BY-LAWS

OF

STONE OAK COMMUNITIES OF MUTUAL AMENITIES, INC.

ARTICLE I

NAME AND LOCATION

The name of the Corporation is Stone Oak Communities of Mutual Amenities, Inc., hereinafter referred to as "SOCOMA, Inc." The principal office of the Corporation shall be located at 3520 North FM 1604 East, San Antonio, Texas, 78247. Meetings of the membership and/or the Directors may be held at such places within Bexar County, Texas, as may be designated by the Board of Directors.

ARTICLE II

OBJECTIVE AND PURPOSE

1. SOCOMA, Inc. shall be a non-profit association to maintain and administer the Common Facilities within the Property and to collect and disburse the assessments and charges hereinafter created, with regard to the residential lots within the Property, and such additions thereto as may hereafter be brought within the jurisdiction of the Association subject to the provisions of the Amended Declarations of Covenants, Conditions and Restrictions, including amendments or supplements thereto, which may now exist or hereafter be placed on such property.

2. All present or future Owners, tentants, future tenants, or any other person that might use the Common Facilities in any manner, are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any Lot or the mere act of occupancy of any Lot will signify that these By-Laws are accepted, ratified, and will be complied with.

ARTICLE III

DEFINITIONS

1. "Association" shall mean and be reference to SOCOMA, Inc., a non-profit corporation, chartered under the laws of the state of Texas, its successors and assigns.

2. "Properties" shall mean and refer to that certain real property that has been platted for single family detached homesites, said plat or plats being (i) duly recorded in the Deed and Plat Records of Bexar County, Texas, (ii) appropriately included into the Association's jurisdiction by separate covenant, and (iii) lying within the boundary limits of the 332.308 acre tract, described in Exhibit A attached hereto and such adjacent lands thereto that may, from time to time, be added and hereafter brought within the jurisdiction of SOCOMA, Inc.

3. "Common Facilities" shall mean and refer to all property leased, owned, or maintained by this association for the use and benefit of the members of SOCOMA, Inc. By way of illustration, "common facilities" may include, but not necessarily be limited to: private streets and alleys; signs; fountains; statuary; swimming pools and adjacent buildings; recreation sites, with associated furnishings; tennis courts and associated equipment; landscaping; with or without sprinkler systems; walls; bridges; safety lanes; green belts with or without trails; parking lots; median islands in cul-de-sac streets; central mail delivery complexes; and other similar or appurtenant improvements.

VOL 3330 PAGE 0008

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~~% BRIAN McDONOUGH~~

4. "Lot" shall mean and refer to any of the plots of land, located within and defined on a duly recorded subdivision plat that has been approved by the City of San Antonio Planning Commission and the Stone Oak Project Planning Committee for principal development as a single family subdivision within the Property. It is specifically intended that those tracts which from time to time, are platted as part of a residential subdivision but not intended for residential purpose be considered as a "lot" when that tract has been assigned a lot number on the plat.

5. "Subdivision Plat" shall mean and refer to any plat map of a parcel of land within the Property that has been duly recorded in the Deed and Plat Records of Bexar County, Texas and such subsequent recorded subdivisions of adjacent lands that may, from time to time, be added and thereafter brought within the jurisdiction of SOCOMA, Inc.

6. "Living Unit" shall mean and refer to a single family detached residence and its attached or detached garage situated upon a Lot.

7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title of any Lot or portions of a Lot, within the Property, including contract sellers but excluding those having interest merely as security for the performance of an obligation.

8. "Member" shall mean and refer to all those Owners who are members of the association as provided in Article III, Section 1, hereof.

9. "Builder Member" shall mean and refer to those member(s) approved by Declarant for the construction of residences within the Property and owning one or more lots for the purpose of such construction and subsequent sale to others.

10. "Board of Directors" shall mean and refer to the Board of Directors of SOCOMA, Inc., as set forth in Article IV hereof.

11. "Covenants" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property, or any part thereof, as duly recorded in the official records of Bexar County, Texas and such duly recorded amendments thereto as may from time to time be enacted by the membership, as set forth in Article XV hereof.

12. "Declarant" shall mean and refer to:
Daniel S. Sitterle
Louis M. Norrell
Carlton Skinner Simpson
their successor and assigns; if such successor and assigns should acquire more than one undeveloped Lot from the Declarants for the purpose of development.

