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1 A bill to be entitled

2 An act relating to condominium associations; amending s.  
3 718.103, F.S.; defining the term "immediate family  
4 member"; amending s. 718.104, F.S.; prohibiting the  
5 exercise of multiple votes by owners of multiple units;  
6 amending s. 718.110, F.S.; providing for grandfathering  
7 and modification of rental rights; providing for certain  
8 application of the amendment of unit owners' rental  
9 rights; providing certain voting and approval criteria for  
10 amendments depriving owners of certain rights; amending s.  
11 718.112, F.S.; requiring super majority votes to reduce  
12 certain required reserves; creating s. 718.1125, F.S.;  
13 imposing eligibility restrictions on association members;  
14 authorizing the Division of Florida Land Sales,  
15 Condominiums, and Mobile Homes to adopt rules; amending s.  
16 718.116, F.S.; increasing percentage of mortgage debt used  
17 as a limit on liability in certain foreclosure actions;  
18 requiring notice of intent to record a claim of lien;  
19 designating liens inoperative and unenforceable if  
20 requirements are not fulfilled; changing priority of  
21 claims to which payments for delinquent assessments are  
22 made; providing that certain late fees and interest shall  
23 not be the sole basis for a lien; providing limitations on  
24 recording a claim of lien; requiring a claim of lien and  
25 notice for collections to contain a certain statement;  
26 providing criminal penalties for willful and malicious  
27 imposition, enforcement, or overvaluation of a lien;  
28 requiring a super majority board approval for excess funds  
29 from a special assessment to be credited against future

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30 assessments; requiring board actions imposing financial  
 31 hardships to be ratified by a majority of all voting  
 32 interests; amending s. 718.3025, F.S.; requiring  
 33 additional disclosures for contract validity or  
 34 enforceability; providing that certain business entities  
 35 may be contracted by the association to provide certain  
 36 services if approved by a majority of all unit owners;  
 37 amending s. 718.3026, F.S.; deleting a provision  
 38 authorizing associations with fewer than 100 units to opt  
 39 out of certain products and services contracting  
 40 requirements; lowering a threshold percentage to require  
 41 competitive bidding; requiring a minimum number of bids;  
 42 specifying nonapplication to all employment contracts;  
 43 creating s. 718.305, F.S.; authorizing the association to  
 44 conduct criminal background checks of potential unit  
 45 owners and tenants; amending s. 718.501, F.S.; requiring  
 46 mandatory training for certain board members; creating s.  
 47 718.5011, F.S.; creating an Office of the Condominium  
 48 Ombudsman within the division of Florida Land Sales,  
 49 Condominiums, and Mobile Homes; providing for the office's  
 50 independence from the division; authorizing the Joint  
 51 Legislative Auditing Committee to appoint the ombudsman;  
 52 requiring the ombudsman to be an attorney; providing for  
 53 the filling of a vacant ombudsman position; requiring the  
 54 ombudsman and staff to subscribe to the oath of office  
 55 required of state officers; prohibiting the ombudsman and  
 56 staff from engaging in any other profession, serving as a  
 57 representative or employee of any political party, or  
 58 receiving remuneration for activities on behalf of

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59 political candidates; prohibiting the ombudsman and staff  
 60 from seeking public office unless resigned from the Office  
 61 of the Condominium Ombudsman; providing requirements and  
 62 limitations on office staff; creating s. 718.5012, F.S.;  
 63 providing for powers and duties of the ombudsman; creating  
 64 s. 718.5013, F.S.; providing for compensation and expenses  
 65 for the office; authorizing the ombudsman to employ  
 66 clerical and technical assistants for certain purposes;  
 67 creating s. 718.5014, F.S.; providing for the location of  
 68 the ombudsman's office; creating s. 718.5015, F.S.;  
 69 creating the Advisory Council on Condominiums; providing  
 70 for membership, functions, meetings, and offices of the  
 71 council; amending s. 718.504, F.S.; revising provisions  
 72 relating to certain prospectus and offering circulars;  
 73 requiring developers of certain condominiums to provide a  
 74 prospectus including a "Frequently Asked Questions and  
 75 Answers" document; requiring the document to contain  
 76 certain information; reducing the threshold amount to be  
 77 required to be disclosed in controversy for litigation;  
 78 requiring certain information to be included in the  
 79 prospectus or offering circular; providing for a type two  
 80 transfer of all records, personnel, property, and  
 81 unexpended balances of appropriations, allocations, or  
 82 other funds for the administration of pt. VIII of ch.  
 83 468, F.S., from the Division of Professions to the  
 84 Division of Florida Land Sales, Condominiums, and Mobile  
 85 Homes within the Department of Business and Professional  
 86 Regulation; preserving the department's authority to  
 87 pursue certain remedies; creating s. 718.510, F.S.;

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88 requiring the creation of a Condominium Owners' Bill of  
 89 Rights; providing an effective date.

90

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

92

93 Section 1. Subsections (18) through (30) of section  
 94 718.103, Florida Statutes, are renumbered as subsections (19)  
 95 through (31), respectively, and a new subsection (18) is added  
 96 to said section, to read:

97 718.103 Definitions.--As used in this chapter, the term:

98 (18) "Immediate family member" means a parent, child,  
 99 spouse, sibling, grandparent, grandchild, uncle, aunt, niece,  
 100 nephew, great-uncle, great-aunt, great-nephew, great-niece,  
 101 first cousin, or second cousin by blood, marriage, or adoption  
 102 and includes half and step relatives.

103 Section 2. Paragraph (j) of subsection (4) of section  
 104 718.104, Florida Statutes, is amended to read:

105 718.104 Creation of condominiums; contents of  
 106 declaration.--Every condominium created in this state shall be  
 107 created pursuant to this chapter.

108 (4) The declaration must contain or provide for the  
 109 following matters:

110 (j) Unit owners' membership and voting rights in the  
 111 association. However, any provision in a declaration or bylaws  
 112 allowing an owner of multiple units in the same condominium to  
 113 exercise multiple votes shall be void.

114 Section 3. Subsection (13) is added to section 718.110,  
 115 Florida Statutes, to read:

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116 718.110 Amendment of declaration; correction of error or  
 117 omission in declaration by circuit court; grandfathering and  
 118 modification of certain rights.--

119 (13)(a) Unless expressly stated in the amendment, any  
 120 amendment restricting unit owners' rights relating to the rental  
 121 of units, keeping of pets, or allocation of parking spaces shall  
 122 apply only to unit owners who purchase their unit after the  
 123 effective date of that amendment.

124 (b) Notwithstanding any other provision of law, or of the  
 125 declaration or bylaws, if an amendment expressly deprives  
 126 current unit owners of any part of their rights mentioned in  
 127 subsection (a), it must be approved by at least three-fourths of  
 128 the voting interests. A declaration or an amendment to a  
 129 declaration may provide for a higher super majority vote  
 130 requirement.

