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**RIVERDALE ARMS APARTMENTS, INC.**

**BY-LAWS**

ARTICLE I

NAME AND LOCATION

Section 1. The name of this corporation shall be: RIVERDALE ARMS APARTMENTS, INC.

Section 2. The principal office of this corporation shall be in the City of Pompano Beach, County of Broward, State of Florida. This corporation may have offices at such other places as the Board of Directors may from time to time determine, or the corporation may from time to time require. Riverdale Arms Apartments, Inc. purchased the land in 1973 and holds the deed - Abstract of Title - and Title Insurance.

ARTICLE II

MEMBERS’ MEETINGS

Section 1. The annual meeting of the Members shall be held on the third Wednesday of January of each year, at a location in Pompano Beach and at a time to be decided by the Board of Directors. At the annual Members’ meeting, the Members shall elect by plurality vote and by written ballot a Board of Directors to manage the affairs of the corporation, and the members shall also transact any other business as may be properly brought before the meeting.

Section 2. At least ten (10) days before the election of Directors, a complete list of the members entitled to vote at said election shall be prepared by the Secretary and shall be posted on the corporation bulletin board for the examination of all members so that everyone shall be familiar with the persons entitled to vote at said meeting.

Section 3. Special meeting of the members for any purpose or purposes, unless otherwise prescribed by the statute or by Certificate of Incorporation, shall be called by the President, or the Secretary, at the request in writing of a majority of the Board of Directors, or at the request in writing of fifty percent (50%) of the membership of this corporation. Such request shall state the purpose or purposes of the proposed meeting. All business transacted at such special meeting shall be confined to the subjects stated in the Call and Notice of Meeting.

Section 4. Written notice of the annual meeting and of all special meetings shall be served upon or mailed to each member entitled to vote thereat, at such address as appears on the books of the corporation, at least ten (10) days prior to the meeting, excepting in the case of a special meeting when there shall be a five (5) day allowable minimum notice.

Section 5. A majority of the total number of members of the corporation, present in person or represented by proxy, shall be necessary to constitute a quorum for all meetings of the members for the transaction of business, except as otherwise provided by statute, the Certificate of Incorporation, or by these By-Laws. If, however, such quorum shall not be present or represented at any properly called meeting of the Members, the Members entitled to vote, present in person or represented by proxy, shall have the power to adjourn the meeting until another meeting date set at the time of adjournment, which date in no case shall be less than eleven (11) days after the original meeting, at which second meeting no quorum, as above defined, shall be necessary in order to transact business. At such adjourned meeting which subsequently meets pursuant to notice given at the time of the adjournment, any business may be transacted which might have been transacted at the meeting as originally notified. It shall be necessary, however, ten (10) days prior to the meeting date designated at the time of adjournment, that all members be notified as provided in Section 2 of this Article, of the date, time and purpose of the meeting, and that it is being called pursuant to this Section.

Section 6. When a quorum is present at any meeting, the vote of the majority of the members present in person or represented by proxy, shall decide any question brought before each meeting, unless the question is one upon which by express provision of the statutes or the Certificate of Incorporation, or by these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of the question.

Section 7. At any meeting of the members, every member having the right to vote shall be entitled to one vote per membership certificate in person, or by proxy appointed by an instrument in writing, subscribed by such member and bearing a date not more than three (3) weeks prior to said meeting, unless the instrument specifically provided upon its face for a longer period of time in which it is valid. All proxies shall be filed with the Secretary prior to the meeting at which the same are to be used, and note of said proxy shall be made in the minutes of the meeting.

Section 8. The transfer book of the corporation shall be closed for a period of ten (10) days against any transfer immediately preceding any meeting of the corporation, and only those owners properly registered prior thereto shall be entitled to vote at said meeting. The transfer book shall again be reopened after said meeting has been finally adjourned.