13. "Stone Oak Property Owners Association", hereinafter refered to as SOPOA, shall mean and refer to a "master" association of property owners within that portion of north central Bexar County refered to as Stone Oak. The Property is located within the boundary limits of SOPOA and is (i) a member of SOPOA and (ii) subject to the duly enacted powers and authority of SOPOA, as set forth in its Articles of Incorporation and By-Laws, as if included herein and made part hereof.

14. "Improved Lot" shall mean and refer to any lot once the main building has been substantially completed and closing of a sale thereof has occured, or when it is occupied for the purpose intended by the Owner, or his tenant, whichever first occurs. Prior to that date a lot shall be considered "unimproved."

VOL 3330 PAGE 0009

ARTICLE IV

MEMBERSHIP, VOTING, QUORUM, PROXIES

1. Membership. Any person on becoming an Owner of a fee or undivided interest in any Lot shall automatically become a member of this Association and be subject to these By-Laws, provided, however, that any person or entity holding an interest in any such Lot merely as security for the performance of an obligation, shall not be a Member. Such membership shall terminate without any formal Association action whenever such person ceases to own a Lot, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any way connected with the Properties during the period of such ownership and membership in the Association, or impair any rights or remedies which the Board of Directors of the Association or other may have against such former Owner and Member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue one membership certificate to the Owner(s) of a Lot. Such membership certificate shall be surrendered to the Association's Secretary whenever ownership of the Lot designated thereon shall terminate.

2. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of seven o'clock, P.M. If the day for the annual meeting of the members is a legal Holiday, the meeting will be held at the same hour on the first day following which is not a legal Holiday.

3. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote; one-fourth (1/4) of all of the votes of the Class A Membership.

4. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than 15 nor more than 50 days before such meeting to each member entitled to vote thereat addressed to the member's address last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

5. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast; one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Covenants, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

6. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

7. List of Lot Owners. At least ten (10) days before each meeting of the Lot Owners (Class A and Class B members),

a complete list of the Lot Owners entitled to vote at said meeting, arranged alphabetically, with the residence of each (lot number, block number, address of lot and mailing address) and the number of votes held by each, shall be prepared by the Officer or Agent in charge of the stock transfer books. Such list, for a period of ten (10) days prior to such meeting, shall be kept on file at the registered office at the Corporation and shall be subject to inspection by any member, at anytime during usual business hours.

ARTICLE V

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

1. Number. The affairs of this Association shall be managed by a Board of five (5) Directors, who need not be members of the Association.

2. Term of Office. At the first annual meeting the members shall elect one Director for a term of one year, two Directors for a term of two years and two Directors for a term of three years; and at each annual meeting thereafter the members shall elect Directors for resulting vacancies resulting from end of above said terms, for a term of three years.

3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

5. Action Taken Without A Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. the Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its descretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation of the Association and the Covenants. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

VOL 3330 PAGE 0010

ARTICLE VII

MEETING OF DIRECTORS

1. Regular Meetings. Regular meetings of the Board of Directors shall be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal Holiday, then that meeting shall be held at the same time on the next day which is not a legal Holiday.

2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days notice to each Director.

3. Notice. Notice of any special meeting of the Board of Directors shall be given at least three (3) days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at such address shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice of such meeting, unless specifically required by law or by these By-Laws.

4. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. No Director present by proxy may be counted toward a quorum.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) establish, adopt, and publish Guidelines for Development, setting out desired standards of exposed construction materials, exterior structure design, landscaping, parking criteria and site improvements. These Guidelines, and amendments or revisions thereto, to be used by the Development Control Committee in governing the development and continued use or reuse of any Lot and improvements thereon;

(c) suspend the voting rights and right to use of recreational 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. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(d) 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 Covenants;

(e) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(f) employ a Manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

(g) Enforce all of the terms and provisions of the Covenants aganst Property Owners;

(h) enter into such contracts, leases, and agreements as may be necessary to enforce, execute or accomplish the terms of the Covenants.

2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the entire Class A membership vote;

(b) supervise all Officers, Agents, and employees of the Association, and to see that their duties are properly performed;

(c) as more fully provided in the Covenants, to;

(1) fix the amount of the Quarterly assessment against each Lot at least thirty (30) days in advance of each Quarterly assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each Quarterly period; and

(3) take such necessary Actions at Law required to collect any delinquent payment of assessments, to include effecting liens against the lots owned by the delinquent parties. At the sole descretion of the Board of Directors those cases where liens are deemed extensively delinquent, foreclosure actions shall be initiated.