131 Section 4. Paragraph (f) of subsection (2) of section  
 132 718.112, Florida Statutes, is amended to read:

133 718.112 Bylaws.--

134 (2) REQUIRED PROVISIONS.--The bylaws shall provide for the  
 135 following and, if they do not do so, shall be deemed to include  
 136 the following:

137 (f) Annual budget.--

138 1. The proposed annual budget of common expenses shall be  
 139 detailed and shall show the amounts budgeted by accounts and  
 140 expense classifications, including, if applicable, but not  
 141 limited to, those expenses listed in s. 718.504(21). A  
 142 multicondominium association shall adopt a separate budget of  
 143 common expenses for each condominium the association operates  
 144 and shall adopt a separate budget of common expenses for the

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145 association. In addition, if the association maintains limited  
 146 common elements with the cost to be shared only by those  
 147 entitled to use the limited common elements as provided for in  
 148 s. 718.113(1), the budget or a schedule attached thereto shall  
 149 show amounts budgeted therefor. If, after turnover of control of  
 150 the association to the unit owners, any of the expenses listed  
 151 in s. 718.504(21) are not applicable, they need not be listed.

152 2. In addition to annual operating expenses, the budget  
 153 shall include reserve accounts for capital expenditures and  
 154 deferred maintenance. These accounts shall include, but are not  
 155 limited to, roof replacement, building painting, and pavement  
 156 resurfacing, regardless of the amount of deferred maintenance  
 157 expense or replacement cost, and for any other item for which  
 158 the deferred maintenance expense or replacement cost exceeds  
 159 \$10,000. The amount to be reserved shall be computed by means of  
 160 a formula which is based upon estimated remaining useful life  
 161 and estimated replacement cost or deferred maintenance expense  
 162 of each reserve item. The association may adjust replacement  
 163 reserve assessments annually to take into account any changes in  
 164 estimates or extension of the useful life of a reserve item  
 165 caused by deferred maintenance. This subsection does not apply  
 166 to an adopted budget in which the members of an association have  
 167 determined, by a two-thirds ~~majority~~ vote at a duly called  
 168 meeting of the association, to provide no reserves or less  
 169 reserves than required by this subsection. However, prior to  
 170 turnover of control of an association by a developer to unit  
 171 owners other than a developer pursuant to s. 718.301, the  
 172 developer may vote to waive the reserves or reduce the funding  
 173 of reserves for the first 2 fiscal years of the association's

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174 operation, beginning with the fiscal year in which the initial  
 175 declaration is recorded, after which time reserves may be waived  
 176 or reduced only upon the vote of a majority of all nondeveloper  
 177 voting interests voting in person or by limited proxy at a duly  
 178 called meeting of the association. If a meeting of the unit  
 179 owners has been called to determine whether to waive or reduce  
 180 the funding of reserves, and no such result is achieved or a  
 181 quorum is not attained, the reserves as included in the budget  
 182 shall go into effect. After the turnover, the developer may vote  
 183 its voting interest to waive or reduce the funding of reserves.

184 3. Reserve funds and any interest accruing thereon shall  
 185 remain in the reserve account or accounts, and shall be used  
 186 only for authorized reserve expenditures unless their use for  
 187 other purposes is approved in advance by a majority vote at a  
 188 duly called meeting of the association. Prior to turnover of  
 189 control of an association by a developer to unit owners other  
 190 than the developer pursuant to s. 718.301, the developer-  
 191 controlled association shall not vote to use reserves for  
 192 purposes other than that for which they were intended without  
 193 the approval of a majority of all nondeveloper voting interests,  
 194 voting in person or by limited proxy at a duly called meeting of  
 195 the association.

196 4. In a multicondominium association, the only voting  
 197 interests which are eligible to vote on questions that involve  
 198 waiving or reducing the funding of reserves, or using existing  
 199 reserve funds for purposes other than purposes for which the  
 200 reserves were intended, are the voting interests of the units  
 201 subject to assessment to fund the reserves in question.

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202 Section 5. Section 718.1125, Florida Statutes, is created  
 203 to read:

204 718.1125 Board eligibility restrictions.--

205 (1) Notwithstanding any provision of the declaration or  
 206 bylaws, no one may serve on the board of the same association:

207 (a) Alongside an immediate family member who is also on  
 208 that board. If this paragraph is violated, the later-elected  
 209 immediate family member's election shall be deemed void. Good-  
 210 faith ignorance of such a relationship shall prevent the  
 211 operation of this paragraph, but only until such a relationship  
 212 is discovered.

213 (b) Unless actually resident in the condominium for at  
 214 least 3 months out of the year prior to the annual meeting at  
 215 which he or she was elected.

216 (c) Unless subjected to a criminal background check by the  
 217 Department of Law Enforcement, the results of which shall be  
 218 available to all unit owners in that condominium notwithstanding  
 219 any public records exemption.

220 (d) For more than 2 consecutive years. A person barred  
 221 from serving on a board under this paragraph may seek reelection  
 222 after an intervening 2 years or may seek to be reelected  
 223 immediately, only if, no other candidate seeks to be elected and  
 224 the person otherwise barred is approved by a majority of the  
 225 voting interests.

226 (2) The Department of Law Enforcement shall, in  
 227 coordination with the division, adopt rules pursuant to chapter  
 228 120 to provide for criminal background checks required by  
 229 paragraph (1)(e) and for recovering the costs of such checks  
 230 from associations.



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231 Section 6. Paragraphs (b) and (c) of subsection (1),  
 232 subsection (3), paragraphs (a) and (b) of subsection (5),  
 233 paragraph (b) of subsection (6), and subsection (10) of section  
 234 718.116, Florida Statutes, are amended, paragraph (e) is added  
 235 to subsection (6) of said section, and subsection (11) is added  
 236 to said section, to read:

237 718.116 Assessments; liability; lien and priority;  
 238 interest; collection.--

239 (1)

240 (b) The liability of a first mortgagee or its successor or  
 241 assignees who acquire title to a unit by foreclosure or by deed  
 242 in lieu of foreclosure for the unpaid assessments that became  
 243 due prior to the mortgagee's acquisition of title is limited to  
 244 the lesser of:

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

249 2. Five ~~One~~ percent of the original mortgage debt. The  
 250 provisions of this paragraph apply only if the first mortgagee  
 251 joined the association as a defendant in the foreclosure action.  
 252 Joinder of the association is not required if, on the date the  
 253 complaint is filed, the association was dissolved or did not  
 254 maintain an office or agent for service of process at a location  
 255 which was known to or reasonably discoverable by the mortgagee.

256 (c) The person acquiring title shall pay the amount owed  
 257 to the association within 30 days after transfer of title.  
 258 Failure to pay the full amount when due shall entitle the  
 259 association to record a claim of lien against the parcel and

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260 proceed in the same manner as provided in this section for the  
 261 collection of unpaid assessments. Such a lien may not be  
 262 recorded until 30 days after the association posts notice by  
 263 certified mail to the person acquiring title of its intent to  
 264 record the lien.

265 (3) Assessments and installments on them which are not  
 266 paid when due bear interest at the rate provided in the  
 267 declaration, from the due date until paid. This rate may not  
 268 exceed the rate allowed by law, and, if no rate is provided in  
 269 the declaration, interest shall accrue at the rate of 18 percent  
 270 per year. Also, if the declaration or bylaws so provide, the  
 271 association may charge an administrative late fee in addition to  
 272 such interest, in an amount not to exceed the greater of \$25 or  
 273 5 percent of each installment of the assessment for each  
 274 delinquent installment that the payment is late. Any payment  
 275 received by an association shall be applied first to the  
 276 delinquent assessment, then to any interest accrued by the  
 277 association, then to any administrative late fee, and then to  
 278 any costs and reasonable attorney's fees incurred in collection,  
 279 ~~and then to the delinquent assessment.~~ The foregoing shall be  
 280 applicable notwithstanding any restrictive endorsement,  
 281 designation, or instruction placed on or accompanying a payment.  
 282 A late fee shall not be subject to the provisions in chapter 687  
 283 or s. 718.303(3).