ARTICLE III

BOARD OF DIRECTORS

Section 1. The property, business and affairs of the corporation shall be managed by a Board of Directors consisting of seven (7) persons. At the annual meeting of the Members, the Members shall elect a seven (7) man Board of Directors from among themselves, and they shall then hold office until the next succeeding annual meeting of the Members, or until their successors shall have been elected and qualified. Upon the transfer of the sole Certificate of Membership and/or proprietary lease (including sub-leasing for longer than a three (3) month period during any (12) months) of any Director, said Director shall be deemed to have automatically resigned. It shall be a requirement that at least three of the seven Directors be permanent “year-round” residents of the co-operative apartments.

Section 2. The Directors shall be elected annually as afore set forth, and each member shall be entitled to one vote for each Director to be elected to the Board of Directors.

Section 3. If the office of any Director or Directors becomes vacant for any reason whatsoever, the majority of the remaining Directors shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred, or until the next election of Directors.

Section 4. The Directors may hold their meetings and keep the books of the corporation at the office of the corporation in the City of Pompano Beach, Florida, or at such other places as they may from time to time determine.

Section 5. The annual meeting of the Board of Directors shall be held at Riverdale Arms Apartments, Inc., Pompano Beach, Florida, immediately following the adjournment of the annual Members’ meeting.

Section 6. Special meetings of the Board of Directors to be held at a time and place selected by the Board of Directors may be called by the President, and in the absence of the President, by the Vice-President or by the full membership of the Board of Directors. By unanimous consent of the Directors, a special meeting of the Board of Directors may be called without notice at any time and place.

Section 7. Notice of the annual meeting shall be in writing and shall be mailed to each Member by the Secretary of the corporation at least ten (10) days prior to the time fixed for the meeting. Notice of any special meeting shall be mailed to each Member by the Secretary at least five (5) days previous to the time fixed for the meeting, except as is hereinabove provided. All notices of special meetings shall state the purpose thereof.

Section 8. A majority of the authorized number 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 at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number be required by law or by the Articles of Incorporation.

Section 9. The Directors shall elect the officers of the corporation at the annual Directors’ meeting, such officers to be a President, Vice-President, Secretary and Treasurer, the President shall be the Chairman and the Secretary shall be the Secretary of the Board of Directors. An officer may be removed at any time by a four-sevenths (4/7) vote of a full Board of Directors, with or without cause and with or without notice. All Directors shall be members holding Certificates of Ownership and currently entitled to occupancy rights. The President of this corporation must be a Director.

ARTICLE IV

OFFICERS

Section 1. The officers of this corporation shall consist of a President, a Vice-President, a Secretary, and a Treasurer or a Secretary-Treasurer, who shall be elected for the term of one (1) year and shall hold office until their successors are duly elected and qualified. No one shall be eligible to act as both President or Vice-President and Secretary.

Section 2. The President shall be the executive officer of the corporation and shall preside at all meetings of the Members and Directors. He shall be the ex-officio member of all standing committees and shall have general and active management of the business of the corporation, and shall see that all orders and resolutions of the Board of Directors are carried into effect. He shall sign all of the Certificates of Membership, leases and other written contracts of the corporation, and shall sign all checks issued by the Treasurer, in addition to the Treasurer’s signature, which shall also be required on all checks. He shall also execute all contracts requiring a seal, under the seal of the corporation. Additional powers of the President may from time to time be designated by the Board of Directors.

Section 3. The Vice-President, in the absence of or because of the disability of the President, shall perform the duties and exercise the powers of the President, and shall perform such other duties as the Board of Directors may prescribe.

Section 4. The Secretary shall attend all sessions of the Board of Directors and all meetings of the Members, and record all votes and the minutes of all proceedings in a book to be kept for that purpose, and shall perform light duties for standing committees when required. He or she shall give or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President under whose supervision he or she shall be. He or she shall keep in safe custody the seal of the corporation, and when authorized by the Board of Directors, affix the same to any instrument requiring it, and when so affixed it shall be attested by his or her signature. The Secretary shall also perform all such other duties as are incident to his or her office.

Section 5. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate account of the receipts and disbursements in books belonging to the corporation. He or she shall deposit all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the corporation as may be ordered by the Board, taking proper vouchers for such disbursements and shall render to the President and Directors at the regular meetings of the Board of Directors, or whenever they may require, an account of all of his or her transactions as Treasurer and of the financial condition of the corporation. The Treasurer shall give bond when required by the Board of Directors, in such sums and with such securities as the Board of Directors may require, conditioned upon the faithful performance of the duties of his or her office. In addition, the Treasurer shall countersign all checks and expenditures with the President which shall be made by the corporation.

