

By Representative Edwards

1 A bill to be entitled
2 An act relating to timeshare plans; amending s.
3 721.03, F.S.; revising language with respect to
4 the scope of the chapter; providing for certain
5 rules; amending s. 721.06, F.S.; revising
6 language with respect to contracts for the
7 purchase of timeshare periods; amending s.
8 721.07, F.S.; revising language with respect to
9 public offering statements; providing a time
10 period for amendments which add a new component
11 site to an approved multisite timeshare plan;
12 amending s. 721.075, F.S.; deleting language
13 with respect to certain incidental benefits
14 offered by a developer; amending s. 721.09,
15 F.S.; revising language with respect to
16 reservation agreements; providing for
17 cancellation of such agreements under certain
18 circumstances; amending s. 721.13, F.S.;
19 revising language with respect to management;
20 amending s. 721.15, F.S.; revising language
21 with respect to assessments for common
22 expenses; amending s. 721.18, F.S.; revising a
23 time period with respect to the filing of
24 certain information concerning exchange
25 programs; amending s. 721.26, F.S.; authorizing
26 the imposition of penalties with respect to
27 certain rules; creating part III of chapter
28 721, F.S.; creating the "Timeshare Lien
29 Foreclosure Act"; providing legislative
30 purpose; providing definitions; providing
31 qualifications of trustees and appointment of

1 successor trustees; providing for disclosure
2 and acknowledgment; providing for conditions to
3 the exercise of the power of sale by a trustee;
4 providing for the manner of delivery of notice
5 of default and intent to sell; providing for
6 notice of sale; providing for publication of
7 notice of sale; providing for trustee's
8 certificate of compliance; providing for the
9 manner of sale; providing for the effect of the
10 trustee's sale; providing for the issuance of a
11 trustee's deed; providing for the disposition
12 of the proceeds of sale; providing for the form
13 and effect of the trustee's deed; providing for
14 the application of the part; providing an
15 effective date.

16
17 Be It Enacted by the Legislature of the State of Florida:

18
19 Section 1. Paragraphs (b) and (c) of subsection (1) of
20 section 721.03, Florida Statutes, are amended to read:

21 721.03 Scope of chapter.--

22 (1) This chapter applies to all timeshare plans
23 consisting of more than seven timeshare periods over a period
24 of at least 3 years in which the accommodations or facilities
25 are located within this state; provided that:

26 (b) With respect to timeshare plans containing
27 accommodations or facilities located in this state which are
28 offered for sale outside the jurisdictional limits of the
29 United States, such offers shall be exempt from the
30 requirements of this chapter so long as the seller files the
31 information required by s. 721.07 or s. 721.55 with, and

1 obtains the approval of, the division ~~complies with the~~
2 ~~provisions of this paragraph.~~ This exemption shall come into
3 effect upon the filing of such information with the division,
4 so long as approval is obtained within 6 months of the initial
5 filing at which time the exemption will expire unless the
6 division stipulates otherwise or approves the filing. The
7 fees set forth in s. 721.07(4) shall apply to all filings made
8 hereunder.Each purchase contract utilized in any offer of a
9 timeshare plan that occurs outside the jurisdictional limits
10 of the United States shall contain the following disclosure in
11 conspicuous type immediately above the space provided for the
12 purchaser's signature:

13
14 The offering of this timeshare plan outside the jurisdictional
15 limits of the United States of America is exempt from
16 regulation under Florida law, and any such purchase is not
17 protected by the State of Florida. However, the management
18 and operation of any accommodations or facilities located in
19 Florida is subject to Florida law and may give rise to
20 enforcement action regardless of the location of any offer.

21
22 Purchaser should note that (name of developer or other person
23 or entity) at (address) has a (describe developer's or other
24 person's or entity's actual interest) in the accommodations
25 and facilities of the timeshare plan.

26
27 (c) The exemption provided in paragraph (a) shall not
28 apply unless and until a claim of exemption from regulation
29 containing the information required by paragraph (a) and s.
30 721.51(3)(b) and accompanied by the fee required by s.
31 721.51(3)(b) is filed with and approved by the division. The

1 division is authorized to promulgate rules designating those
2 provisions of ss. 721.07 and 721.55 which need not be
3 addressed in the filings required in paragraph (b). ~~The~~
4 ~~exemption provided in paragraph (b) shall only apply to~~
5 ~~accommodations or facilities which have first been filed with~~
6 ~~and approved by the division pursuant to s. 721.07 or s.~~
7 ~~721.55.~~

8 Section 2. Paragraph (f) of subsection (1) of section
9 721.06, Florida Statutes, is amended to read:

10 721.06 Contracts for purchase of timeshare periods.--

11 (1) Each seller shall utilize, and furnish each
12 purchaser a fully completed and executed copy of, a contract
13 pertaining to the sale, which contract shall include the
14 following information:

15 (f) Immediately prior to the space reserved in the
16 contract for the signature of the purchaser, in conspicuous
17 type, substantially the following statements:

18

19 You may cancel this contract without any penalty or
20 obligation within 10 calendar days after ~~from~~ the date you
21 sign this contract, and within ~~until~~ 10 calendar days after
22 the date you receive the approved public offering statement,
23 whichever is later.

24 If you decide to cancel this contract, you must notify
25 the developer in writing of your intent to cancel. Your
26 notice of cancellation shall be effective upon the date sent
27 and shall be sent to ...(Name of Developer)... at ...(Address
28 of Developer).... Any attempt to obtain a waiver of your
29 cancellation right is unlawful. While you may execute all
30 closing documents in advance, the closing, as evidenced by

31

1 delivery of the deed or other document, before expiration of
2 your 10-day cancellation period, is prohibited.

3 Section 3. Paragraph (a) of subsection (3) of section
4 721.07, Florida Statutes, is amended to read:

5 721.07 Public offering statement.--Prior to offering
6 any timeshare plan, the developer must file a public offering
7 statement with the division for approval as prescribed by s.
8 721.03, s. 721.55, or this section. Until the division
9 approves such filing, any contract regarding the sale of the
10 timeshare plan which is the subject of the public offering
11 statement is voidable by the purchaser.

12 (3)(a)1. Any change to an approved filing shall be
13 filed with the division for approval as an amendment prior to
14 becoming effective. The division shall have 20 days after
15 receipt of a proposed amendment to approve or cite
16 deficiencies in the proposed amendment. If the division fails
17 to act within 20 days, the amendment will be deemed approved.
18 In the event that the proposed amendment adds a new component
19 site to an approved multisite timeshare plan, the division's
20 initial period in which to approve or cite deficiencies shall
21 be 45 days.If the developer fails to adequately respond to
22 any deficiency notice within 30 days, the division may reject
23 the amendment. Subsequent to such rejection, a new filing fee
24 pursuant to subsection (4) and a new division initial review
25 period pursuant to this paragraph shall apply to any refiling
26 or further review of the rejected amendment.