(d) issue, or to cause an appropriate Officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by and activities of the Association;

(f) cause all Officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained.

ARTICLE IX

OFFICERS AND THEIR DUTIES

1. Enumeration of Offices. The Officers of this Association shall be a President, and a Vice President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other Officers as the Board may, from time to time, by resolution create.

2. Election of Officers. The election of Officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

3. Term. The Officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

4. Special Appointment. The Board may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority,

and perform such duties as the Board may, from time to time, determine.

5. Resignation and Removal. Any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he replaces.

7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

8. Duties. The duties of the Officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, contracts, and other written instruments and shall co-sign all checks and promissory notes.

Vice President

(b) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board. The position of Secretary and that of Treasurer may be held by one individual.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign promissory notes of the Association; shall retain two (2) bonded members and/or employees of the Association with authorization to individually sign checks; keep proper books to be made by an independent public accountant at the completion of each fiscal year; and shall prepare an annual budget and a suitably comprehensive financial report to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members. The position of Treasurer and that of Secretary may be held by one individual.

VOL3330 PAGE0011

ARTICLE X

COMMITTEES

1. Architectural Control Committee. If and when the Association is vested with the power and authority to appoint and remove members of the Architectural Control Committee, hereinafter called "Committee", pursuant to the Covenants, the Board of Directors shall appoint an Architectural Control Committee, as provided in the Covenants. The Architectural Control Committee regardless of by whom appointed, shall prepare and adopt a written statement setting forth development and building standards and procedures for the implementation and enforcement of same, said statement to be called Operational and Development Guidelines shall perform such functions as directed by the Covenants, and shall advise the Board on all matters pertaining to the maintenance, use, repair or improvements to the Properties. The Architectural Control Committee may have delegated to it, by the Board, such powers and duties as are necessary to enforce the Covenants.

2. Nominating Committee. The Association shall appoint, from time to time, a Nominating Committee as provided by these By-Laws.

3. Other Committees. The Board shall appoint other committees as deemed appropriate to carry out its purpose and delegate to said committees such powers and duties required to execute and enforce the committee's responsibilities.

ARTICLE XI

INDEMNIFICATION OF OFFICERS AND MANAGERS

The Association shall indemnify every Director, Manager, or Officer, his heirs, executors, administrators, personal representatives, successors, and assigns against all loss, costs and expense including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director, Manager, or Officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such Manager or Officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director, Manager, or Officer may be entitled. All liability, loss, damage, costs and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as Common Expenses; provided, however, that nothing in this Article XI contained shall be deemed to obligate the Association to indemnify any Member or Owner of a Lot, who is or has been a Director, Manager, or Officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of any Declaration of Covenants, Conditions, and Restrictions related to the Properties, as a Member or Owner of a Lot covered thereby.

ARTICLE XII

BOOKS AND RECORDS

The books, records, and papers of the Association shall

VOL3330 PAGE0012

at all times, during reasonable business hours, be subject to inspection by any member. The Covenants, the Articles of Incorporation, the By-Laws of the Association and current Operational and Development Guidelines shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIII

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

1. Contracts. The Board of Directors may authorize any Officer or Officers, agent or agents of the Corporation in addition to the Officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall, from time to time, be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Corporation.

3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

4. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE XIV

CERTIFICATES OF MEMBERSHIP

The Board of Directors may provide for the issuance of certificates evidencing membership in the Corporation, which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or Vice President and by the Secretary or an Assistant Secretary and shall be sealed with the seal of the Corporation. All certificates evidencing membership of any class shall be consecutively numbered. The name and address of each member, the date of issuance of the certificate and a statement that such certificates are shares in the common area but are without par value shall be entered on the records of the Corporation. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefore upon such terms and conditions as the Board of Directors may determine. Transfer of membership certificates shall be made only on the books of the Association by the holder of record thereof or by his legal representative who shall furnish proper evidence of authority to transfer, or by his attorney therunto authorized by powers of attorney duly executed and filed with the Secretary of the Association and then only upon the surrender for cancellation of the certificate representing such membership in the Association, provided, however, in the event the owner sells land and fails to transfer the membership certificate to the vendee, then the Secretary shall at such time as the deed conveying the land to the vendee is recorded in Bexar County, Texas, transfer the membership on the books of the Association without any act of the holder of record.