ARTICLE V

INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

Section 1. The corporation shall indemnify any director, officer, or employee, or former director, officer, or employee of the corporation, or any person who may have served at its request as a director, officer, or employee of another corporation in which it owns shares of capital stock, or of which it is a creditor against expenses actually and necessarily incurred by him in connection with the defense of any action, suit or proceeding in which he is made a party by reason of being or having been such director, officer, or employee, except in relation to matters as to which he shall be adjudged in such action, suit or proceding to be liable for negligence or misconduct in the performance of duty. The corporation may also reimburse any director, officer or employee the reasonable costs of settlement of any such action, suit or proceeding, if it shall be found by a majority of the Directors not involved in the matter in controversy (whether or not a quorum) that it was to the interests of the corporation that such settlement be made and that such director, officer, or employee was not guilty of negligence or misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any rights to which such director, officer, or employee may be entitled under any By-Law, agreement, vote of owners of Certificates of Membership, or otherwise.

ARTICLE VI

PROPRIETARY LEASES AND CERTIFICATES OF MEMBERSHIP

Section 1. There are two types of Certificates of Membership in RIVERDALE ARMS APARTMENTS, INC., namely, Resident Membership and Non-Resident Membership. A Resident Member is defined as any natural person owning a Certificate of Membership under which he is currently entitled to full occupancy rights and full voting rights. Non-resident Membership is defined as any person, firm, corporation, entity or other thing, owning a Certificate of Membership without the right of occupancy having been granted by the Board of Directors. Non-Resident Members are not deprived of their right to vote. A corporation shall be deemed to be a Resident Member if the President of the corporation is approved for occupancy by the Board of Directors of Riverdale Arms Apartments, Inc., and is either in actual occupancy or possession of the apartment, and being or considered the corporation’s President, shall be acting for and in behalf of the corporation, and entitled to the same privileges afforded to Resident Members as though he were the actual owner, including the right to hold offices. Should the President of the corporation cease to occupy or possess the apartment, the Resident Membership status of the corporation shall cease and it shall then become a Non-Resident owner.

Section 2. Each and every member, whether a Resident or Non-Resident Member, shall have issued a proprietary lease on the apartment for which the Certificate of Membership has been issued. Upon receipt by the holder of a Resident Certificate of Membership, said holder shall be entitled to immediate and full occupancy rights as is set forth in these several Articles of the By-Laws. Holders of Non-Resident Certificates of Membership are not entitled to occupancy rights until and unless the occupant has been approved by the Board of Directors as is hereinafter set forth in the By-Laws.

Section 3. In the event of a sale, transfer or other disposal by a member of his proprietary lease, or upon the sale, transfer or other disposal of a Certificate of Membership, whether Resident or Non-Resident, and upon due notice to the corporation of the sale, transfer or other disposal of the apartment unit assigned to him, all occupancy rights of said member and those in possession by virtue of his prior membership shall thereupon and immediately cease and terminate, and the vendee or transferee shall be deemed the owner of said apartment unit, without the right of occupancy until the right of occupancy has been approved by the corporation in the manner set forth in these several Articles of the By-Laws. This provision shall not apply, however, to transfers by way of pledge or in trusts with the right of occupancy retained by the member. Approval of the right of occupancy shall not be denied any transferee or vendee who at the time of such transfer or sale, or at the death of the Resident Owner, if the transfer results from the Resident Owner’s death, is or was the resident lessee’s lawful spouse or is related to him or her by blood within the second degree. In the event of the death of a co-owner, should the Certificate of Membership and proprietary lease be held by the estate of tenants by the entireties, the transfer of the Certificate of Membership and proprietary lease to the survivor shall be automatically accomplished and approved by the Board of Directors.