27 2. For filings only subject to this part, each
28 approved amendment, other than an amendment made only for the
29 purpose of the addition of a phase or phases to the timeshare
30 plan in the manner described in the timeshare instrument,
31 shall be delivered to a purchaser no later than 10 days prior

1 to closing. For filings made under part II, each approved
2 amendment to the multisite timeshare plan public offering
3 statement, other than an amendment made only for the purpose
4 of the addition, substitution, or deletion of a component site
5 pursuant to part II or the addition of a phase or phases to a
6 component site of a multisite timeshare plan in the manner
7 described in the timeshare instrument, shall be delivered to a
8 purchaser no later than 10 days prior to closing.

9 3. Amendments made to a timeshare instrument for a
10 component site located in this state shall only be delivered
11 to those purchasers who will receive a timeshare estate or a
12 specific timeshare license in that component site. Amendments
13 made to a timeshare instrument for a component site not
14 located in this state are not required to be delivered to
15 purchasers.

16 Section 4. Subsections (4) and (5) of section 721.075,
17 Florida Statutes, are amended to read:

18 721.075 Incidental benefits.--Incidental benefits
19 shall be offered only as provided in this section.

20 ~~(4) If the aggregate represented value of all~~
21 ~~incidental benefits offered by a developer to a purchaser~~
22 ~~exceeds 5 percent of the purchase price paid by that~~
23 ~~purchaser, then, prior to offering the incidental benefits,~~
24 ~~the developer must file an irrevocable letter of credit,~~
25 ~~surety bond, or other assurance acceptable to the director of~~
26 ~~the division that will reasonably assure the delivery of the~~
27 ~~promised incidental benefits to the purchaser; provided,~~
28 ~~however, that the maximum amount of such assurance shall equal~~
29 ~~the portion of the aggregate represented value of the offered~~
30 ~~incidental benefits which exceeds 5 percent of the purchase~~
31 ~~price contracted for by that purchaser. Proceeds from any~~

1 ~~assurance accepted by the division shall be used to provide~~
2 ~~refunds to purchasers pursuant to this section. If the~~
3 ~~aggregate represented value of all incidental benefits offered~~
4 ~~by a developer to a purchaser is equal to or less than 5~~
5 ~~percent of the purchase price paid by that purchaser, no~~
6 ~~assurance shall be required from the developer prior to~~
7 ~~offering any incidental benefit.~~

8 (4)~~(5)~~ All purchaser remedies pursuant to s. 721.21
9 shall be available for any violation of the provisions of this
10 section.

11 Section 5. Subsection (1) of section 721.09, Florida
12 Statutes, is amended to read:

13 721.09 Reservation agreements; escrows.--

14 (1)(a) Prior to filing the public offering statement
15 with the division, a seller shall not offer a timeshare plan
16 for sale but may accept reservation deposits and advertise the
17 reservation deposit program upon approval by the division of a
18 fully executed escrow agreement and reservation agreement
19 properly filed with the division.

20 (b) Reservations shall not be taken on a timeshare
21 plan unless the seller has an ownership interest or leasehold
22 interest, of a duration at least equal to the duration of the
23 proposed timeshare plan, in the land upon which the timeshare
24 plan is to be developed.

25 (c) In the event the timeshare plan which is the
26 subject of the reservation agreement has not been filed with
27 the division pursuant to s. 721.07(5) or s. 721.55 within 90
28 days after the date the division approves the reservation
29 agreement filing, the seller shall immediately cancel all
30 outstanding reservation agreements, refund all escrowed funds
31 to prospective purchasers, and discontinue accepting

1 reservation deposits or advertising the availability of
2 reservation agreements.

3 (d) A seller who has filed a reservation agreement and
4 an escrow agreement pursuant to this section may advertise the
5 reservation agreement program provided that the advertising
6 material meets the following requirements:

7 1. The seller shall comply with the provisions of s.
8 721.11 with respect to such advertising material.

9 2. The advertising material shall be limited to a
10 general description of the proposed timeshare plan, including,
11 but not limited to, a general description of the type, number,
12 and size of accommodations and facilities and the name of the
13 proposed timeshare plan.

14 3. The advertising material shall contain a statement
15 that the advertising material is being distributed in
16 connection with an approved reservation agreement filing only
17 and that the seller cannot offer an interest in the timeshare
18 plan for sale until a public offering statement has been filed
19 with the division in accordance with this chapter.

20 Section 6. Paragraphs (e) and (i) of subsection (3)
21 and subsection (4) of section 721.13, Florida Statutes, are
22 amended to read:

23 721.13 Management.--

24 (3) The duties of the managing entity include, but are
25 not limited to:

26 (e) Arranging for an annual ~~independent~~ audit of the
27 financial statements ~~all the books and financial records~~ of
28 the timeshare plan by a certified public accountant licensed
29 by the Board of Accountancy of the Department of Business and
30 Professional Regulation, in accordance with generally accepted
31 auditing standards as defined by the rules of the Board of

1 Accountancy of the Department of Business and Professional
2 Regulation. The financial statements required by this section
3 shall be prepared on an accrual basis using fund accounting,
4 and shall be presented in accordance with generally accepted
5 accounting principles. A copy of the audited financial
6 statements ~~audit~~ shall be filed with the division and
7 forwarded to the board of directors and officers of the
8 owners' association, ~~or,~~ if one exists, no later than 5
9 calendar months after the end of the timeshare plan's fiscal
10 year. If no owners' association exists, the owner of each
11 purchaser timeshare period shall be notified, no later than 5
12 months after the end of the timeshare plan's fiscal year that
13 a copy of the audited financial statements ~~such audit~~ is
14 available upon request to the managing entity. Notwithstanding
15 any requirement of s. 718.111(13) or (14) the audited
16 financial statements required by this section shall be the
17 only annual financial reporting requirements for timeshare
18 condominiums.

19 (i) Submitting to the division the statement of
20 receipts and disbursements regarding the ad valorem tax escrow
21 account as required by s. 192.037(6)(e). The statement of
22 receipts and disbursements shall also include a statement
23 disclosing that all ad valorem taxes have been paid in full to
24 the tax collector through the current assessment year, or, if
25 all such ad valorem taxes have not been paid in full to the
26 tax collector, a statement disclosing those assessment years
27 for which there are outstanding ad valorem taxes due and the
28 total amount of all delinquent taxes, interest, and penalties
29 for each such assessment year as of the date of the statement
30 of receipts and disbursements.