The person in whose name the membership certificate stands on the books of the Association shall be deemed a member for all purposes as regards the Association.

ARTICLE XV

OBLIGATIONS OF OWNER

1. Assessments. All owners shall be obligated to pay to the association:

(a) General assessments; charges for municipal services procured for and used by the owners through contracts with the association; and

(b) special assessments for capital improvements, such assements to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessements, together with such interest thereon and costs of collection thereof as are hereinafter provided, shall be a charge on each Lot and shall be a continuing lien upon each Lot against which such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such Lot at the time the obligation accrued.

2. Purpose of Assessments. The assessments levied by the association shall be used for the purpose of promoting the recreation, health, safety, and welfare of the members, and in particular, for the improvement, maintenance and operation of; Common Facilities devoted to this purpose and related to the use and enjoyment of the Properties by the members including, maintenance of; the recreational facilities, drains, common area landscaping, pathways, common area sprinkler systems, common fences, walls, street name signs and street lighting.

3. Basis and Maximum of General Assessments. The general assessment for both improved and unimproved lots shall be determined by the Board of Directors in the manner provided for herein, after determination of current maintenance costs and anticipated needs of the association during the year for which the assessment is being made; but until January 1, 1988, the general assessment for unimproved lots shall not exceed $100.00 per year and the general assessment for improved lots shall not exceed $400.00 per year. Charges shall be in addition to assessments. The general assessment for unimproved lots shall be one-fourth (1/4th) the general assessment for improved lots. Beginning January 1, 1988, the maximum annual rate for the general assessment for improved lots may be increased as provided in Section 5 of this Article.

4. Special Assessments for Capital Improvements. In addition to the annual assessments provided for in Paragraph 3, the Association may levy, in any assessment year, a special assessment on improved Lots only applicable to that year, only for the purpose of defraying, in whole or in part, the cost of any construciton, reconstruciton, repair or replacement of a capital improvement on or which is a part of the Common Facilities, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of the Improved Lot Owners voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all improved Lot Owners at least thirty (30) days in advance and shall set forth the purpose of the meeting.

5. Change in Basis and Maximum of Annual Assessments. For all annual assessments accruing after Jnauary 1, 1988, the maximum annual assessment may be adjusted by majority vote of the Board of Directors but shall not be increased by more than ten percent (10%) above that of the previous year without a vote of the membership. Any increase in the maximum annual

assessment of more than ten percent (10%) above that of the previous year shall require approval of two-thirds (2/3) of the votes cast, in person and by proxy, at a meeting duly called for such purpose, written notice of which being sent to all Members, at least thirty (30) days in advance.

6. Quorum for Any Action Authorized Under Section 4 and 5. The quorum required for any action by Members authorized by Sections 4 and 5 hereof shall be as follows:

At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 4 and 5, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that such reduced quorum requirement shall not be applicable to any such subsequent meeting held more than sixty (60) days following the preceding meeting.

7. Date of Commencement of Annual Assessments: Due Dates. The general assessments shall be collected by the association on a quarter annual basis, in advance. The general assessment provided for herein shall commence on all lots platted prior to February 1, 1985 on the first day October 1985. Lots platted subsequent to February 1, 1985 shall have the general assessments start on the first day of the billing quarter (1st quarter: January 1, 2nd quarter: April 1, 3rd quarter: July 1, 4th quarter: October 1) following the written acceptance of public improvements by the respective approval agencies. The initial quarter annual installment shall be due and payable October 1, 1985, and succeeding installments shall be due and payable on the first day of each January, April, July and October thereafter. The amount of the general assessment that may be levied on a lot for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual rate of the general assessment provided for in Section 3 of this Article, as the remaining number of months in that year bears to twelve. When a lot becomes an improved lot after the annual assessment for it as an unimproved lot has been paid, there shall be payable, as of the first day of the month following the month that said lot becomes "improved", a sum equal to the difference between the annual assessment for "unimproved" lots and the annual assessment for "improved" lots prorated over the balance of the installment then remaining. The due date of any special assessment under Section 4 of this Article, shall be fixed in the resolution authorizing such assessment. The date of Commencent of Annual Assessments of any subdivision plat having lots subject to the jurisdiction of the Association shall be further set forth in the covenants of said subdivision.

