed in accordance with chapter 11 and chapter 22 of the Texas Business Organizations Code.” According to title records, Texas Air Classics was still record titleholder of 253 separate tracts at Northwest Regional Airport on December 1, 2016.

33. To satisfy a judgment against Glen Hyde, Hyde-Way, Inc., and Texas Air Classics multiple properties that belonged to Texas Air Classics were sold to Ronald Hyde in a sheriff’s sale on December 6, 2016. Glen Hyde purchased the property as Ronald Hyde’s agent using a Statutory Durable Power of Attorney created for that purpose.

34. On the same day that Glen Hyde filed the Certificate of Termination for Texas Air Classics, he filed a Certificate of Formation creating a for-profit corporation with the same name and same principals. This has created significant confusion for creditors and clear title for properties. Glen Hyde has continued to operate Texas Air Classics, Inc. as a for-profit entity with assets that were acquired by Texas Air Classics, Inc., the 501(c)(3) non-profit.

35. While the previous litigation between Plaintiff and Defendants was in the appeals phase, Patrick Schurr, counsel at Scheef & Stone, executed a Substitute Trustee's Deed dated March 7, 2017 alleging to enforce a deed of trust that Texas Air Classics ("TAC") had granted to Hyde-Way, Inc. The Trustee's Deed purports to convey the runway, lot access areas in Northwest Development Phases 1 and 2, and several hangars on the southeast side of the airport back to Hyde-Way, Inc.⁵⁵ This transaction allegedly occurred at a public auction held on March 7, 2017 in which Hyde-Way, Inc. was the winning bidder.

36. According to the Trustee's Deed:

Notices stating the time, place, and terms of sale of the Property were posted and filed, as required by § 51.002 of the Texas Property Code, and other requirements of that statute have been met. As required by that statute and by the Deed of Trust, Substitute Trustee sold the Property to Buyer, who was the highest bidder at the public auction, for the amount of the sale. The sale began at the time specified above and was concluded by 1 :00 p.m. of the same day.

Holder/Beneficiary either personally or by agent served notice of the sale to each debtor required by statute in compliance with §51.002 of the Texas Property Code.

Contrary to these claims, Denton County records reveal no evidence that this property was sold at a public auction on March 7, 2017 and no evidence can be found that there were any notices of the sale of the property posted and filed as the Substitute Trustee's Deed asserts.⁵⁶

37. Glen Hyde and his entities have been involved in extensive litigation for the past 35 years.⁵⁷ A cursory review of public documents and the documents produced in litigation reveal numerous contradictions, perjury, self-dealing, and other wrongdoings by Hyde and his entities.

⁵⁵ Doc # 2017-26535, Deed Records of Denton County, Texas.

⁵⁶ This property was not listed in the public notices section of the Denton Chronicle before March 7, 2017.

⁵⁷ *Hyde v. Hawk*, 07-14-00059-CV, 2017 WL 5763069 (Tex. App.—Amarillo Nov. 27, 2017, no pet.); *Hyde-Way, Inc. v. Davis*, No. 2-08-313-CV, 2009 WL 2462438 (Tex. App.—Fort Worth 2009, pet. denied); *Hyde v. Ray*, No. 02-

38. In recent months, Hyde has taken steps to interfere with property owners as they attempt to improve, repair and/or maintain their property and their access to the runway. For instance:

- a. Perry Vaughn Proffitt owns a hangar located at Phase 2, Hangar Tract 1, Lot 3 of the airport (the “Proffitt Hangar”). On multiple occasions, Hyde has approached potential buyers of this hangar and told them that the property had no runway access and that there was no value in the hangar. (See Proffitt Affidavit filed herewith as Ex. 2).
- a. The Proffitt Hangar was previously owned by John “Dusty” Davis (“Davis”). Hyde blocked Davis’s access by dumping large piles of dirt in the access area (See Vaughn Proffitt Affidavit attached hereto as Ex. 5). An altercation between Hyde and Davis resulted in Hyde’s conviction for assault. Davis also prevailed against Hyde in a civil suit. As a result of Hyde’s actions, Proffitt listed the Proffitt Hangar for sale. While potential buyers were looking at the hangar, Hyde drove up and told them they did not have runway access and that the POA was illegally assessing fees from the property owners. The buyers did not proceed with the sale. When the realtor, Alicia Harrison, complained to Hyde, he became belligerent and threatened her real estate license (See Alicia Harrison Affidavit attached hereto as Ex. 2).
- b. On August 12, 2019, Ms. Harrison received a purchase contract from Michael Gandy for the Proffitt Hangar. Mr. Gandy’s realtor later terminated the contract because of potential litigation expenses related to Hyde’s claims (See Alicia Harrison Affidavit attached hereto as Ex. 2).
- c. In 2019, Jamie Hurd attempted to sell his hangar. After the sale closed in early 2020, Hyde contacted Jamie Hurd and told him that his hangar did not have runway access because he had not paid Hyde for a license (See Alicia Harrison Affidavit attached hereto as Ex. 2).