31

1 (4) The managing entity shall maintain among its
2 records and provide to the division upon request a complete
3 list of the names and addresses of all purchasers and owners
4 of timeshare units in the timeshare plan. The managing entity
5 shall update this list no less frequently than quarterly.
6 Pursuant to paragraph (3)(d), the managing entity may not
7 publish this owner's list or provide a copy of it to any
8 purchaser or to any third party other than the division.
9 ~~However, if the managing entity includes a condominium~~
10 ~~association subject to the provisions of chapter 718 or a~~
11 ~~cooperative association subject to the provisions of chapter~~
12 ~~719,~~ the managing entity shall initiate a mailing to those
13 persons listed on the owner's list upon the written request of
14 any purchaser if the purpose of the mailing is to advance
15 legitimate association business, such as a proxy solicitation
16 for any purpose, including the recall of one or more board
17 members or the discharge of the manager or management firm.
18 The use of any proxies solicited in this manner must comply
19 with the provisions of the timeshare instrument and this
20 chapter. The board of administration of the association shall
21 be responsible for determining the appropriateness of any
22 mailing requested pursuant to this subsection, and it shall be
23 a violation of this chapter and of part VIII of chapter 468
24 for the board of administration and/or the manager or
25 management firm to refuse to initiate any mailing requested
26 for the purpose of advancing legitimate association business.
27 The purchaser who requests the mailing must reimburse the
28 association in advance for the association's actual costs in
29 performing the mailing.

30 Section 7. Subsection (1) of section 721.15, Florida
31 Statutes, is amended to read:

1 721.15 Assessments for common expenses.--
2 (1) Until a managing entity is created or provided
3 pursuant to s. 721.13, the developer shall pay all common
4 expenses. The timeshare instrument shall provide for the
5 allocation of common expenses among all timeshare units or
6 timeshare periods on a reasonable basis, as appropriate,
7 including timeshare periods owned or not yet sold by the
8 developer. Further, the timeshare instrument may provide that
9 the common expenses allocated may differ between those units
10 which are part of the timeshare plan and those units that are
11 not part of the timeshare plan; however, the different
12 proportion of expenses shall be based upon reasonable
13 differences in the benefit provided to each.The timeshare
14 instrument shall allocate common expenses to timeshare periods
15 owned or not yet sold by the developer on the same basis that
16 common expenses are allocated to similar or equivalent
17 timeshare periods sold to purchasers. Notwithstanding any
18 provision of chapter 718 or chapter 719 to the contrary,
19 allocation of common expenses for condominium or cooperative
20 timeshare plans may vary on the basis of type of common
21 expense category, unit size, unit type, a combination of these
22 factors, or any other reasonable basis as approved by the
23 division pursuant to s. 721.07. ~~Timeshare plans that are also~~
24 ~~governed by chapter 718 or chapter 719 shall allocate common~~
25 ~~expenses among the timeshare units in the manner required by~~
26 ~~those chapters.~~
27 Section 8. Subsection (2) of section 721.18, Florida
28 Statutes, is amended to read:
29 721.18 Exchange programs; filing of information and
30 other materials; filing fees; unlawful acts in connection with
31 an exchange program.--

1 (2) Each exchange company offering an exchange program
2 to purchasers in this state shall file the information
3 specified in subsection (1) and the audit specified in
4 subsection (1) on or before June 1 ~~at least 20 days prior to~~
5 ~~July 1~~ of each year. However, an exchange company shall make
6 its initial filing at least 20 days prior to offering an
7 exchange program to any purchaser in this state. Each filing
8 shall be accompanied by an annual filing fee of \$500. Within
9 20 days of receipt of such filing, the division shall
10 determine whether the filing is adequate to meet the
11 requirements of this section and shall notify the exchange
12 company in writing that the division has either approved the
13 filing or found specified deficiencies in the filing. If the
14 division fails to respond within 20 days, the filing shall be
15 deemed approved. The exchange company may correct the
16 deficiencies; and, within 10 days after receipt of corrections
17 from the exchange company, the division shall notify the
18 exchange company in writing that the division has either
19 approved the filing or found additional specified deficiencies
20 in the filing. If at any time the division determines that any
21 of such information supplied by an exchange company fails to
22 meet the requirements of this section, the division may
23 undertake enforcement action against the exchange company in
24 accordance with the provision of s. 721.26.

25 Section 9. Paragraphs (a) and (e) of subsection (5) of
26 section 721.26, Florida Statutes, are amended to read:

27 721.26 Regulation by division.--The division has the
28 power to enforce and ensure compliance with the provisions of
29 this chapter using the powers provided in this chapter, as
30 well as the powers prescribed in chapters 498, 718, and 719.

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1 In performing its duties, the division shall have the
2 following powers and duties:

3 (5) Notwithstanding any remedies available to
4 purchasers, if the division has reasonable cause to believe
5 that a violation of this chapter, or of any division rule or
6 order promulgated or issued pursuant to this chapter, has
7 occurred, the division may institute enforcement proceedings
8 in its own name against any regulated party, as such term is
9 defined in this subsection:

10 (a)1. "Regulated party," for purposes of this section,
11 means any developer, exchange company, seller, managing
12 entity, association, association director, association
13 officer, management firm, escrow agent, trustee, any
14 respective assignees or agents, or any other person having
15 duties or obligations pursuant to this chapter.

16 2. Any person who materially participates in any offer
17 or disposition of any interest in, or the management or
18 operation of, a timeshare plan in violation of this chapter or
19 relevant rules involving fraud, deception, false pretenses,
20 misrepresentation, or false advertising or the disbursement,
21 concealment, or diversion of any funds or assets, which
22 conduct adversely affects the interests of a purchaser, and
23 which person directly or indirectly controls a regulated party
24 or is a general partner, officer, director, agent, or employee
25 of such regulated party, shall be jointly and severally liable
26 under this subsection with such regulated party, unless such
27 person did not know, and in the exercise of reasonable care
28 could not have known, of the existence of the facts giving
29 rise to the violation of this chapter. A right of
30 contribution shall exist among jointly and severally liable
31 persons pursuant to this paragraph.