8. Fixing of Assessments. In December of each year, the Board of Directors shall fix the amount of the annual rate of the general assessment as set forth in the Covenants, and shall, at the time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an Officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A Member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of Members, within the meaning of these By-Laws, if

VOL 3330 PAGE 0013

and only if he shall have fully paid all assessments made or levied against him and the Lot or Lots owned by him.

9. Fixing of Charges. Charges are those expenses incurred by the association for municipal services provided under "group rate" type contracts executed for the mutual benefit of the lot owners. (Example of such services are fire protection, garbage collection, security services and other municipal type services.) Charges shall be applicable on the first day of the month following the date set out in the contract for initiation of the contracted service. The Board of Directors shall endeavor to negotiate such contracts for periods of time it finds most benefitial to the members.

The Board of Directors shall also notify the membership of all pending contracts outlining the services provided and the charges that will be applicable and initiation of such charges. The Board of Directors may at its discretion, add a supplemental service charge not to exceed five percent (5%) to cover expenses incurred during the administration of the contract.

10. Effect of Non-Payment of Charges and Assessments; The Liens; Remedies of the Association. If the assessments and/or charges are not paid on the date when due (being the dates specified in Section 7 hereof) then such assessment and/or charge shall become delinquent and shall, together with such interest thereon and cost of collection thereof, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives, successors, and assigns. If the assessment shall bear simple interest from the due date at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner to pay the same or to foreclose the lien against the Lot, and there shall be added to the amount of such assessment all reasonable expenses of collection including the costs of preparing and filing the complaint, reasonable attorney's fees and costs of suit.

11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages, now or hereafter placed upon the Lots subject to assessment, provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the sale or transfer of such Lot pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such Lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

12. Exempt Property. The charges and liens created herein shall apply only to the Lots, and the remainder of the Properties shall not be subject thereto.

13. General Obligations of Owner.

(a) Each Owner shall comply strictly with the provisions of the Covenants. All Owners shall promptly and completely comply with each of the rules and regulations herein contained or hereafter properly adopted.

(b) Each Owner may use the Common Facilities and the limited common elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other owners.

(c) The Common Facilities are intended for pedestrian movement within the developments, for recreational use by the Owners and occupants of Lots, and for the beautification of the development, and for providing privacy to the residents thereof through landscaping and such other means as shall be deemed appropriate. No part of the Common Facilities shall be obstructed so as to interfere with its use for the purposes hereinabove recited, nor shall any part of the Common Facilities

VOL3330 PAGE0014

be used for general storage purposes after the completion of the construction on Lots by developer, except maintenance storage room, nor anything done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon.

(d) No resident of the Properties shall post any advertisements, signs, or posters, of any kind on Common Facilities except as authorized by the Association.

ARTICLE XVI

AMENDMENTS

1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present, in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments, while there is Class B Membership.

2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Covenants and these By-Laws, the Covenants shall control.

ARTICLE XVII

DISSOLUTION

1. Manner of Dissolution. SOCOMA, Inc. may be dissolved only with the assent given in writing and signed by two-thirds (2/3) of the members of all then existing classes and with the written consent of the Class B Members. Written notice of a proposal to dissolve, setting forth reasons therefore and the disposition to be made of the assets and/or the methods available to satisfy all outstanding indebtedness and obligations, shall be given to every member at least ninety (90) days in advance of any meeting at which any such action may be taken. Said ninety (90) day notice shall be in addition to the notice required by Article IV, Section 3 hereof.

2. Distribution of Asets. Upon dissolution of SOCOMA, Inc., the assets both real and personal of SOCOMA, Inc. shall be dedicated to an appropriate public agency to be devoted to purposes that as nearly as practical are the same as those to which they were required to be devoted by SOCOMA, Inc. In the event that such dedication is refused acceptance, such assets shall be granted, sold, conveyed or assigned to any non-profit corporation, association, trust or other organization to be devoted to use or uses that would most clearly reflect a compatibility with the adjacent property uses. Cash assets existing at time of dissolution, after settlement of all lawful liabilities against the Association, shall be declared "Excess Assessment" and returned to the Members, prorated in accordance with each Member's land holdings as measured in acres and fraction acres thereof, so long as no member receives an amount in excess of total accumulated assessments paid to the Association.

ARTICLE XVIII

CORPORATE SEAL

The association shall have a seal in circular form having within its circumference the words: COMMUNITIES OF MUTUAL AMENTIES and a star with the words "STONE OAK" in the center.