Section 4. The owner of a Certificate of Membership and proprietary lease, whether Resident or Non-Resident, may sublet the apartment premises assigned to said Certificate of Membership, or any part thereof, but the same must be in accordance with the provisions set forth in the By-Laws. A sub-lease shall terminate upon the conveyance or transfer of the Certificate of Membership and proprietary lease to the apartment under which said sub-lessee holds occupancy. The sub-leasing of an apartment must be approved by the Board of Directors, not only with reference to the occupants of said apartment, but also with reference to the period of time for said sub-lease. Approval of the sub-lease shall not release the Member from any of the obligations arising under the Certificate of Membership or under the proprietary lease. All actions of sub-lessee shall be deemed to be the actions of the owner, and accordingly, the owner shall be responsible and accountable therefor.

 Prior to entry by a Member into a lease sub-leasing his apartment, said Member must file with the Board of Directors an application requesting approval of the term of the lease and the persons who shall be the Lessee. The application shall give the name and address of the sub-lessee, the term of the lease and two Business and two Social references. Thereafter, the Board of Directors shall have fifteen (15) days in which to approve or disapprove the sub-lease. The Board of Directors’ approval shall be by four-sevenths (4/7) vote. If the Board of Directors fail to approve or disapprove the sub-lease within said fifteen (15) days, then the sub-lease shall automatically be approved.

Section 5. Sale, transfer, or other disposal of Certificates of Membership, whether they be resident or non-resident, shall be permitted only be the written consent of the Board of Directors. An application shall state the name and address of the person or persons to whom the Certificate of Membership is to be transferred, together with two Business and two Social references for said person or persons to whom these Certificates are to be transferred. The Board of Directors thereafter shall have fifteen (15) days in which to investigate and approve or disapprove said transferee. In the event that the transferee is not approved, the Board must state to the owner the reason for disapproval. All decisions by the Board of Directors approving or disapproving transferees shall be final and binding on all parties unless fraud can be shown. There shall be no action or causes of action, or other recourse against any Director, or against the Corporation, for action taken by the Board of Directors under this Section. In the event, however, the Board of Directors shall fail to act and shall fail to approve or disapprove said transferee within fifteen (15) days after the application for transfer has been filed with the Board, than in that event, the transfer shall be automatically approved. So long as the transferor of the Certificate of Membership and the proprietary lease is in good standing with the Corporation, and is not delinquent in any payment or payments, the transfer may be accomplished upon the books of the Corporation, and thereafter the transferor or Member shall be relieved of any and all further liability under the lease or Certificate of Membership.

Section 6. The Secretary of the corporation shall maintain a register in the corporation office showing the members and holders of all Certificates of Membership and proprietary leases, together with a list of any and all approved sub-leases, of any apartment, and together with a list of any and all interest which other persons may have in the Certificate of Membership or proprietary lease as hereinabove set forth.

Section 7. Guests shall be defined as one or more persons living in any given apartment without paying to the owner of the apartment any rental money or other considerations therefor. Guests living with Resident Members in joint occupancy of an apartment may remain in such joint occupancy only for a total of six months during any given twelve month period. Any one guest or group of guests occupying an apartment during the absence of its owner shall not occupy the apartment in combination of time longer than two months during any twelve month period. The President of a corporate owner shall not be deemed a guest within the meaning of this Section. Owners of Certificates of Ownership, whether they be Membership or Non-Membership, are totally, solely and completely responsible for all of the actions of their guests and lessees to the extent that each and every act and action of the guest and lessee shall be considered the act and action of the owner. Any person not an owner nor a guest as herein defined shall be determined as a sub-lessee and all applicable paragraphs of these By-Laws shall apply.