1 (e)1. The division may impose a penalty against any
2 regulated party for a violation of this chapter or any rule
3 promulgated thereunder. A penalty may be imposed on the basis
4 of each day of continuing violation, but in no event may the
5 penalty for any offense exceed \$10,000. All accounts
6 collected shall be deposited with the Treasurer to the credit
7 of the Division of Florida Land Sales, Condominiums, and
8 Mobile Homes Trust Fund.

9 2.a. If a regulated party fails to pay a penalty, the
10 division shall thereupon issue an order directing that such
11 regulated party cease and desist from further operation until
12 such time as the penalty is paid; or the division may pursue
13 enforcement of the penalty in a court of competent
14 jurisdiction.

15 b. If an association or managing entity fails to pay a
16 civil penalty, the division may pursue enforcement in a court
17 of competent jurisdiction.

18 Section 10. Part III of chapter 721, Florida Statutes,
19 consisting of ss. 721.80, 721.81, 721.82, 721.83, 721.84,
20 721.85, 721.86, 721.87, 721.88, 721.89, 721.90, 721.91,
21 721.92, 721.93, 721.94, and 721.95, Florida Statutes, is
22 created to read:

23 PART III

24 FORECLOSURE OF LIENS ON TIMESHARE ESTATES

25 721.80 Short title.--This part may be cited as the
26 "Timeshare Lien Foreclosure Act."

27 721.81 Legislative purpose.--The purposes of this part
28 are to:

29 (1) Give statutory recognition to timeshare estates as
30 parcels of real property used for vacation experience rather
31 than for homestead purposes.

1 (2) Recognize that the economic health and efficient
2 operation of the vacation ownership industry are in part
3 dependent upon the availability of an efficient and economical
4 process for foreclosure.

5 (3) Establish streamlined procedures for the
6 foreclosure of any and all assessment liens and mortgage liens
7 against a timeshare estate.

8 (4) Recognize the need to assist vacation ownership
9 resort owners' associations by simplifying and expediting the
10 process of foreclosure of assessment liens and mortgage liens.

11 721.82 Definitions.--As used in this part, the term:

12 (1) "Assessment lien" means:

13 (a) A lien for delinquent assessments as provided in
14 ss. 721.16 and 718.116 as to timeshare condominiums; or

15 (b) A lien for unpaid taxes and special assessments as
16 provided in s. 192.037(8).

17 (2) "Claim of lien" means a claim of an assessment
18 lien recorded as provided in ss. 721.16 and 718.116 as to
19 timeshare condominiums.

20 (3) "Junior interestholder" means any person who has a
21 lien or interest of record against a timeshare estate in the
22 county in which the timeshare estate is located which is
23 inferior to the mortgage lien or assessment lien being
24 foreclosed under this part.

25 (4) "Lienholder" means a holder of an assessment lien
26 or a holder of a mortgage lien, as applicable.

27 (5) "Mortgage" shall have the same meaning in this
28 part as set forth in s. 697.01.

29 (6) "Mortgage lien" means a security interest in a
30 timeshare estate created by a mortgage encumbering the
31 timeshare estate.

1 (7) "Mortgagee" means a person holding a mortgage
2 lien.
3 (8) "Mortgagor" means a person granting a mortgage
4 lien.
5 (9) "Notice address" means:
6 (a) As to an assessment lien, the address of the
7 current owner of a timeshare estate as reflected by the books
8 and records of the timeshare plan pursuant to ss. 721.13(4)
9 and 721.15(7);
10 (b) As to a mortgage lien, the address of the
11 mortgagor as set forth in the mortgage, the promissory note or
12 a separate document executed by the mortgagor at the time the
13 mortgage lien was created, or the most current address of the
14 mortgagor according to the records of the mortgagee; or
15 (c) As to a junior interestholder, the address as set
16 forth in the recorded instrument creating the junior interest
17 or lien.
18 (10) "Obligor" means either the mortgagor, the person
19 obligated under a claim of lien, or the record owner of the
20 timeshare estate, as the context requires.
21 (11) "Power of sale" means:
22 (a) An express written agreement in a mortgage
23 identifying the mortgagor, mortgagee, and the trustee; or
24 (b) An express written provision in a timeshare
25 instrument identifying the managing entity and the trustee,
26 which authorizes the trustee to sell the timeshare estate
27 without judicial action at a foreclosure sale regularly
28 conducted and duly held in accordance with this part.
29
30 However, as to assessment liens only, no written agreement
31 shall be required for a receiver for the association to sell a

1 timeshare estate without judicial action at a foreclosure sale
2 regularly conducted and duly held in accordance with this
3 part.

4 (12) "Trustee" means any person entitled to exercise a
5 power of sale. The mortgagee or managing entity may not serve
6 as the trustee.

7 721.83 Qualifications of trustees and appointment of
8 successor trustees.--

9 (1) A trustee shall be any:

10 (a) Attorney who is an active licensed member of The
11 Florida Bar in good standing or a law firm among whose members
12 includes such an attorney;

13 (b) Bank, trust company, or savings and loan
14 association authorized to do business under the laws of
15 Florida or the United States;

16 (c) Corporation authorized to conduct a trust business
17 under the laws of Florida or the United States; or

18 (d) Title insurance company or agent authorized to do
19 business under the laws of Florida pursuant to chapter 626.

20 (2) An attorney who is a trustee under paragraph
21 (1)(a) may represent the mortgagee or the managing entity or
22 the receiver foreclosing under this part in addition to
23 performing the duties of a trustee under a power of sale.

24 (3) Successor trustees may be appointed by a mortgagee
25 or by a managing entity at any time by recording a notice of
26 substitution of trustee in the public records for the county
27 in which the timeshare estate is located. From the time the
28 substitution of trustee is recorded, the successor trustee
29 shall succeed to all the powers, duties, and authority of the
30 original trustee and successor trustees, if any.

31

1 (4) The recorded notice of substitution of trustee
2 must identify:

3 (a) The mortgage or timeshare instrument.

4 (b) The names of the original parties to the mortgage
5 or timeshare instrument.

6 (c) The date of recordation of the mortgage or
7 timeshare instrument.

8 (d) The official record book and page number where the
9 mortgage or timeshare instrument is recorded.

10 (e) The name of the successor trustee.

11 (f) The name of the trustee being replaced.

12
13 The notice must recite acceptance by the successor trustee of
14 his or her duties and must be dated, signed, and acknowledged
15 by the mortgagee or the managing entity and the successor
16 trustee. Such notice of substitution of trustee shall be
17 validly made when completed in accordance with this subsection
18 and recorded in accordance herewith. No resignation of the
19 original trustee is required.