11-00011-CV, 2011 WL 679311 (Tex. App.—Fort Worth 2011, pet. dismissed); *Hyde v. State*, No. 2-04-349-CR, 2005 WL 1838980 (Tex. App.—Fort Worth 2005, no pet.) (involving Glen Hyde's assault of an airport property owner in a dispute over runway access); *Hyde v. Ray*, No. 2-03-339-CV, 2004 WL 1277869 (Tex. App.—Fort Worth 2004, order), *dismissed by agreement*; 02-11-00011-CV, 2011 WL 679311 (Tex. App.—Fort Worth 2011) (affirming a temporary injunction against HYDE); *Hyde v. Ray*, 181 S.W.3d 835 (Tex. App.—Fort Worth, 2005, order); *Walchshauser v. Hyde*, 890 S.W.2d 171, 174 (Tex. App.—Fort Worth 1994, writ denied); *Hann v. State*, 771 S.W.2d 731 (Tex. App.—Fort Worth 1989, no pet.) (acquitting a property owner for criminal trespass by accessing the runway); *Hawk v. Hyde*, Cause No. 2012-20229-158 (158th Dist. Ct., Denton County, Tex. Jun. 23, 2016); *Whyte v. Hyde-Way*, No. 84-3068-B, 84-3499-C, & 84-6674-C (consolidated) (16th Dist. Ct., Denton County, Tex. May 11, 1987) (finding "a non-exclusive appurtenant easement and right-of-way for the purposes of ingress and egress" to access runway and taxiways").

- d. On many occasions, when Ms. Harrison is showing hangars to prospective buyers, Hyde will walk in and begin interfering with the sales (See Alicia Harrison Affidavit attached hereto as Ex. 2).
- e. The Plaintiff requested that Vault Construction Group (“Vault”) submit bids to repave and repair several private taxiways at the airport. On June 8, 2020, Dustyn Potter of Vault went to the airport at the request of the POA to measure and gather information for the bid. Glen Hyde stopped him and told him that the roads and taxiways, including those on the south side of Phase 1 and 2 were his property and that Potter needed his approval to be on them. Hyde then began recording the conversation on his phone, telling Potter he should do his homework and know whose property he was on because people like to sue. Upon reviewing the public records, Potter learned that the property Hyde was claiming as his own was part of a public access easement that does not require his approval to enter (See Mitch Whatley Affidavit, Zane Harper Affidavit and Dustyn Potter Affidavit attached hereto as Exhibits 1, 3 and 4 respectively).
- f. Another property owner, Zane Harper, wanted to pour a concrete apron on his lot to eliminate the foreign object debris that can damage aircraft propellers and structures, improve his lot’s appearance and eliminate ongoing weed and grass cutting chores. He contracted with Vault but Hyde ejected Vault from the project (See Zane Harper Affidavit and Dustyn Potter Affidavit attached hereto as Exhibits 3 and 4 respectively).

39. Glen and Candace Hyde have formed several entities including Dreamships, Inc., Hyde-Way, Inc., Northwest Regional Airport, Inc., Rotor-Dyne, Inc., and Texas Air Classics, Inc. for use in their fraudulent acts. Flight Data, Inc., another Hyde entity, holds title to airport property but is not registered with the Texas Secretary of State or Texas Comptroller of Public Accounts. Defendants have ignored the POA’s authority, refused to pay POA assessments, and have transferred assets including real property in furtherance of their scheme to control the airport property and avoid existing easements and financial obligations. Glen and Candace Hyde have a financial interest in each of the entities and have used the entities as their alter ego to operate as a mere tool or business conduit and for the purpose of evading existing legal obligations. These

entities were formed to justify a wrong, specifically including the fraudulent and tortious acts at issue in this case.

40. Further, the Defendants have ignored their financial responsibilities to the POA by failing to make payments to the POA on the Defendants' property owners association account. The principal balance due Plaintiff from all the Defendant entities on the account is \$85,144.93 after all just and lawful offsets, payments, and credits have been allowed, as shown on Exhibit 6. Plaintiff has demanded that Defendants pay this amount, but Defendants have not done so.

41. All conditions precedent have been performed or have occurred.

VI. CAUSES OF ACTION

13. **Sworn Account.** Defendants and their associated entities have failed and refused to pay fees assessed by the POA since 2016 in the sum of \$83,645.40 as of the date this suit is filed, after all offsets and credits, remains unpaid despite demand made therefor. Plaintiff seeks to recover all property owner dues and fees assessed against each entity. In addition, Plaintiff is entitled to recover interest on the assessments from each date due.

