

By Senator Geller

29-1219-00

See HB

1                                   A bill to be entitled  
2           An act relating to condominiums; amending s.  
3           718.116, F.S.; increasing the time period  
4           during which certain mortgagees who acquire  
5           title to a unit by foreclosure or by deed in  
6           lieu of foreclosure may be liable for certain  
7           unpaid assessments; increasing the maximum  
8           limit on the responsibility for the payment of  
9           certain unpaid assessments by such mortgagees;  
10          providing for application; providing an  
11          effective date.

12  
13 Be It Enacted by the Legislature of the State of Florida:

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15           Section 1. Paragraph (b) of subsection (1) of section  
16 718.116, Florida Statutes, is amended to read:

17           718.116 Assessments; liability; lien and priority;  
18 interest; collection.--

19           (1)

20           (b) With respect to mortgages recorded after April 1,  
21 2001,the liability of a ~~first~~ mortgagee or its successor or  
22 assignees who acquire title to a unit by foreclosure or by  
23 deed in lieu of foreclosure for the unpaid assessments that  
24 became due prior to the mortgagee's acquisition of title is  
25 limited to the lesser of:

26           1. The unit's unpaid common expenses and regular  
27 periodic assessments which accrued or came due during the 9 6  
28 months immediately preceding the acquisition of title and for  
29 which payment in full has not been received by the  
30 association; or

31

1           2. Two ~~One~~ percent of the original mortgage debt. The  
2 provisions of this paragraph shall not apply unless the ~~first~~  
3 mortgagee joined the association as a defendant in the  
4 foreclosure action. Joinder of the association is not required  
5 if, on the date the complaint is filed, the association was  
6 dissolved or did not maintain an office or agent for service  
7 of process at a location which was known to or reasonably  
8 discoverable by the mortgagee.

9           Section 2. This act shall take effect upon becoming a  
10 law.

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13                           HOUSE SUMMARY

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15           Provides that with respect to mortgages recorded after  
16 April 1, 2001, the liability of any mortgagee who  
17 acquires title to a condominium unit by foreclosure or  
18 deed in lieu of foreclosure for the unpaid assessments  
19 that became due prior to such acquisition is limited to  
20 the lesser of the unit's unpaid common expenses and  
21 regular periodic assessments which accrued or came due  
22 during the 9 months immediately prior to the acquisition  
23 of title and for which payment in full has not been  
24 received by the association, or 2 percent of the original  
25 mortgage debt.