20 721.84 Disclosure and acknowledgment.--

21 (1) In order to foreclose a mortgage lien pursuant to
22 this part, the following conditions shall have been met:

23 (a) The mortgage recorded in the public records of the
24 county in which the timeshare estate being foreclosed is
25 located shall contain a statement in conspicuous type in
26 substantially the following form:

27 There is a mortgage lien against your timeshare estate
28 for which a portion of the purchase price was paid by money
29 borrowed and secured by this mortgage which must be repaid in
30 accordance with this mortgage. Your failure to make the

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1 payments required by this mortgage may result in foreclosure
2 of the mortgage lien.

3 Mortgagor acknowledges that if the obligations
4 established by this mortgage are not satisfied and mortgagor
5 does not cure such default in accordance with the terms
6 hereof, then the mortgage lien created by this mortgage can be
7 foreclosed through a nonjudicial procedure in accordance with
8 part III of chapter 721, Florida Statutes. Mortgagor
9 understands that he will not be subject to a deficiency
10 judgment or personal liability resulting from a nonjudicial
11 foreclosure procedure, even if the sale of his timeshare
12 estate resulting from the foreclosure is insufficient to
13 offset the amount of the default. Mortgagor further
14 acknowledges that trustee will send the notice required by
15 such procedure to the mortgagor's notice address and mortgagor
16 agrees to inform mortgagee of address changes. Mortgagor
17 consents to notification by certified or registered mail and
18 agrees that any person at the mortgagor's notice address may
19 acknowledge receipt of any correspondence received in
20 connection with such procedure. Mortgagor understands that
21 trustee may notify mortgagor of the commencement of the
22 procedure by publication if delivery of the notice is not
23 accepted at the notice address. If mortgagor sends trustee a
24 written objection to the nonjudicial procedure stating the
25 reasons for such objection, the matter will be transferred to
26 a judicial procedure but mortgagor understands and agrees that
27 in the judicial foreclosure procedure, he may be subject to a
28 deficiency judgment or personal liability if the sale of his
29 timeshare estate resulting from the foreclosure is
30 insufficient to offset the amount of the default. Mortgagor
31 further understands and agrees that in the judicial procedure

1 if the court finds that the objection or defense is without
2 merit, then mortgagor may be personally liable for the costs
3 and attorney's fees incurred by the mortgagee in the judicial
4 foreclosure.

5 (b) The mortgage, promissory note, or a separate
6 instrument signed by the mortgagor shall contain the
7 mortgagor's notice address.

8 (2) In order to foreclose an assessment lien pursuant
9 to this part, the following conditions shall have been met:

10 (a) The timeshare instrument recorded in the public
11 records of the county in which the timeshare estate being
12 foreclosed is located shall contain a statement in conspicuous
13 type in substantially the following form:

14 Each owner understands that if the obligations owed for
15 assessments of the association and for ad valorem taxes and
16 special assessments are not satisfied and owner does not
17 timely cure such default, then the lien securing the payment
18 of such obligations can be foreclosed through a nonjudicial
19 procedure in accordance with part III of chapter 721, Florida
20 Statutes. Owner understands that he will not be subject to a
21 deficiency judgment or personal liability resulting from a
22 nonjudicial foreclosure procedure, even if the sale of his
23 timeshare estate resulting from the foreclosure is
24 insufficient to offset the amount of the default. Owner
25 acknowledges trustee will send the notice required by such
26 procedure to the owner's notice address and owner agrees to
27 inform the managing entity of address changes. Owner consents
28 to notification by certified or registered mail and agrees
29 that any person at the owner's notice address may acknowledge
30 receipt of any correspondence received in connection with such
31 procedure. Owner understands that trustee may notify owner of

1 the commencement of the procedure by publication if delivery
2 of the notice is not accepted at the notice address. If owner
3 sends the trustee a written objection to the nonjudicial
4 procedure stating the reasons for such objection, the matter
5 will be transferred to a judicial procedure but owner
6 understands and agrees that in the judicial foreclosure
7 procedure, the owner may be subject to a deficiency judgment
8 or personal liability if the sale of his timeshare estate
9 resulting from the foreclosure is insufficient to offset the
10 amount of the default. Owner further understands and agrees
11 that in the judicial procedure if the court finds that the
12 owner's objection or defense is without merit, then owner may
13 be personally liable for the costs and attorney's fees
14 incurred by the managing entity in the judicial foreclosure.

15 (b) Each purchaser also shall have signed a specific
16 acknowledgment containing a statement in substantially the
17 form in paragraph (a), containing the notice address of such
18 purchaser. This written acknowledgment may be included in an
19 instrument containing other acknowledgments by the purchaser
20 or may be accomplished by a separate instrument; however, the
21 instrument containing such written statement will become a
22 part of the books and records of the association.

23 (c) The public offering statement text shall contain a
24 statement in conspicuous type in substantially the following
25 form:

26 There is a lien or lien right against each timeshare
27 estate to secure the payment of assessments or other amounts
28 due from owners to the association in accordance with the
29 operating budget and special assessments and to secure payment
30 of assessments for ad valorem real estate taxes. A purchaser's
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1 failure to make such required payments may result in
2 foreclosure of an assessment lien.

3 Assessment liens may be foreclosed in accordance with
4 the judicial procedure established by Florida law or a
5 nonjudicial procedure established by part III of chapter 721,
6 Florida Statutes. By purchasing a timeshare estate in the
7 timeshare plan described in this public offering statement,
8 purchaser acknowledges and agrees that any assessment lien
9 against the timeshare estate owned by purchaser may be
10 foreclosed by such nonjudicial procedure and agrees that the
11 notice of such procedure may be made by the use of certified
12 or registered mail. Purchaser is required to provide an
13 address for the delivery of all such notices and to inform the
14 managing entity of any changes in the purchaser's notice
15 address.

16 (d) As to any timeshare instrument recorded prior to
17 the effective date of this part, an amendment to the timeshare
18 instrument shall have been made to include the notice required
19 by paragraph (a) and require each owner's execution of the
20 acknowledgment required by paragraph (b). The amendment shall
21 be approved by the association by the vote required for
22 amendments of this type as provided in the timeshare
23 instrument or, if there is no such provision, on the
24 affirmative vote of a majority of the owners of the
25 association. If such amendment is adopted, the notice required
26 under paragraph (c) shall not be required to be given to
27 existing owners.

28 (3) Notwithstanding anything to the contrary in this
29 part, a receiver for the association may exercise a power of
30 sale as to assessment liens regardless of whether the notices
31

1 or the acknowledgment required by subsection (2) have been
2 given.