14. **Injunction.** Plaintiff seeks a temporary restraining order and after hearing, a temporary injunction enjoining Defendants, or any of their agents, employees, attorneys or other persons under their direction or control from:

- a. Interfering with the POA's management of the airport;
- b. Interfering with the property owners' and their contractors' repairs and/or improvements of their respective properties;
- c. Interfering with any property owner's attempts to market or sell their respective property;
- d. Interfering with the POA's collection of fees from its members;
- e. Representing to any person or entity, including the FAA, that any Defendant has

the authority to manage the airport; and

- f. Collecting or attempting to collect fees from property owners and/or airport users under his purported License Agreement.

15. Unless the court issues a temporary restraining order and temporary injunction against Hyde, he will continue to interfere with sales and prevent the improvements to the airport and the surrounding properties. The damages to the members of the POA are irreparable because they cannot improve or sell their properties for as long as Hyde keeps misrepresenting his authority and the rights and obligations of the property owners. In addition, the POA's harm is irreparable because Hyde's interference is encouraging some members not to pay their association dues which fund the improvements and the failure to make the improvements and repairs jeopardizes the integrity of the airport's new runway. Plaintiff further seeks a permanent injunction as set forth above upon final trial on the merits.

16. **Fraud.** Hyde has made material misrepresentations to Plaintiff and its members related to the rights and obligations under the terms of the easements affecting the property within the airport area. The representations were false, the Defendants have knowledge that the representations are false and they were made with the intention that the Plaintiff and its members rely on the representations. Hyde had knowledge of the falsity of the representations and made them with the intent that Plaintiff and its members rely on them. As a result of reliance thereon, Plaintiff and its members have been damaged.

17. **Conspiracy.** Each of the Defendants have worked together to accomplish an object or course of action and have reached a meeting of the minds on the object or course of action. Each has taken one or more unlawful, overt acts in pursuance of the object or course of action and Plaintiff has suffered damages as a proximate result.

18. **Declaratory Judgment.** There exists a genuine controversy between the parties herein that would be terminated by the granting of declaratory judgment pursuant to the Texas Uniform Declaratory Judgments Act, Chapter 37 of the Texas Civil Practice and Remedies Code.

Plaintiff therefore requests that declaratory judgment be entered as follows:

- a. Glen Hyde, Candace Hyde, Dreamships, Inc., Hyde-Way, Inc., Northwest Regional Airport, Inc., Rotor-Dyne, Inc., and Texas Air Classics, Inc. are each alter egos of each other;
- b. Hyde has no authority to manage and/or govern the airport;
- c. The management authority of the airport is the Architectural Control Committee elected by the property owners;
- d. The Architectural Control Committee (“ACC”) has been duly elected;
- e. The ACC has properly designated the Aero Valley Property Owners Association (“POA”) as its agent for the management and control of the airport;
- f. The runway, taxiways and access routes are easements appurtenant to all airport properties as set forth by the express easements granted by Whyte and AVDCO;
- g. The purported License claimed by Hyde is void and grants Hyde no rights to collect fees from airport users or property owners;
- h. Hyde has no right to interfere with the POA or the performance of maintenance and/or repairs by the property owners;
- i. The POA is the only entity with the authority to name the airport, manage the airport, communicate with the FAA on behalf of the airport, and collect POA fees and assessments from property owners and fees for use; and
- j. The POA is entitled to recover from Defendants sums assessed by the POA in conformity with the assessments against the other property owners.

19. **Attorney's Fees.** Pursuant to Section 37.009 of the Texas Civil Practice and Remedies Code, request is made for all costs and reasonable and necessary attorney's fees incurred by Plaintiff herein, including all fees necessary in the event of an appeal of this cause to the Court of Appeals and the Supreme Court of Texas, as the Court deems equitable and just.

WHEREFORE, PREMISES CONSIDERED, Plaintiff respectfully prays and requests:

1. A temporary restraining order and temporary injunction be issued, as requested above,
2. That the Court set a nominal injunction bond;
3. That the Court set a hearing on Plaintiff's request for a temporary injunction;
4. A temporary injunction be granted;
5. A permanent injunction be ordered on final trial of this cause, as requested above;
6. The declaratory judgments requested above;
7. That Plaintiffs recover damages incurred;
8. That the Court award Plaintiffs their attorney's fees, costs, and expenses;
9. That Plaintiffs be awarded such other and further relief, both special and general, at law or in equity, to which they may be justly entitled.

Respectfully submitted,

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