ARTICLE VII

ASSESSMENTS

Section 1. The owners of Certificates of Membership, both Resident and Non-Resident, being the holders of proprietary lease covering their apartment, shall pay no rental for the assigned apartment as such. However, the Board of Directors shall from time to time fix and determine the sum or sums of my money necessary and adequate for the continued ownership and efficient operation of Riverdale Arms Apartments, Inc. They shall determine the amount required for capital items, insurance, repairs, painting, operating expenditures, and all other maintenance items. All expenses related to the cost of maintaining and operating our recreational area - namely, Shuffle Board and Swimming Pool, shall be borne equally by all apartment owners. All capital expenses, insurance upon the apartment building, water cost, electrical costs, painting, repairs, or replacement of any parts to building as necessary or needed, parking lot expenses, yard maintenance expense, garbage disposal, repairs and replacement to sea wall, elevator operating and repair thereto, postage, stationary, or clerical expenses in connection with Riverdale Arms Apartments, Inc., and any other necessary maintenance or operating expense shall be pro-rated as follows: Two bedroom, two bath Apartment owners shall pay a combined total of twenty-eight per cent (28%) of such expenditures, said twenty-eight per cent to be divided equally among the two bedroom, two bath owners. Two bedroom, one bath Apartment owners shall pay a combined total of twelve per cent (12%) of such expenditures, said twelve per cent to be divided equally among the two bedroom, one bath owners. One bedroom, one bath Apartment owners shall pay a combined total of sixty per cent (60%) of such expenditures, said sixty per cent to be divided equally among the one bedroom, one bath owners.

 The first three (3) months regular assessment shall be paid within three days of the issuance of the Certificate of Occupancy. Thereafter, regular assessments shall be paid quarterly so that at all times the corporation shall have a full three months assessment prepaid.

 Special assessment for items benefitting all apartments equally, when and if any shall be required, shall be levied as needed and collected in the same manner provided for in regular assessments. The total requirement shall be assessed as a single sum against all twenty-seven apartments, and each Member shall pay his share of such assessments according to the character of the expenses, as afore set forth.

 Capital improvement special assessments shall be prorated as regular capital improvement assessments. After the Board of Directors has determined the amount of assessments necessary to be made against all of the Members in accordance with the above paragraphs, said assessment shall be given to the Treasurer who shall mail or present a statement for the same to each of the owners of Certificates of Membership within five (5) days after receiving said assessment. Thereafter, the Members shall pay the said statement within thirty (30) days. In every event where statements are mailed to Members, the Treasurer shall send the letter Registered, Return Receipt Requested. Upon receipt of payment from the Member by the Treasurer, the Treasurer shall mail a receipt and acknowledge payment of Assessment.

Section 2. In the event that the assessment is not paid within thirty (30) days, as aforesaid, the corporation, as hereinabove set forth, may declare it to have a lien against the Certificate of Membership and the proprietary lease, and may, if the apartment is sub-leased, demand and receive from the sub-lessee, the monies due to the owner of the Certificate of Membership. In the event that the Board of Directors does not desire to pursue this course of action, then upon fifteen (15) days written notice to the owner of the Certificate of Membership - said notice being sent by Registered Mail, Return Receipt Requested - the Board of Directors shall be empowered to declare the proprietary lease terminated, and thereafter, the Board of Directors shall be empowered to dispose of and sell, transfer or otherwise dispose of, either at public or private sale, to a bona fide purchaser for value, both the Certificate of Membership and the proprietary lease at the fair market value thereof. Thereafter, the Board of Directors shall deduct all costs and the expenses of the sale, all indebtedness owed to the corporation by the owner, including court costs, if any, attorney fees, if any, from the amount of the money received from the sale, and thereafter the proceeds thereof shall be paid forthwith to the owner. The corporation, if necessary, will also have the power to deduct as an expense of the sale, a broker’s commission, if any, and the cost of placing the apartment in a good and proper order if necessary for the disposal or sale to a new member.

ARTICLE VIII

DEFAULT

Section 1. If any owner of a Certificate of Membership or proprietary lease should fail to pay the rental assessment when due, as provided herein, or shall violate any covenant of his proprietary lease, or of these By-Laws, or any provision of the house rules and regulations formulated by the Board of Directors, then the Board of Directors shall direct the President or Vice-President of the corporation to notify such individual in writing of his default, and to request correction thereof within fifteen (15) days from the date of said notice, and to advise him of the corporation’s right under this Article, in the event of a non-correction of such default. Notice shall be sent by Registered Mail, Return Receipt Requested, at the address as stated in his proprietary lease, or at the address as last given to the Directors by such individual.