284 (5)(a) The association has a lien on each condominium  
 285 parcel to secure the payment of assessments. No administrative  
 286 late fee or interest shall be the sole basis for a lien. Except  
 287 as otherwise provided in subsection (1) and as set forth below,  
 288 the lien is effective from and shall relate back to the

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289 recording of the original declaration of condominium, or, in the  
 290 case of lien on a parcel located in a phase condominium, the  
 291 last to occur of the recording of the original declaration or  
 292 amendment thereto creating the parcel. However, as to first  
 293 mortgages of record, the lien is effective from and after  
 294 recording of a claim of lien in the public records of the county  
 295 in which the condominium parcel is located. Nothing in this  
 296 subsection shall be construed to bestow upon any lien, mortgage,  
 297 or certified judgment of record on April 1, 1992, including the  
 298 lien for unpaid assessments created herein, a priority which, by  
 299 law, the lien, mortgage, or judgment did not have before that  
 300 date.

301 (b) To be valid, a claim of lien must state the  
 302 description of the condominium parcel, the name of the record  
 303 owner, the name and address of the association, the amount due,  
 304 and the due dates. It must be executed and acknowledged by an  
 305 officer or authorized agent of the association. The claim of  
 306 lien may not be recorded until 45 days after the association  
 307 posts notice of its intent to record the claim by certified or  
 308 registered mail to the record owner or delivers such notice to  
 309 the record owner by hand. Failure to comply with this  
 310 requirement renders the claim of lien inoperative and  
 311 unenforceable until compliance. No such lien shall be effective  
 312 longer than 1 year after the claim of lien was recorded unless,  
 313 within that time, an action to enforce the lien is commenced.  
 314 The 1-year period shall automatically be extended for any length  
 315 of time during which the association is prevented from filing a  
 316 foreclosure action by an automatic stay resulting from a  
 317 bankruptcy petition filed by the parcel owner or any other

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318 person claiming an interest in the parcel. The claim of lien  
319 shall secure all unpaid assessments which are due and which may  
320 accrue subsequent to the recording of the claim of lien and  
321 prior to the entry of a certificate of title, as well as  
322 interest and all reasonable costs and attorney's fees incurred  
323 by the association incident to the collection process. Upon  
324 payment in full, the person making the payment is entitled to a  
325 satisfaction of the lien.

326 (6)

327 (b) No foreclosure judgment may be entered until at least  
328 30 days after the association gives written notice to the unit  
329 owner of its intention to foreclose its lien to collect the  
330 unpaid assessments. If this notice is not given at least 30 days  
331 before the foreclosure action is filed, and if the unpaid  
332 assessments, including those coming due after the claim of lien  
333 is recorded, are paid before the entry of a final judgment of  
334 foreclosure or money judgment, the association shall not recover  
335 attorney's fees or costs. The notice must be given by delivery  
336 of a copy of it to the unit owner or by certified or registered  
337 mail, return receipt requested, addressed to the unit owner at  
338 his or her last known address; and, upon such mailing, the  
339 notice shall be deemed to have been given, and the court shall  
340 proceed with the foreclosure action and may award attorney's  
341 fees and costs as permitted by law. The notice requirements of  
342 this subsection are satisfied if the unit owner records a notice  
343 of contest of lien as provided in subsection (5). The notice  
344 requirements of this subsection do not apply if an action to  
345 foreclose a mortgage on the condominium unit is pending before  
346 any court; if the rights of the association would be affected by

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347 such foreclosure; and if actual, constructive, or substitute  
 348 service of process has been made on the unit owner. Each claim  
 349 of lien as well as each 30-day written notice for collections  
 350 shall contain the following statement distinguished in  
 351 conspicuous bold, enlarged, or italicized type:

352  
 353 UNDER FLORIDA LAW, YOUR CONDOMINIUM UNIT, EVEN IF NOT YOUR  
 354 HOMESTEAD RESIDENCE, IS SUBJECT TO FORECLOSURE FOR FAILING TO  
 355 MAKE MAINTENANCE ASSESSMENT PAYMENTS.

356 (e) A board member or officer of an association, or his or  
 357 her immediate family member, who willfully and maliciously acts  
 358 to impose, enforce, or increase the overall value of a lien for  
 359 the payment of assessments with the intent to purchase or assist  
 360 in the purchase of a condominium unit at foreclosure commits a  
 361 misdemeanor of the first degree, punishable as provided in s.  
 362 775.082 or s. 775.083.

363 (10) The specific purpose or purposes of any special  
 364 assessment approved in accordance with the condominium documents  
 365 shall be set forth in a written notice of such assessment sent  
 366 or delivered to each unit owner. The funds collected pursuant to  
 367 a special assessment shall be used only for the specific purpose  
 368 or purposes set forth in such notice. However, upon completion  
 369 of such specific purpose or purposes, any excess funds will be  
 370 considered common surplus, and may, ~~at the discretion of the~~  
 371 ~~board,~~ either be returned to the unit owners or, upon approval  
 372 of two-thirds of the board, be applied as a credit toward future  
 373 assessments.

374 (11) Notwithstanding any provision of the declaration or  
 375 bylaws, any action of the board, even those characterized as

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376 special assessments, that imposes a financial hardship on any or  
 377 all of the unit owners must be ratified by a majority of the  
 378 voting interests at a duly convened meeting of the association  
 379 to be held within 60 days of such action or such action shall be  
 380 void.

381 Section 7. Paragraph (e) of subsection (1) of section  
 382 718.3025, Florida Statutes, is amended, subsection (4) of said  
 383 section is renumbered as subsection (5), and a new subsection  
 384 (4) is added to said section, to read:

385 718.3025 Agreements for operation, maintenance, or  
 386 management of condominiums; specific requirements.--

387 (1) No written contract between a party contracting to  
 388 provide maintenance or management services and an association  
 389 which contract provides for operation, maintenance, or  
 390 management of a condominium association or property serving the  
 391 unit owners of a condominium shall be valid or enforceable  
 392 unless the contract:

393 (e) Discloses any financial or ownership interest which  
 394 the developer, if the developer is in control of the  
 395 association, any officer of the association, or any member of  
 396 the board holds with regard to the party contracting to provide  
 397 maintenance or management services.

398 (4) A business entity of whom an association's board  
 399 member or officer or his or her immediate family member is an  
 400 employee, or in which an association's board member or officer  
 401 or any or all of his or her immediate family members together  
 402 hold an ownership interest of 10 percent or more, may be  
 403 contracted to provide maintenance or management services to that

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404 association only if approved by a majority of all unit owners. A  
 405 contract in violation of this subsection shall be void.