3 721.85 Conditions to exercise of power of sale by
4 trustee.--A trustee may exercise a power of sale provided
5 that:

6 (1) The requirements of s. 721.84 have been met, and
7 any substitution of trustee is filed for record in the public
8 records of the county in which the timeshare estate is
9 located.

10 (2) There is a default by the obligor under the
11 mortgage, the timeshare instrument, or applicable law, the
12 performance of which is secured by the mortgage or required
13 under the timeshare instrument, or applicable law, with
14 respect to any provision in the mortgage, the timeshare
15 instrument, or applicable law, that authorizes foreclosure in
16 the event of default of such provision.

17 (3) There exists no pending judicial action for
18 foreclosure of the mortgage lien or the assessment lien
19 against the same timeshare estate, and no action to enjoin the
20 power of sale procedure has been filed.

21 (4) A claim of lien, together with all amendments and
22 assignments, if any, is recorded in the public records of the
23 county in which the timeshare estate is located pursuant to s.
24 721.16 or, if applicable, s. 718.116, when an assessment lien
25 is to be foreclosed.

26 (5) The trustee has sent written notice of default and
27 intent to sell the timeshare estate to the obligor's and
28 junior interestholder's notice addresses as required by s.
29 721.86 with a statement in conspicuous type in substantially
30 the following form:

31

1 If you do not take action with regard to this matter
2 within 30 calendar days after the date of this notice, you
3 will risk losing your interest in this timeshare estate
4 through a nonjudicial foreclosure procedure. However, under
5 this nonjudicial procedure, you will not be subject to a
6 deficiency judgment or personal liability, even if the sale of
7 your timeshare estate resulting from the nonjudicial
8 foreclosure is insufficient to offset the amount in which you
9 are in default. You may object to the sale of your timeshare
10 estate through the nonjudicial foreclosure procedure and
11 require foreclosure of your timeshare interest to proceed
12 through the judicial process. Such an objection must be made
13 in writing before the end of the 30-day time period. You must
14 state the reason for your objection and include your address
15 on the written objection. In a judicial foreclosure proceeding
16 that results from your objection, you may be subject to a
17 deficiency judgment and personal liability if the sale of your
18 timeshare estate resulting from the judicial foreclosure is
19 insufficient to offset the amount in which you are in default.
20 Furthermore, you may also be subject to a personal money
21 judgment for the costs and attorney's fees incurred by your
22 mortgagee or by the managing entity, as applicable, in the
23 judicial foreclosure proceeding if the court determines that
24 your objections or defenses are without merit. You have the
25 right to cure your default at any time before the sale of your
26 timeshare estate.

27 (6) A period of at least 30 calendar days has elapsed
28 since the sending of the notice of default and intent to sell
29 by the trustee without receipt by the trustee of a written
30 objection to the sale.

31

1 (7) If the trustee receives a written objection to the
2 sale from the obligor setting forth a specific objection to a
3 sale of the timeshare estate by the trustee, the trustee shall
4 not proceed under this part, but the mortgagee or the managing
5 entity, as applicable, shall be required to file a foreclosure
6 action as provided in chapter 702. If the court determines
7 that there was a complete absence of justiciable issues of
8 either law or fact raised by the objection received by the
9 trustee under this subsection, or the defenses raised in the
10 subsequent judicial foreclosure proceeding, the mortgagor or
11 managing entity shall be entitled to entry of a separate
12 personal judgment against the obligor for reasonable
13 attorney's fees and cost incurred by the mortgagee or managing
14 entity, as applicable, in the judicial foreclosure action.

15 (8) The notice of sale required by s. 721.87 has been
16 recorded in the public records of the county in which the
17 timeshare estate is located.

18 721.86 Manner of delivery of notice of default and
19 intent to sell.--

20 (1) In any foreclosure proceeding under this part, the
21 trustee is required to notify the obligor, including persons
22 in this state, outside of this state, or in foreign countries,
23 by delivering a written notice of default and intent to sell
24 under s. 721.85, to the notice addresses of the obligor and
25 junior interestholder, as applicable, by certified or
26 registered mail as follows:

27 (a) The trustee shall place a copy of the notice of
28 default and intent to sell in a sealed envelope with adequate
29 postage addressed to the obligor, including the record owner
30 of the timeshare estate, if different, and the junior
31 interestholder.

1 (b) The envelope shall be placed in the mail as
2 certified or registered mail, return receipt requested.

3 (c) Notice under this subsection shall be considered
4 perfected upon the signing of the return receipt by a person
5 at the notice address.

6 (2) If the certified or registered mail which is sent
7 as provided in subsection (1) is returned with an endorsement
8 or stamp showing "refused," the trustee may send the notice by
9 first-class mail to the notice address. The failure to claim
10 certified or registered mail is not refusal of notice within
11 the meaning of this subsection. Notice pursuant to this
12 subsection shall be delivered as follows:

13 (a) The trustee shall place a copy of the notice of
14 default and intent to sell in a sealed envelope with adequate
15 postage addressed to the obligor and junior interestholder.

16 (b) The envelope shall be mailed by first-class mail
17 with the return address of the trustee on the envelope.

18 (c) Notice under this subsection shall be considered
19 perfected upon the mailing of the envelope.

20 (3) If notice is perfected under subsection (1), the
21 trustee shall file an affidavit setting forth the manner of
22 notice as part of the certificate of compliance set forth in
23 s. 721.89. The affidavit shall state the nature of the
24 process; the date on which the process was mailed by certified
25 or registered mail; the name and address on the envelope
26 containing the notice; the fact that the notice was mailed
27 certified or registered mail, return receipt requested; and
28 who signed the return receipt, if known, and the basis for
29 that knowledge. The return receipt from the certified or
30 registered mail shall be attached to the affidavit.

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1 (4) If notice is perfected under subsection (2), the
2 trustee shall file an affidavit setting forth the manner of
3 notice as part of the certificate of compliance set forth in
4 s. 721.89. The affidavit shall state the nature of the notice;
5 the date on which the notice was mailed by certified or
6 registered mail; the name and address on the envelope
7 containing the notice; the fact that the notice was mailed
8 certified or registered mail and was returned with the
9 endorsement or stamp "refused"; the date, if known, on which
10 the notice was "refused"; the date on which the notice was
11 mailed by first-class mail; the name and address on the
12 envelope containing the notice that was mailed by first-class
13 mail; and the fact that the notice was mailed by first-class
14 mail with the return address of the trustee on the envelope.
15 The return envelope from the attempt to mail notice by
16 certified or registered mail and the return envelope, if any,
17 from the attempt to mail the envelope by first-class mail
18 shall be attached to the affidavit.