Section 2. If the default be not corrected within said fifteen (15) day period, the Board of Directors may:

1. Re-enter and repossess the apartment and remove all persons and personal property therefrom either by summary proceedings as provided for in the Statutes of the State of Florida, or by an eviction and ejectment action instituted pursuant to the Statutes of the State of Florida, or by force or otherwise, and thereafter corporation may rent the owner’s apartment as specifically provided in Paragraph 2 of Article III of the said Proprietary Lease. In addition, owner shall not be entitled to vote his Certificate of Membership but same shall be voted by the Corporation or any person appointed by proxies to vote such Certificate of Membership. If owner should correct his default after the exercise of the corporation of its right under sub-section (a) but before the exercise by corporation of its rights under sub-section (b), then the Certificate of Membership and Proprietary Lease shall be reinstated in owner’s name subject to the term of any sub-tenant.
2. In addition to the remedies provided in sub-section (a) or simultaneously therewith, the Board of Directors, by resolution passed upon the affirmative vote of not less than four of the seven members of the Board of Directors, may elect to terminate the lease of the owner, and cancel his Certificate of Membership, upon ten (10) days written notice to him at the address specified in his proprietary lease, Registered Mail, Return Receipt Requested. The notice shall state the reason for the termination of the lease and the cancellation of the Certificate of Membership. It shall further advise him that he shall have a right to be heard, and to produce witnesses in his own behalf, under the provisions of the Statutes of the State of Florida. The person so in default shall have the opportunity of either submitting a sworn and signed statement in his behalf, or producing evidence. Either shall be presented to the Board of Directors within fifteen (15) days after the receipt of the notice by said person of the Board’s election to terminate the lease, and cancel the certificate of membership. Should the defaulting member produce evidence or file a sworn statement with the Board of Directors, then the Directors at their next regular meeting, or at a special meeting called for that purpose, shall review the same. If four-sevenths of the Directors concur in the terminating of the lease and the cancellation of the Certificate of Membership, then such shall be immediately accomplished by the Board of Directors. Should four-sevenths in number of the Directors fail to approve such action, the owner shall have his stock and proprietary lease reinstated, providing all defaults have been corrected.

(c) Upon the termination of the proprietary lease and Certificate of Membership of any owner by the Board of Directors, then the Board of Directors and the officers of this corporation shall, either simultaneously with the eviction and ejectment of the owner whose proprietary lease has been terminated and Certificate of Membership cancelled, at a public or private sale, either with or without notice, sell the Certificate of Membership and proprietary lease to a bona fide purchaser for value, at the best price obtainable. At such sale, the Corporation shall be determined to be a bona fide purchaser for value, and may purchase the proprietary lease and Certificate of Membership. From the proceeds of any such sale, the corporation may deduct the costs of the sale, legal expenses, and any other expenses connected therewith, and apply the residue thereof, to any sums due the corporation by such owner, and then return the excess monies, if any, to the owner.

Section 3. Subject to the provisions of the Florida Statutes, upon the written complaint of any owner of a Certificate of Membership, or upon its own action, the Board of Directors may elect to terminate the lease and cancel the Certificate of Membership of any owner thereof if he persists repeatedly in violations of his lease, the Certificate of Incorporation and By-Laws of this corporation, and the House Rules and Regulations promulgated by the Board of Directors of this corporation, or if any owner commits any indecent or morally objectionable act.

ARTICLE IX

FINANCE

Section 1. The funds of the corporation shall be deposited with such banks as shall be designated by the Board of Directors for that purpose, and money shall be withdrawn therefrom only upon check or order signed by the President and countersigned by the Treasurer or any two (2) officers who shall be from time to time designated by the Board of Directors for that purpose.

Section 2. The fiscal and accounting year of this corporation shall be fixed by resolution of the Board of Directors of this corporation.

Section 3. The value assigned to the proprietary lease and Certificate of Membership for their issuance is designated at One Hundred dollars ($100.00) each.