406 Section 8. Section 718.3026, Florida Statutes, is amended  
 407 to read:

408 718.3026 Contracts for products and services; in writing;  
 409 bids; exceptions. ~~--Associations with less than 100 units may opt~~  
 410 ~~out of the provisions of this section if two-thirds of the unit~~  
 411 ~~owners vote to do so, which opt-out may be accomplished by a~~  
 412 ~~proxy specifically setting forth the exception from this~~  
 413 ~~section.~~

414 (1) All contracts as further described herein or any  
 415 contract that is not to be fully performed within 1 year after  
 416 the making thereof, for the purchase, lease, or renting of  
 417 materials or equipment to be used by the association in  
 418 accomplishing its purposes under this chapter, and all contracts  
 419 for the provision of services, shall be in writing. If a  
 420 contract for the purchase, lease, or renting of materials or  
 421 equipment, or for the provision of services, requires payment by  
 422 the association on behalf of any condominium operated by the  
 423 association in the aggregate that exceeds 2.5 ~~5~~ percent of the  
 424 total annual budget of the association, including reserves, the  
 425 association shall obtain no fewer than three competitive bids  
 426 for the materials, equipment, or services. Nothing contained  
 427 herein shall be construed to require the association to accept  
 428 the lowest bid.

429 (2)(a)1. Notwithstanding the foregoing, employment  
 430 ~~contracts with employees of the association, and contracts for~~  
 431 ~~attorney, accountant, architect, community association manager,~~

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432 ~~timeshare management firm, engineering, and landscape architect~~  
 433 ~~services~~ are not subject to the provisions of this section.

434         2. A contract executed before January 1, 1992, and any  
 435 renewal thereof, is not subject to the competitive bid  
 436 requirements of this section. If a contract was awarded under  
 437 the competitive bid procedures of this section, any renewal of  
 438 that contract is not subject to such competitive bid  
 439 requirements if the contract contains a provision that allows  
 440 the board to cancel the contract on 30 days' notice. Materials,  
 441 equipment, or services provided to a condominium under a local  
 442 government franchise agreement by a franchise holder are not  
 443 subject to the competitive bid requirements of this section. A  
 444 contract with a manager, if made by a competitive bid, may be  
 445 made for up to 3 years. A condominium whose declaration or  
 446 bylaws provides for competitive bidding for services may operate  
 447 under the provisions of that declaration or bylaws in lieu of  
 448 this section if those provisions are not less stringent than the  
 449 requirements of this section.

450         (b) Nothing contained herein is intended to limit the  
 451 ability of an association to obtain needed products and services  
 452 in an emergency.

453         (c) This section shall not apply if the business entity  
 454 with which the association desires to enter into a contract is  
 455 the only source of supply within the county serving the  
 456 association.

457         (d) Nothing contained herein shall excuse a party  
 458 contracting to provide maintenance or management services from  
 459 compliance with s. 718.3025.



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460 Section 9. Section 718.305, Florida Statutes, is created  
 461 to read:

462 718.305 Criminal background checks for potential unit  
 463 owners and tenants.--Upon receiving notice of a potential unit  
 464 owner or tenant, the association shall, at the expense of the  
 465 applicant, conduct a criminal background check of all persons  
 466 seeking to own or rent a unit.

467 Section 10. Paragraph (j) of subsection (1) of section  
 468 718.501, Florida Statutes, is amended to read:

469 718.501 Powers and duties of Division of Florida Land  
 470 Sales, Condominiums, and Mobile Homes.--

471 (1) The Division of Florida Land Sales, Condominiums, and  
 472 Mobile Homes of the Department of Business and Professional  
 473 Regulation, referred to as the "division" in this part, in  
 474 addition to other powers and duties prescribed by chapter 498,  
 475 has the power to enforce and ensure compliance with the  
 476 provisions of this chapter and rules promulgated pursuant hereto  
 477 relating to the development, construction, sale, lease,  
 478 ownership, operation, and management of residential condominium  
 479 units. In performing its duties, the division has the following  
 480 powers and duties:

481 (j) The division shall provide training programs for  
 482 condominium association board members and unit owners. Training  
 483 shall be mandatory for newly elected board members and members  
 484 currently serving on a board who have not previously voluntarily  
 485 attended training.

486 Section 11. Section 718.5011, Florida Statutes, is created  
 487 to read:

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488 718.5011 Ombudsman; appointment; oath; restrictions on  
489 ombudsman and his or her employees.--

490 (1) There is created an Office of the Condominium  
491 Ombudsman that for administrative purposes shall be located  
492 within the Division of Florida Land Sales, Condominiums, and  
493 Mobile Homes. However, the office shall be independent of the  
494 division.

495 (2) The Joint Legislative Auditing Committee shall appoint  
496 an ombudsman by majority vote of the members of that committee.  
497 The ombudsman shall be an attorney admitted to practice before  
498 the Florida Supreme Court and shall serve at the pleasure of the  
499 Joint Legislative Auditing Committee. Vacancies in the office  
500 shall be filled in the same manner as the original appointment.  
501 The ombudsman and attorneys under his staff shall take and  
502 subscribe to the oath of office required of state officers by  
503 the State Constitution. No officer or full-time employee of the  
504 ombudsman's office shall actively engage in any other business  
505 or profession; serve as the representative of any political  
506 party, executive committee, or other governing body thereof;  
507 serve as an executive, officer, or employee of any political  
508 party, committee, organization, or association; receive  
509 remuneration for activities on behalf of any candidate for  
510 public office; or engage on behalf of any candidate for public  
511 office in the solicitation of votes or other activities on  
512 behalf of such candidacy. Neither the ombudsman nor any employee  
513 of his or her office shall become a candidate for election to  
514 public office unless he or she first resigns from his or her  
515 office or employment.

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516 Section 12. Section 718.5012, Florida Statutes, is created  
 517 to read:

518 718.5012 Ombudsman; powers and duties.--The ombudsman  
 519 shall have such powers as are necessary to carry out the duties  
 520 of his or her office, including, but not limited to, the  
 521 following specific powers:

522 (1) To have access to and use of all files and records of  
 523 the division.

524 (2) To prepare and issue reports, recommendations, and  
 525 proposed orders to the division, the Governor, the Advisory  
 526 Council on Condominiums, the President of the Senate, the  
 527 Speaker of the House of Representatives, and minority leaders of  
 528 the Senate and the House of Representatives on any matter or  
 529 subject within the jurisdiction of the division, and to make  
 530 such recommendations as he or she deems appropriate for  
 531 legislation relative to division procedures, rules,  
 532 jurisdiction, personnel, and functions.

533 (3) To act as liaison between the division and unit  
 534 owners, and to assist any unit owner in the preparation and  
 535 filing of a complaint to be investigated by the division. The  
 536 ombudsman shall establish procedures for receiving complaints.  
 537 Any complaint deemed valid by the ombudsman and properly falling  
 538 within the jurisdiction of the division and requiring remedial  
 539 action shall be identified and promptly filed with the division.  
 540 Upon the concurrence of the division, the ombudsman shall  
 541 establish target dates for concluding an investigation and for  
 542 taking appropriate specified remedial action. The ombudsman may  
 543 recommend that the division initiate enforcement proceedings in  
 544 accordance with chapter 120. The department and the ombudsman

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545 may take findings of a criminal nature and submit them as  
 546 evidence to the State Attorneys office, and work with them to  
 547 bring charges against the alleged parties involved.

548 (4) To make recommendations to the division for changes in  
 549 rules and procedures for the filing, investigation, and  
 550 resolution of complaints filed by unit owners.