19 (5) If the trustee is unable to perfect notice
20 pursuant to either subsection (1) or subsection (2), because
21 the copy of the notice mailed by certified or registered mail
22 is returned by the United States Post Office as undeliverable
23 or for any other reason, the trustee may perfect notice by
24 publication in a newspaper of general circulation in the
25 county in which the timeshare estate is located, once a week
26 for 2 successive weeks. No other action of the trustee is
27 necessary to perfect notice. If notice is perfected by
28 publication under this subsection, the trustee shall attach an
29 affidavit of publication to the certificate of compliance set
30 forth in s. 721.89 and shall state that the notice was

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1 perfected by publication, attaching the returned envelope with
2 the notation from the United States Post Office.

3 721.87 Notice of sale.--

4 (1) The notice of sale shall set forth:

5 (a) The names and notice addresses of the obligor,
6 including the record owner of the timeshare estate, if
7 different, and the junior interestholder.

8 (b) The name and address of the trustee.

9 (c) A description of the existence of a default under
10 the mortgage, the timeshare instrument, or applicable law.

11 (d) The official record book and page numbers where
12 the mortgage or the claim of lien is recorded.

13 (e) The legal description of the timeshare estate.

14 (f) The amount owing on the obligation secured by the
15 mortgage or due under the claim of lien.

16 (g) A statement of the trustee's intention to sell the
17 timeshare estate to satisfy the obligation.

18 (h) The date, time, and place of sale to be held after
19 9 a.m. and before 4 p.m. on a regular business day not less
20 than 30 days after the recording of the notice of sale.

21 (i) The right of the obligor to cure the default or
22 the right of the junior interestholder to redeem its interest
23 up to the date the trustee issues the certificate of sale in
24 accordance with s. 721.90.

25 (2) The trustee shall send a copy of the notice of
26 sale on the date it is submitted for recording, by certified
27 or registered mail, postage prepaid, to the notice addresses
28 of the obligor and the junior interestholder. In addition, a
29 copy of the notice of sale shall be sent by certified or
30 registered mail to the mortgagee, managing entity, or receiver
31 for the association, as applicable.

1 (3) Except as provided in this part, no notice shall
2 be required to be given to any person claiming an interest
3 subsequent to the recording of the notice of sale as set forth
4 in this section. The recording of the notice of sale shall
5 have the same force and effect as the filing of a lis pendens
6 in a judicial proceeding pursuant to s. 48.23.

7 721.88 Publication of notice of sale.--The trustee
8 shall publish the notice of sale in a newspaper of general
9 circulation in the county in which the sale is to be held once
10 a week for 2 consecutive weeks prior to the date of the sale.
11 The last publication shall occur at least 5 days prior to the
12 sale.

13 721.89 Trustees' certificate of compliance.--

14 (1) On the date the trustee conducts a sale, the
15 trustee shall execute a duly acknowledged certificate of
16 compliance and shall record the certificate of compliance in
17 the public records of the county in which the timeshare estate
18 is located.

19 (2) In the certificate of compliance the trustee
20 shall:

21 (a) Set forth the manner of service of the notice of
22 default and intent to sell under s. 721.86 with the required
23 affidavit, state that the notice contained the conspicuous
24 language required by s. 721.85(5), state that the default was
25 not cured and the timeshare estate was not redeemed, and state
26 that the trustee did not receive any written objection within
27 the period required under s. 721.85(6).

28 (b) Confirm that the notice of sale was published as
29 required by s. 721.88 and attach an affidavit of publication
30 for the notice of sale.

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1 (c) Confirm that the notice of sale was mailed
2 pursuant to s. 721.87(2), together with a list of the parties
3 to whom the notice of sale were mailed.

4 721.90 Manner of sale.--

5 (1) The sale of a timeshare estate shall be held on
6 the date and at the time and place designated in the notice of
7 sale, by public auction at the courthouse of the county in
8 which the timeshare estate is located, where regularly
9 conducted judicial foreclosure sales are held by the clerk of
10 such county.

11 (2) Any person, including the mortgagee, the managing
12 entity, and the receiver of the association, may bid at the
13 sale. The trustee may bid for the mortgagee or the managing
14 entity but not for himself. The attorney for the trustee may
15 conduct the sale and may act at the sale as the auctioneer of
16 the trustee.

17 (3) The person conducting the sale may postpone the
18 sale from time to time. In every such case, notice of
19 postponement shall be given by oral public proclamation
20 thereof by such person at the time and place last appointed
21 for the sale and shall be mailed by the trustee on the date
22 last appointed for the sale by first-class mail, postage
23 prepaid, to the obligor and junior interestholder at their
24 respective notice addresses. In addition, the trustee shall
25 record an amended notice of sale pursuant to s. 721.87(1).
26 The amended notice of sale shall not be republished under s.
27 721.88.

28 (4) The buyer shall pay at the time of sale the price
29 bid to the trustee or to the attorney for the trustee acting
30 as the auctioneer. The mortgagee, managing entity, or
31 receiver for the association, as applicable, shall receive a

1 credit on its bid for the amount representing the unpaid
2 principal owed; accrued interest as of the date of the sale;
3 advances for the payment of taxes, insurance, and maintenance
4 of the timeshare estate; and costs of the sale, including a
5 title search fee and reasonable trustee's and attorney's fees
6 and costs.

7 (5) Upon the issuance of the trustee's deed the buyer
8 at the sale shall be entitled to possession and use of the
9 timeshare estate in accordance with the timeshare instrument.
10 Any other person thereafter claiming possession of the
11 timeshare estate shall be deemed to be a tenant at sufferance,
12 and the buyer shall be entitled, upon application to a court
13 of competent jurisdiction, to a writ of possession.

14 (6) On the date of the sale, the trustee shall issue
15 to the buyer a certificate of sale stating that a sale
16 conforming to the requirements of this part has occurred,
17 including the time, place, and date of the sale, that the
18 property was sold, the amount of the mortgage lien or the
19 assessment lien, as applicable, the amount of the purchase
20 price, and the name and address of the successful bidder. A
21 copy of the certificate of sale shall be mailed by certified
22 or registered mail, postage prepaid, to all persons entitled
23 to receive a notice of sale under s. 721.86.