ARTICLE XIX

MISCELLANEOUS

1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of conveyance of the first lot to a Class A Member, and terminate on the last day of December that same year.

2. Managing Agent. The initial Managing Agent shall be Brian McDonough, c/o Sitterle Properties, whose address is 3520 North FM 1604 East, San Antonio, Texas 78247 and the duties of which shall be to perform or cause to be performed all acts and responsibilities of the Board of Directors which may by law and these By-Laws be delegated.

IN WITNESS WHEREOF we being all of the Directors of SOCOMA, Inc., have hereunto set our hands this 18th day of February, 1985.

2-18-85	Louis M Norvell
Date	Director, SOCOMA, Inc.
2-18-85	Jerry Sinclair
Date	Director, SOCOMA, Inc.
[illegible]	[illegible]
Date	Director, SOCOMA, Inc.
2-18-85	Curtis S Sampier
Date	Director, SOCOMA, Inc.
2-18-85	Brian McDonough
Date	Director, SOCOMA, Inc.

VOL3330 PAGE0015

EXHIBIT A
A-1

Being a 332.208 acre tract of land out of the following:

Approximately 168.441 acres out of the Beaty, Seale and Forwood Survey No. 9, Abstract No. 112,

Approximately 163.419 acres out of the Beaty, Seale and Forwood Survey No. 11, Abstract No. 114,

Approximately .448 acres out of L.C. Grothaus Survey No. 12, Abstract No. 930,

and being comprised of the following:

4.971 acres out of a 1048.164 acre tract recorded in Volume 6506, Pages 811-814,

252.648 acres out of a 1501.95 acre tract recorded in Volume 6506, Pages 821 and 822,

and 74.689 acres out of a 545.195 acre tract recorded in Volume 6511, Pages 961-964 of the Deed and Plat Records of Bexar County, Texas, and being more fully described as follows:

COMMENCING at an iron pin on the west right-of-way line of U.S. Highway 281 North (San Pedro Avenue) said point also being the most southeasterly corner of the aforementioned 545.195 acre tract;

THENCE, N 72 Deg. 12' 29" W, 2296.49 feet to an iron pin S 52 Deg. 49' 40" W, 430.53 feet to an iron pin and S 82 Deg. 12' 19" W, 5,787.74 feet to an iron pin and the POINT OF BEGINNING for this tract;

THENCE, S 16 Deg. 44' 07" W, 2,119.04 feet to an iron pin for the most southerly corner of this tract;

THENCE, W 78 Deg. 37' 02" W, 2,006.15 feet to an iron pin for the P.C. of a curve to the left;

THENCE, 333.09 feet along said curve, having a central angle of 15 Deg. 12' 52", a radius of 1,254.40 feet, a tangent of 167.53 feet and a chord bearing and length of N 86 Deg. 13' 28" W, 332.12 feet to an iron pin for the P.T. of this curve;

THENCE, S 86 Deg. 06' 59" W, 25.42 feet to an iron pin for the most westerly corner of this tract;

THENCE, N 04 Deg. 50' 34" W, 3,061.77 feet to an iron pin for the P.C. of a curve to the right;

THENCE, 3,466.20 feet along said curve, having a central angle of 84 Deg. 41' 25", a radius of 2,345.00 feet, a tangent of 2,137.16 feet and a chord bearing and length of N 37 Deg. 30' 09" E, 3,159.16 feet to an iron pin for the P.T. of this curve, said point being the most northerly corner of this tract;

THENCE, the following calls:

S 04 Deg. 51' 05" E, 25.71 feet to an iron pin and S 09 Deg. 08' 56" E, 349.41 feet to an iron pin for the P.C. of a curve to the left;