551 Section 13. Section 718.5013, Florida Statutes, is created  
 552 to read:

553 718.5013 Ombudsman; compensation and expenses.--

554 (1) All costs and expenses incurred by the Office of the  
 555 Condominium Ombudsman shall be paid from disbursements from the  
 556 Division of Florida Land Sales, Condominiums, and Mobile Homes  
 557 Trust Fund and shall require approval of the Joint Legislative  
 558 Auditing Committee.

559 (2) The Joint Legislative Auditing Committee may authorize  
 560 the ombudsman to employ clerical and technical assistants whose  
 561 qualifications, duties, and responsibilities the committee shall  
 562 from time to time prescribe, and to enter into such contracts as  
 563 necessary. The committee may authorize retention of the services  
 564 of additional attorneys or experts to the extent that the best  
 565 interests of the people of the state will be better served  
 566 thereby, including the retention of expert witnesses and other  
 567 technical personnel for participation in contested proceedings  
 568 before the division.

569 Section 14. Section 718.5014, Florida Statutes, is created  
 570 to read:

571 718.5014 Ombudsman; location.--The ombudsman shall  
 572 maintain his or her principal office in Leon County on the  
 573 premises of the division or, if suitable space cannot be

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574 provided there, at such other place convenient to the offices of  
 575 the division as will enable the ombudsman to expeditiously carry  
 576 out the duties and functions of his or her office. The ombudsman  
 577 may establish branch offices upon the concurrence of the Joint  
 578 Legislative Auditing Committee

579 Section 15. Section 718.5015, Florida Statutes, is created  
 580 to read:

581 718.5015 Advisory council; membership functions.--

582 (1) There is created the Advisory Council on Condominiums.  
 583 The council shall consist of seven members. Two members shall be  
 584 appointed by the Speaker of the House of Representatives, two  
 585 members shall be appointed by the President of the Senate, and  
 586 three members shall be appointed by the Governor. At least one  
 587 member shall represent timeshare condominiums. Members shall be  
 588 appointed to 2-year terms; however, of the initial appointments,  
 589 one of the members appointed by each of the Governor, the  
 590 Speaker of the House of Representatives, and the President of  
 591 the Senate shall be appointed to 1-year terms. In addition to  
 592 these appointed members, the director of the Division of Florida  
 593 Land Sales, Condominiums, and Mobile Homes shall serve as an ex  
 594 officio member of the council. It is the intent of the  
 595 Legislature that the persons appointed to this council represent  
 596 a cross-section of persons interested in condominium issues. For  
 597 administrative purposes, the council shall be located in the  
 598 Division of Florida Land Sales, Condominiums, and Mobile Homes  
 599 of the Department of Business and Professional Regulation.  
 600 Members of the council shall serve without compensation, but  
 601 shall be entitled to receive per diem and travel expenses  
 602 pursuant to s. 112.061 while on official business.

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603       (2) The functions of the advisory council shall be to:

604       (a) Receive input from the public regarding issues of  
 605 concern with respect to condominiums and to receive  
 606 recommendations for any changes to be made in the condominium  
 607 law. The issues that the council shall consider shall include,  
 608 but shall not be limited to, the rights and responsibilities of  
 609 the unit owners in relation to the rights and responsibilities  
 610 of the association.

611       (b) Review, evaluate, and advise the division concerning  
 612 revisions and adoption of rules affecting condominiums.

613       (c) Recommend improvements, if needed, in the education  
 614 programs offered by the division.

615       (3) The council is authorized to elect a chair and vice  
 616 chair and such other offices as it may deem advisable. The  
 617 council shall meet at the call of its chair, at the request of a  
 618 majority of its membership, at the request of the division, or  
 619 at such times as may be prescribed by its rules. A majority of  
 620 the members of the council shall constitute a quorum for the  
 621 transaction of all business and the carrying out of the duties  
 622 of the council.

623       Section 16. Section 718.504, Florida Statutes, is amended,  
 624 and subsection (29) is added to said section, to read:

625       718.504 Prospectus or offering circular; "Frequently Asked  
 626 Questions and Answers".--Every developer of a residential  
 627 condominium which contains more than 20 residential units, or  
 628 which is part of a group of residential condominiums which will  
 629 be served by property to be used in common by unit owners of  
 630 more than 20 residential units, shall prepare a prospectus or  
 631 offering circular and file it with the Division of Florida Land

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632 Sales, Condominiums, and Mobile Homes prior to entering into an  
 633 enforceable contract of purchase and sale of any unit or lease  
 634 of a unit for more than 5 years and shall furnish a copy of the  
 635 prospectus or offering circular to each buyer. In addition to  
 636 the prospectus or offering circular, any prospective ~~each~~ buyer  
 637 from the developer or a current unit owner shall be furnished a  
 638 separate document ~~page~~ entitled "Frequently Asked Questions and  
 639 Answers," which shall be in accordance with a format approved by  
 640 the division and a copy of the financial information required by  
 641 s. 718.111. This document ~~page~~ shall, in readable language,  
 642 inform prospective purchasers regarding their voting rights and  
 643 unit use restrictions, including restrictions on the leasing of  
 644 a unit; shall indicate whether and in what amount the unit  
 645 owners or the association is obligated to pay rent or land use  
 646 fees for recreational or other commonly used facilities; shall  
 647 contain a statement identifying that amount of assessment which,  
 648 pursuant to the budget, would be levied upon each unit type,  
 649 exclusive of any special assessments, and which shall further  
 650 identify the basis upon which assessments are levied, whether  
 651 monthly, quarterly, or otherwise; shall state and identify any  
 652 court cases in which the association is currently a party of  
 653 record in which the association may face liability ~~in excess~~ of  
 654 \$25,000 or more ~~\$100,000~~; and which shall further state whether  
 655 membership in a recreational facilities association is  
 656 mandatory, and if so, shall identify the fees currently charged  
 657 per unit type. The division shall by rule require such other  
 658 disclosure as in its judgment will assist prospective  
 659 purchasers. The prospectus or offering circular may include more  
 660 than one condominium, although not all such units are being

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661 offered for sale as of the date of the prospectus or offering  
 662 circular. The prospectus or offering circular must contain the  
 663 following information:

- 664 (1) The front cover or the first page must contain only:
- 665 (a) The name of the condominium.
- 666 (b) The following statements in conspicuous type:

667 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT  
 668 MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.

669 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN  
 670 NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES,  
 671 ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES  
 672 MATERIALS.

673 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY  
 674 STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS  
 675 PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT  
 676 REPRESENTATIONS.

677 (2) Summary: The next page must contain all statements  
 678 required to be in conspicuous type in the prospectus or offering  
 679 circular.

680 (3) A separate index of the contents and exhibits of the  
 681 prospectus.

682 (4) Beginning on the first page of the text (not including  
 683 the summary and index), a description of the condominium,  
 684 including, but not limited to, the following information:

- 685 (a) Its name and location.
- 686 (b) A description of the condominium property, including,  
 687 without limitation:

688 1. The number of buildings, the number of units in each  
 689 building, the number of bathrooms and bedrooms in each unit, and



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690 the total number of units, if the condominium is not a phase  
 691 condominium, or the maximum number of buildings that may be  
 692 contained within the condominium, the minimum and maximum  
 693 numbers of units in each building, the minimum and maximum  
 694 numbers of bathrooms and bedrooms that may be contained in each  
 695 unit, and the maximum number of units that may be contained  
 696 within the condominium, if the condominium is a phase  
 697 condominium.

