

By the Committee on Real Property & Probate and
Representative Tobin

1 A bill to be entitled
2 An act relating to condominiums; amending s.
3 718.116, F.S.; revising language with respect
4 to the liability of certain first mortgagees;
5 increasing the existing 1 percent of the
6 original mortgage debt limitation; providing an
7 effective date.

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9 Be It Enacted by the Legislature of the State of Florida:

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11 Section 1. Paragraph (b) of subsection (1) of section
12 718.116, Florida Statutes, is amended to read:

13 718.116 Assessments; liability; lien and priority;
14 interest; collection.--

15 (1)

16 (b) The liability of a first mortgagee or its
17 successor or assignees who acquire title to a unit by
18 foreclosure or by deed in lieu of foreclosure for the unpaid
19 assessments that became due prior to the mortgagee's
20 acquisition of title is limited to the lesser of:

21 1. The unit's unpaid common expenses and regular
22 periodic assessments which accrued or came due during the 6
23 months immediately preceding the acquisition of title and for
24 which payment in full has not been received by the
25 association; or

26 2. Two ~~One~~ percent of the original mortgage debt. The
27 provisions of this paragraph shall not apply unless the first
28 mortgagee joined the association as a defendant in the
29 foreclosure action. Joinder of the association is not required
30 if, on the date the complaint is filed, the association was
31 dissolved or did not maintain an office or agent for service

1 of process at a location which was known to or reasonably
2 discoverable by the mortgagee.
3 Section 2. This act shall take effect October 1, 1997.
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