Section 4. The property belonging to the corporation shall not be sold, leased or mortgaged as an entirety without the approval by vote, or written consent of three-fourths (3/4) of all of the owners of Certificates of Membership and Proprietary Leases. In the event that the Owners of the Certificates of Membership and Proprietary Leases shall decree that the property be sold, or in the event that the property shall be sold involuntarily or as a part of the dissolution or winding up of the corporation, all members having Certificates of Membership and Proprietary Leases shall be entitled to share in the net proceeds of the sale in the same proportion as the purchase price of his Proprietary Lease and Certificate of Membership bears to the total purchase price of all of the Certificates of Membership and Proprietary Leases purchased by the owners thereof, provided that the corporation effects a liquidation after such sale. It is understood, however, that should any individual owner owe the corporation any money, then such unpaid balance shall be deducted from his prorated share of the sale price.

Section 5. In order to preserve a uniform and homogenous outside appearance, there shall be no alterations, changes, additions or other modifications, either permanent or temporary, in any manner whatsoever, to the exterior of the building, including by way of explanation and not limitation, the stairways, walkways, walls, roof, windows, doors, or any portion of the grounds, without first having the approval by vote of three-fourths (3/4) of all the owners of Certificates of Membership and Proprietary Leases. This provision shall include outside sun shutters and storm shutters.

Section 6. No owner of a Certificate of Membership or Proprietary Lease shall be entitled (either conditionally or unconditionally) to receive any distribution not out of earnings and profits of the corporation, if any, except on a complete or partial liquidation of the corporation.

Section 7. No more than twenty per cent (20%) of the gross income of the corporation as defined for Federal Income Tax purposes shall be derived from sources other than rentals and assessments paid by the owners of Certificates of Membership and Proprietary Leases, pursuant to Article VII above.

ARTICLE X

AMENDMENTS

Section 1. These By-Laws may be altered, amended or added to at any duly called meeting of members, upon the following terms and conditions:

1. That the notice of meeting, whether special or regular, shall contain a full statement of the proposed amendment.
2. That a three-quarter (3/4) vote of all of the owners of Certificates of Membership and Proprietary Lease of the corporation shall be necessary to amend, alter, change or repeal any of the By-Laws.
3. That no by-Laws or amendment shall be retroactive so as to affect any action heretofore taken by any member.

ARTICLE XI

GENERAL PROVISIONS

Section 1. The Board of Directors shall have power to make and change, from time to time, House Rules and Regulations applicable to the apartment building of the corporation, whenever the Board of Directors deems it advisable to do so. All House Rules and Regulations promulgated by the Board of Directors from time to time shall be binding on all tenants and occupants of the apartments leased to the owners of Certificates of Membership and Proprietary Leases and shall be made a part of the latter by reference, provided that such Rules and Regulations thus promulgated apply uniformly to all owners and occupants of leased apartments.

**Revised February 26, 1974**

Riverdale Arms Apartments, 701 S. Riverside Drive, Pompano Beach, Florida 33062

AMENDMENT TO BY-LAWS

Approved and Adopted at Annual Meeting, January 21, 1981

ARTICLE VI

PROPRIETARY LEASES AND CERTIFICATES OF MEMBERSHIP

Section 4. Delete the following wording:

“The owner of a Certificate of Membership and Proprietary Lease, whether Resident or Non-Resident, may sublet the apartment premises assigned to said Certificate of Membership, or any part thereof, but the same must be in accordance with the provisions set forth in the By-Laws”.

Replace the above deletion with the following provision:

“It is the intent that the owner of each apartment of Riverdale Arms Cooperative Apartments shall occupy and use such apartment as a private dwelling for himself and his immediate family and for no other purposes including business purposes. Therefore the leasing of apartments to others as a regular practice for business, speculative, investment or other similar purposes is not permitted.”

“To meet a special emergency situation and to avoid undue hardship or practical difficulties, the Board of Directors may grant permission to an owner to lease his apartment to a specified lessee for a period of not less than four consecutive months nor more than twelve consecutive months.”

Also under same Article VI, Section 4, second paragraph on line 18, page 13, there be inserted between the words “application” and “requesting” the following provision:

 “fully describing the emergency or hardship nature of the application”.

Please keep this important amendment with your copy of the Corporate By-Laws.