698 2. The page in the condominium documents where a copy of  
 699 the plot plan and survey of the condominium is located.

700 3. The estimated latest date of completion of  
 701 constructing, finishing, and equipping. In lieu of a date, the  
 702 description shall include a statement that the estimated date of  
 703 completion of the condominium is in the purchase agreement and a  
 704 reference to the article or paragraph containing that  
 705 information.

706 (c) The maximum number of units that will use facilities  
 707 in common with the condominium. If the maximum number of units  
 708 will vary, a description of the basis for variation and the  
 709 minimum amount of dollars per unit to be spent for additional  
 710 recreational facilities or enlargement of such facilities. If  
 711 the addition or enlargement of facilities will result in a  
 712 material increase of a unit owner's maintenance expense or  
 713 rental expense, if any, the maximum increase and limitations  
 714 thereon shall be stated.

715 (5)(a) A statement in conspicuous type describing whether  
 716 the condominium is created and being sold as fee simple  
 717 interests or as leasehold interests. If the condominium is

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718 created or being sold on a leasehold, the location of the lease  
 719 in the disclosure materials shall be stated.

720 (b) If timeshare estates are or may be created with  
 721 respect to any unit in the condominium, a statement in  
 722 conspicuous type stating that timeshare estates are created and  
 723 being sold in units in the condominium.

724 (6) A description of the recreational and other commonly  
 725 used facilities that will be used only by unit owners of the  
 726 condominium, including, but not limited to, the following:

727 (a) Each room and its intended purposes, location,  
 728 approximate floor area, and capacity in numbers of people.

729 (b) Each swimming pool, as to its general location,  
 730 approximate size and depths, approximate deck size and capacity,  
 731 and whether heated.

732 (c) Additional facilities, as to the number of each  
 733 facility, its approximate location, approximate size, and  
 734 approximate capacity.

735 (d) A general description of the items of personal  
 736 property and the approximate number of each item of personal  
 737 property that the developer is committing to furnish for each  
 738 room or other facility or, in the alternative, a representation  
 739 as to the minimum amount of expenditure that will be made to  
 740 purchase the personal property for the facility.

741 (e) The estimated date when each room or other facility  
 742 will be available for use by the unit owners.

743 (f)1. An identification of each room or other facility to  
 744 be used by unit owners that will not be owned by the unit owners  
 745 or the association;

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746 2. A reference to the location in the disclosure materials  
 747 of the lease or other agreements providing for the use of those  
 748 facilities; and

749 3. A description of the terms of the lease or other  
 750 agreements, including the length of the term; the rent payable,  
 751 directly or indirectly, by each unit owner, and the total rent  
 752 payable to the lessor, stated in monthly and annual amounts for  
 753 the entire term of the lease; and a description of any option to  
 754 purchase the property leased under any such lease, including the  
 755 time the option may be exercised, the purchase price or how it  
 756 is to be determined, the manner of payment, and whether the  
 757 option may be exercised for a unit owner's share or only as to  
 758 the entire leased property.

759 (g) A statement as to whether the developer may provide  
 760 additional facilities not described above; their general  
 761 locations and types; improvements or changes that may be made;  
 762 the approximate dollar amount to be expended; and the maximum  
 763 additional common expense or cost to the individual unit owners  
 764 that may be charged during the first annual period of operation  
 765 of the modified or added facilities.

766  
 767 Descriptions as to locations, areas, capacities, numbers,  
 768 volumes, or sizes may be stated as approximations or minimums.

769 (7) A description of the recreational and other facilities  
 770 that will be used in common with other condominiums, community  
 771 associations, or planned developments which require the payment  
 772 of the maintenance and expenses of such facilities, either  
 773 directly or indirectly, by the unit owners. The description  
 774 shall include, but not be limited to, the following:

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775 (a) Each building and facility committed to be built.

776 (b) Facilities not committed to be built except under  
 777 certain conditions, and a statement of those conditions or  
 778 contingencies.

779 (c) As to each facility committed to be built, or which  
 780 will be committed to be built upon the happening of one of the  
 781 conditions in paragraph (b), a statement of whether it will be  
 782 owned by the unit owners having the use thereof or by an  
 783 association or other entity which will be controlled by them, or  
 784 others, and the location in the exhibits of the lease or other  
 785 document providing for use of those facilities.

786 (d) The year in which each facility will be available for  
 787 use by the unit owners or, in the alternative, the maximum  
 788 number of unit owners in the project at the time each of all of  
 789 the facilities is committed to be completed.

790 (e) A general description of the items of personal  
 791 property, and the approximate number of each item of personal  
 792 property, that the developer is committing to furnish for each  
 793 room or other facility or, in the alternative, a representation  
 794 as to the minimum amount of expenditure that will be made to  
 795 purchase the personal property for the facility.

796 (f) If there are leases, a description thereof, including  
 797 the length of the term, the rent payable, and a description of  
 798 any option to purchase.

799  
 800 Descriptions shall include location, areas, capacities, numbers,  
 801 volumes, or sizes and may be stated as approximations or  
 802 minimums.

803 (8) Recreation lease or associated club membership:

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804 (a) If any recreational facilities or other facilities  
 805 offered by the developer and available to, or to be used by,  
 806 unit owners are to be leased or have club membership associated,  
 807 the following statement in conspicuous type shall be included:  
 808 THERE IS A RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS  
 809 CONDOMINIUM; or, THERE IS A CLUB MEMBERSHIP ASSOCIATED WITH THIS  
 810 CONDOMINIUM. There shall be a reference to the location in the  
 811 disclosure materials where the recreation lease or club  
 812 membership is described in detail.

813 (b) If it is mandatory that unit owners pay a fee, rent,  
 814 dues, or other charges under a recreational facilities lease or  
 815 club membership for the use of facilities, there shall be in  
 816 conspicuous type the applicable statement:

817 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS  
 818 MANDATORY FOR UNIT OWNERS; or

819 2. UNIT OWNERS ARE REQUIRED, AS A CONDITION OF OWNERSHIP,  
 820 TO BE LESSEES UNDER THE RECREATIONAL FACILITIES LEASE; or

821 3. UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE  
 822 COSTS AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP,  
 823 REPLACEMENT, RENT, AND FEES UNDER THE RECREATIONAL FACILITIES  
 824 LEASE (OR THE OTHER INSTRUMENTS PROVIDING THE FACILITIES); or

825 4. A similar statement of the nature of the organization  
 826 or the manner in which the use rights are created, and that unit  
 827 owners are required to pay.

828  
 829 Immediately following the applicable statement, the location in  
 830 the disclosure materials where the development is described in  
 831 detail shall be stated.

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832 (c) If the developer, or any other person other than the  
 833 unit owners and other persons having use rights in the  
 834 facilities, reserves, or is entitled to receive, any rent, fee,  
 835 or other payment for the use of the facilities, then there shall  
 836 be the following statement in conspicuous type: THE UNIT OWNERS  
 837 OR THE ASSOCIATION(S) MUST PAY RENT OR LAND USE FEES FOR  
 838 RECREATIONAL OR OTHER COMMONLY USED FACILITIES. Immediately  
 839 following this statement, the location in the disclosure  
 840 materials where the rent or land use fees are described in  
 841 detail shall be stated.