24 721.91 Effect of trustee's sale.--

25 (1) A sale conducted by a trustee or the attorney for
26 the trustee shall foreclose and terminate all interest in the
27 timeshare estate of all persons to whom notice is given under
28 ss. 721.85(5) and 721.87(2) and of any other person claiming
29 by, through or under such person. A failure to give notice to
30 any person entitled to notice shall not affect the validity of
31 the sale as to persons notified. A person entitled to notice,

1 but not given notice, shall have the rights of a person not
2 made a defendant in a judicial foreclosure. Any subsequent
3 foreclosure required by failure to notify a party under s.
4 721.87(2) may be conducted under this part.

5 (2) On the issuance of a certificate of sale pursuant
6 to s. 721.90(6), all rights of redemption shall terminate.

7 (3) The mortgagee, managing entity, or receiver for
8 the association, as applicable, shall have no right to any
9 deficiency judgment against the obligor after a sale of the
10 obligor's timeshare estate under this part as to the
11 obligation foreclosed on.

12 (4) The validity of the sale shall be presumed upon
13 the recording of the certificate of compliance and issuance of
14 the certificate of sale.

15 721.92 Issuance of trustee's deed.--Ten days after a
16 sale, absent the filing of a judicial action to enjoin
17 issuance of the trustee's deed to the timeshare estate or
18 objecting to the sale on the grounds that the requirements of
19 this part were not met by the trustee, the trustee shall issue
20 a trustee's deed to the purchaser at the sale. Such deed
21 shall be recorded in the public records of the county in which
22 the timeshare estate is located.

23 721.93 Disposition of proceeds of sale.--The trustee
24 shall apply the proceeds of the sale as follows:

25 (1) To the expenses of the sale, including
26 compensation of the trustee and a reasonable fee by the
27 trustee's attorney, if applicable.

28 (2) To the indebtedness owed.

29 (3) To all junior interestholders as their liens or
30 interests may appear of record in the order of priority.

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1 (4) The surplus, if any, to an obligor entitled to
2 such surplus.

3 721.94 Form and effect of trustee's deed.--

4 (1) The trustee's deed shall include the name and
5 address of the trustee, the name and address of the buyer, and
6 the name and address of the preparer of the trustee's deed.
7 The trustee's deed shall recite that the certificate of
8 compliance was recorded and the regular conduct of a sale, and
9 shall contain no warranties of title from the trustee.

10 (2) Upon the recording of the trustee's deed, the
11 certificate of compliance and trustee's deed together shall be
12 conclusive evidence of the truth of the matters set forth
13 therein, and no action to set aside the sale and void the
14 trustee's deed may be filed or otherwise pursued against any
15 person acquiring an interest in the timeshare estate for
16 value, including any subsequent mortgagee or buyer.

17 (3) The trustee's deed shall convey to the purchaser
18 all right, title, and interest in the timeshare estate that
19 the owner had, or had the power to convey, at the time of the
20 execution of the mortgage or recording of the claim of lien,
21 together with all right, title, and interest in the owner or
22 his successors in interest acquired after the execution of the
23 mortgage or recording of the claim of lien.

24 (4) If an action is filed based on any claim that the
25 trustee failed to follow the procedures in this part or that
26 the sale was otherwise improper, it shall be presumed that the
27 trustee was acting solely as the agent of the mortgagee or
28 managing entity, and any liability resulting therefrom shall
29 be the sole responsibility of the mortgagee or managing entity
30 and not the trustee. In connection with any judicial
31 determination that the procedures in this part were not

1 followed or that the sale was improper, the complaining party
2 shall be entitled to an award of only those damages directly
3 resulting from the failure to follow the required procedures.
4 In determining such damages, the court shall consider the
5 actual prejudice suffered by the complaining party, and in
6 connection with such claim, the mortgagee, the managing
7 entity, or the receiver for the association may assert any
8 claims against the complaining party to the extent that the
9 indebtedness owned by the obligor has not been fully
10 satisfied.

11 721.95 Miscellaneous provisions.--

12 (1) The procedures set forth in this part shall not
13 impair or otherwise affect the continuing right to bring a
14 judicial action to foreclose a mortgage lien or claim of lien
15 regardless of whether such mortgage or the timeshare
16 instrument, as the case may be, provides a trustee with a
17 power of sale.

18 (2) Nothing in this part shall be construed to impair
19 the right of any person to assert his legal and equitable
20 rights in a court of competent jurisdiction; however, no such
21 action may be pursued to set aside a sale or void a trustee's
22 deed subsequent to the recordation of the trustee's deed.

23 (3) The procedures in this part shall be given effect
24 in the context of any reference to judicial foreclosure
25 proceedings or procedures set forth in this part or chapter
26 718.

27 (4) If any provision of this part or the application
28 thereof to any person or circumstances is held invalid, such
29 invalidity shall not affect other provisions or applications
30 of this part which can be given effect without the invalid
31

1 provision or application. To this end, the provisions of this
2 part are declared severable.

3 Section 11. This act shall take effect upon becoming a
4 law; however, with respect to any timeshare plan filing
5 approved by the division prior to the date this act becomes a
6 law, the amendment to s. 721.06(1)(f), Florida Statutes, shall
7 not apply to such filing until January 1, 1998, unless and
8 only to the extent that the developer otherwise voluntary
9 agrees to comply with all or a portion of such provisions.

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HOUSE SUMMARY

Revises various provisions of law relating to timeshare plans to:

- 1. Authorize the promulgation of described rules with respect to exemptions from chapter 721, F.S.
- 2. Provide that if a proposed amendment to an approved multisite timeshare plan adds a new component site the initial period to approve or cite deficiencies shall be 45 days.
- 3. Delete a provision with respect to incidental benefits which requires the developer to file an irrevocable letter of credit, surety bond, or other assurance to guarantee the delivery of the incidental benefits to the purchaser.
- 4. Revise language with respect to reservation agreements.
- 5. Revise provisions relating to the duties of the managing entity.
- 6. Revise language with respect to assessments for common expenses to provide that timeshare plans may vary with respect to common expenses irrespective of the provisions of chapters 718 and 719, F.S.

Creates the "Timeshare Lien Foreclosure Act" to:

- 1. Give statutory recognition to timeshare estates as parcels of real property used for vacation experience rather than for homestead purposes.
- 2. Recognize that the economic health and efficient operation of the vacation ownership industry are in part dependent upon the availability of an efficient and economical process for foreclosure.
- 3. Establish streamlined procedures for the foreclosure of any and all assessment liens and mortgage liens against a timeshare estate.
- 4. Recognize the need to assist vacation ownership resort owners' associations by simplifying and expediting the process of foreclosure of assessment liens and mortgage liens.

See bill for details.