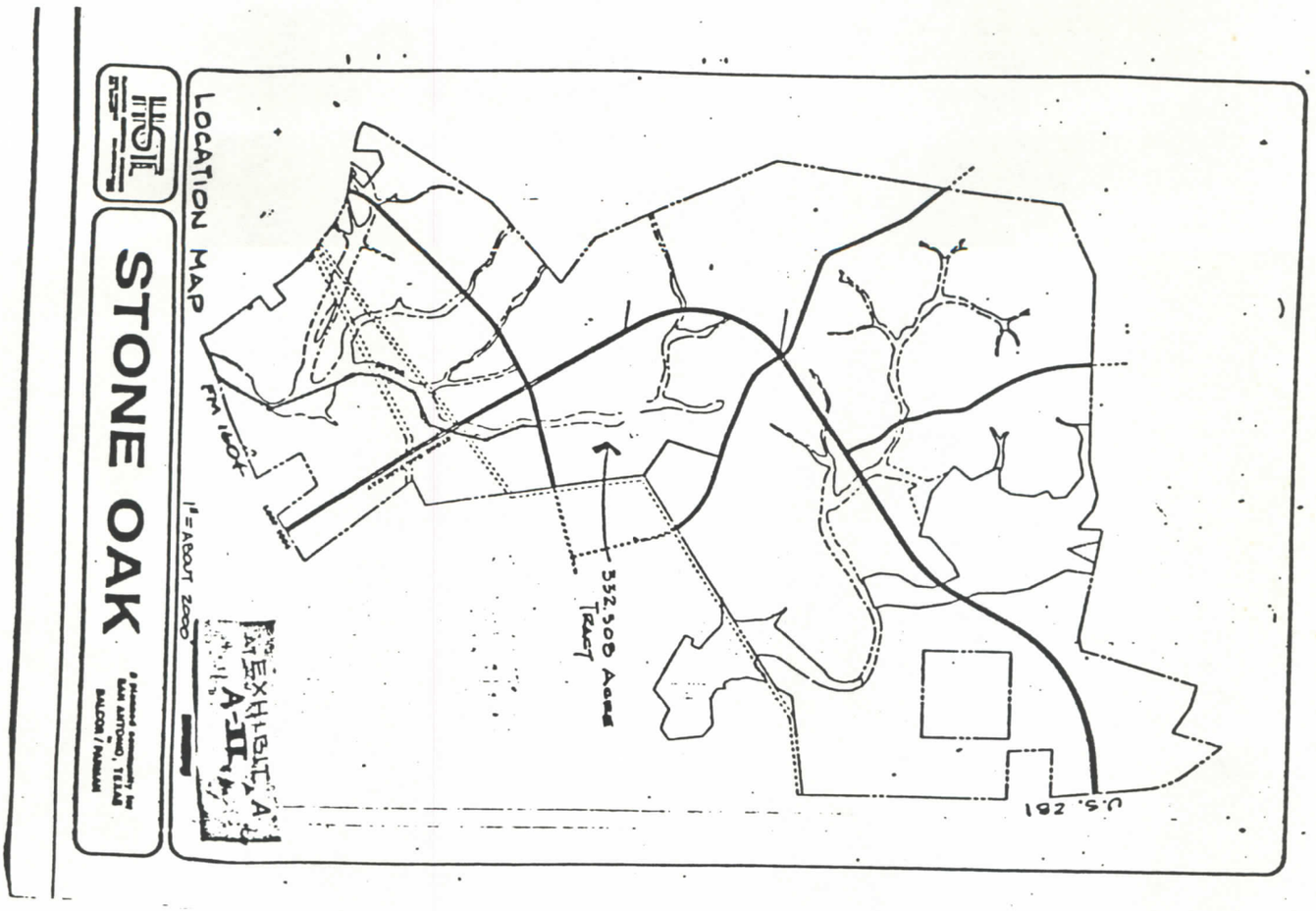
THENCE, 616.76 feet along said curve, having a central angle of 33 Deg. 52' 50", a radius of 1,043.00 feet, a tangent of 317.69 feet and a chord bearing and length of S 26 Deg. 05' 21" E, 607.81 feet to an iron pin for the P.T. of this curve;

THENCE, S 43 Deg. 01' 46" E, 1,160.10 feet to an iron pin for the P.C. of a curve to the left;

THENCE, 155.34 feet along said curve, having a central angle of 04 Deg. 21' 23", a radius of 2,043.00 a tangent of 77.71 feet and a chord bearing and length of S 45 Deg. 12' 28" E, 155.30 feet to an iron pin for the P.T. of this curve;

THENCE, the following calls:

S 47 Deg. 23' 09" E, 454,54 feet to an iron pin,
S 42 Deg. 36' 51" W, 1,235.80 feet rto an iron pin, and S 32 Deg. 32' 34" E, 1,011.59 feet to the POINT OF BEGINNING and containing 332.308 acres of land more or less, and being shown graphicly in Exhibit "B".



RECORDER'S MEMORANDUM:
ALL OR PARTS OF THE TEXT ON THIS PAGE
WAS NOT CLEARLEY LEGIBLE FOR SATISFACTORY
RECORDATION