842 (d) If, in any recreation format, whether leasehold, club,  
 843 or other, any person other than the association has the right to  
 844 a lien on the units to secure the payment of assessments, rent,  
 845 or other exactions, there shall appear a statement in  
 846 conspicuous type in substantially the following form:

847 1. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO  
 848 SECURE THE PAYMENT OF RENT AND OTHER EXACTIONS UNDER THE  
 849 RECREATION LEASE. THE UNIT OWNER'S FAILURE TO MAKE THESE  
 850 PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN; or

851 2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO  
 852 SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE  
 853 FOR THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE RECREATIONAL  
 854 OR COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE  
 855 THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

856  
 857 Immediately following the applicable statement, the location in  
 858 the disclosure materials where the lien or lien right is  
 859 described in detail shall be stated.

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860 (9) If the developer or any other person has the right to  
 861 increase or add to the recreational facilities at any time after  
 862 the establishment of the condominium whose unit owners have use  
 863 rights therein, without the consent of the unit owners or  
 864 associations being required, there shall appear a statement in  
 865 conspicuous type in substantially the following form:

866 RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT  
 867 OF UNIT OWNERS OR THE ASSOCIATION(S). Immediately following this  
 868 statement, the location in the disclosure materials where such  
 869 reserved rights are described shall be stated.

870 (10) A statement of whether the developer's plan includes  
 871 a program of leasing units rather than selling them, or leasing  
 872 units and selling them subject to such leases. If so, there  
 873 shall be a description of the plan, including the number and  
 874 identification of the units and the provisions and term of the  
 875 proposed leases, and a statement in boldfaced type that: THE  
 876 UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

877 (11) The arrangements for management of the association  
 878 and maintenance and operation of the condominium property and of  
 879 other property that will serve the unit owners of the  
 880 condominium property, and a description of the management  
 881 contract and all other contracts for these purposes having a  
 882 term in excess of 1 year, including the following:

- 883 (a) The names of contracting parties.
- 884 (b) The term of the contract.
- 885 (c) The nature of the services included.
- 886 (d) The compensation, stated on a monthly and annual  
 887 basis, and provisions for increases in the compensation.

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888 (e) A reference to the volumes and pages of the  
 889 condominium documents and of the exhibits containing copies of  
 890 such contracts.

891  
 892 Copies of all described contracts shall be attached as exhibits.  
 893 If there is a contract for the management of the condominium  
 894 property, then a statement in conspicuous type in substantially  
 895 the following form shall appear, identifying the proposed or  
 896 existing contract manager: THERE IS (IS TO BE) A CONTRACT FOR  
 897 THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH (NAME OF THE  
 898 CONTRACT MANAGER). Immediately following this statement, the  
 899 location in the disclosure materials of the contract for  
 900 management of the condominium property shall be stated.

901 (12) If the developer or any other person or persons other  
 902 than the unit owners has the right to retain control of the  
 903 board of administration of the association for a period of time  
 904 which can exceed 1 year after the closing of the sale of a  
 905 majority of the units in that condominium to persons other than  
 906 successors or alternate developers, then a statement in  
 907 conspicuous type in substantially the following form shall be  
 908 included: THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO  
 909 RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS  
 910 HAVE BEEN SOLD. Immediately following this statement, the  
 911 location in the disclosure materials where this right to control  
 912 is described in detail shall be stated.

913 (13) If there are any restrictions upon the sale,  
 914 transfer, conveyance, or leasing of a unit, then a statement in  
 915 conspicuous type in substantially the following form shall be  
 916 included: THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR



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917 CONTROLLED. Immediately following this statement, the location  
 918 in the disclosure materials where the restriction, limitation,  
 919 or control on the sale, lease, or transfer of units is described  
 920 in detail shall be stated.

921 (14) If the condominium is part of a phase project, the  
 922 following information shall be stated:

923 (a) A statement in conspicuous type in substantially the  
 924 following form: THIS IS A PHASE CONDOMINIUM. ADDITIONAL LAND AND  
 925 UNITS MAY BE ADDED TO THIS CONDOMINIUM. Immediately following  
 926 this statement, the location in the disclosure materials where  
 927 the phasing is described shall be stated.

928 (b) A summary of the provisions of the declaration which  
 929 provide for the phasing.

930 (c) A statement as to whether or not residential buildings  
 931 and units which are added to the condominium may be  
 932 substantially different from the residential buildings and units  
 933 originally in the condominium. If the added residential  
 934 buildings and units may be substantially different, there shall  
 935 be a general description of the extent to which such added  
 936 residential buildings and units may differ, and a statement in  
 937 conspicuous type in substantially the following form shall be  
 938 included: BUILDINGS AND UNITS WHICH ARE ADDED TO THE CONDOMINIUM  
 939 MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS AND  
 940 UNITS IN THE CONDOMINIUM. Immediately following this statement,  
 941 the location in the disclosure materials where the extent to  
 942 which added residential buildings and units may substantially  
 943 differ is described shall be stated.

944 (d) A statement of the maximum number of buildings  
 945 containing units, the maximum and minimum numbers of units in

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946 each building, the maximum number of units, and the minimum and  
 947 maximum square footage of the units that may be contained within  
 948 each parcel of land which may be added to the condominium.

949 (15) If a condominium created on or after July 1, 2000, is  
 950 or may become part of a multicondominium, the following  
 951 information must be provided:

952 (a) A statement in conspicuous type in substantially the  
 953 following form: THIS CONDOMINIUM IS (MAY BE) PART OF A  
 954 MULTICONDOMINIUM DEVELOPMENT IN WHICH OTHER CONDOMINIUMS WILL  
 955 (MAY) BE OPERATED BY THE SAME ASSOCIATION. Immediately following  
 956 this statement, the location in the prospectus or offering  
 957 circular and its exhibits where the multicondominium aspects of  
 958 the offering are described must be stated.

959 (b) A summary of the provisions in the declaration,  
 960 articles of incorporation, and bylaws which establish and  
 961 provide for the operation of the multicondominium, including a  
 962 statement as to whether unit owners in the condominium will have  
 963 the right to use recreational or other facilities located or  
 964 planned to be located in other condominiums operated by the same  
 965 association, and the manner of sharing the common expenses  
 966 related to such facilities.

967 (c) A statement of the minimum and maximum number of  
 968 condominiums, and the minimum and maximum number of units in  
 969 each of those condominiums, which will or may be operated by the  
 970 association, and the latest date by which the exact number will  
 971 be finally determined.

972 (d) A statement as to whether any of the condominiums in  
 973 the multicondominium may include units intended to be used for

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974 nonresidential purposes and the purpose or purposes permitted  
 975 for such use.

976 (e) A general description of the location and approximate  
 977 acreage of any land on which any additional condominiums to be  
 978 operated by the association may be located.

979 (16) If the condominium is created by conversion of  
 980 existing improvements, the following information shall be  
 981 stated:

982 (a) The information required by s. 718.616.

983 (b) A caveat that there are no express warranties unless  
 984 they are stated in writing by the developer.

985 (17) A summary of the restrictions, if any, to be imposed  
 986 on units concerning the use of any of the condominium property,  
 987 including statements as to whether there are restrictions upon  
 988 children and pets, and reference to the volumes and pages of the  
 989 condominium documents where such restrictions are found, or if  
 990 such restrictions are contained elsewhere, then a copy of the  
 991 documents containing the restrictions shall be attached as an  
 992 exhibit.

993 (18) If there is any land that is offered by the developer  
 994 for use by the unit owners and that is neither owned by them nor  
 995 leased to them, the association, or any entity controlled by  
 996 unit owners and other persons having the use rights to such  
 997 land, a statement shall be made as to how such land will serve  
 998 the condominium. If any part of such land will serve the  
 999 condominium, the statement shall describe the land and the  
 1000 nature and term of service, and the declaration or other  
 1001 instrument creating such servitude shall be included as an  
 1002 exhibit.

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1003           (19) The manner in which utility and other services,  
 1004 including, but not limited to, sewage and waste disposal, water  
 1005 supply, and storm drainage, will be provided and the person or  
 1006 entity furnishing them.

1007           (20) An explanation of the manner in which the  
 1008 apportionment of common expenses and ownership of the common  
 1009 elements has been determined.

1010           (21) An estimated operating budget for the condominium and  
 1011 the association, and a schedule of the unit owner's expenses  
 1012 shall be attached as an exhibit and shall contain the following  
 1013 information:

1014           (a) The estimated monthly and annual expenses of the  
 1015 condominium and the association that are collected from unit  
 1016 owners by assessments.

1017           (b) The estimated monthly and annual expenses of each unit  
 1018 owner for a unit, other than common expenses paid by all unit  
 1019 owners, payable by the unit owner to persons or entities other  
 1020 than the association, as well as to the association, including  
 1021 fees assessed pursuant to s. 718.113(1) for maintenance of  
 1022 limited common elements where such costs are shared only by  
 1023 those entitled to use the limited common element, and the total  
 1024 estimated monthly and annual expense. There may be excluded from  
 1025 this estimate expenses which are not provided for or  
 1026 contemplated by the condominium documents, including, but not  
 1027 limited to, the costs of private telephone; maintenance of the  
 1028 interior of condominium units, which is not the obligation of  
 1029 the association; maid or janitorial services privately  
 1030 contracted for by the unit owners; utility bills billed directly  
 1031 to each unit owner for utility services to his or her unit;

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1032 insurance premiums other than those incurred for policies  
 1033 obtained by the condominium; and similar personal expenses of  
 1034 the unit owner. A unit owner's estimated payments for  
 1035 assessments shall also be stated in the estimated amounts for  
 1036 the times when they will be due.

1037 (c) The estimated items of expenses of the condominium and  
 1038 the association, except as excluded under paragraph (b),  
 1039 including, but not limited to, the following items, which shall  
 1040 be stated either as an association expense collectible by  
 1041 assessments or as unit owners' expenses payable to persons other  
 1042 than the association:

1043 1. Expenses for the association and condominium:

1044 a. Administration of the association.

1045 b. Management fees.

1046 c. Maintenance.

1047 d. Rent for recreational and other commonly used  
 1048 facilities.

1049 e. Taxes upon association property.

1050 f. Taxes upon leased areas.

1051 g. Insurance.

1052 h. Security provisions.

1053 i. Other expenses.

1054 j. Operating capital.

1055 k. Reserves.

1056 1. Fees payable to the division.

1057 2. Expenses for a unit owner:

1058 a. Rent for the unit, if subject to a lease.

1059 b. Rent payable by the unit owner directly to the lessor  
 1060 or agent under any recreational lease or lease for the use of

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1061 commonly used facilities, which use and payment is a mandatory  
 1062 condition of ownership and is not included in the common expense  
 1063 or assessments for common maintenance paid by the unit owners to  
 1064 the association.

1065 (d) The estimated amounts shall be stated for a period of  
 1066 at least 12 months and may distinguish between the period prior  
 1067 to the time unit owners other than the developer elect a  
 1068 majority of the board of administration and the period after  
 1069 that date.

1070 (22) A schedule of estimated closing expenses to be paid  
 1071 by a buyer or lessee of a unit and a statement of whether title  
 1072 opinion or title insurance policy is available to the buyer and,  
 1073 if so, at whose expense.

1074 (23) The identity of the developer and the chief operating  
 1075 officer or principal directing the creation and sale of the  
 1076 condominium and a statement of its and his or her experience in  
 1077 this field.

1078 (24) Copies of the following, to the extent they are  
 1079 applicable, shall be included as exhibits:

1080 (a) The declaration of condominium, or the proposed  
 1081 declaration if the declaration has not been recorded.

1082 (b) The articles of incorporation creating the  
 1083 association.

1084 (c) The bylaws of the association.

1085 (d) The ground lease or other underlying lease of the  
 1086 condominium.

1087 (e) The management agreement and all maintenance and other  
 1088 contracts for management of the association and operation of the

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1089 condominium and facilities used by the unit owners having a  
 1090 service term in excess of 1 year.

1091 (f) The estimated operating budget for the condominium and  
 1092 the required schedule of unit owners' expenses.

1093 (g) A copy of the floor plan of the unit and the plot plan  
 1094 showing the location of the residential buildings and the  
 1095 recreation and other common areas.

1096 (h) The lease of recreational and other facilities that  
 1097 will be used only by unit owners of the subject condominium.

1098 (i) The lease of facilities used by owners and others.

1099 (j) The form of unit lease, if the offer is of a  
 1100 leasehold.

1101 (k) A declaration of servitude of properties serving the  
 1102 condominium but not owned by unit owners or leased to them or  
 1103 the association.

1104 (l) The statement of condition of the existing building or  
 1105 buildings, if the offering is of units in an operation being  
 1106 converted to condominium ownership.

1107 (m) The statement of inspection for termite damage and  
 1108 treatment of the existing improvements, if the condominium is a  
 1109 conversion.

1110 (n) The form of agreement for sale or lease of units.

1111 (o) A copy of the agreement for escrow of payments made to  
 1112 the developer prior to closing.

1113 (p) A copy of the documents containing any restrictions on  
 1114 use of the property required by subsection (17).

1115 (25) Any prospectus or offering circular complying, prior  
 1116 to the effective date of this act, with the provisions of former

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1117 ss. 711.69 and 711.802 may continue to be used without amendment  
 1118 or may be amended to comply with the provisions of this chapter.

1119 (26) A brief narrative description of the location and  
 1120 effect of all existing and intended easements located or to be  
 1121 located on the condominium property other than those described  
 1122 in the declaration.

1123 (27) If the developer is required by state or local  
 1124 authorities to obtain acceptance or approval of any dock or  
 1125 marina facilities intended to serve the condominium, a copy of  
 1126 any such acceptance or approval acquired by the time of filing  
 1127 with the division under s. 718.502(1) or a statement that such  
 1128 acceptance or approval has not been acquired or received.

1129 (28) Evidence demonstrating that the developer has an  
 1130 ownership, leasehold, or contractual interest in the land upon  
 1131 which the condominium is to be developed.

1132 (29) Whether the association is currently a party of  
 1133 record in litigation in which the association may face liability  
 1134 of \$25,000 or more and, if so, the nature and title of that  
 1135 litigation.

1136 Section 17. All of the records, personnel, property, and  
 1137 unexpended balances of appropriations, allocations, or other  
 1138 funds for the administration of part VIII of chapter 468,  
 1139 Florida Statutes, shall be transferred by a type two transfer as  
 1140 defined in s. 20.06(2), Florida Statutes, from the Division of  
 1141 Professions of the Department of Business and Professional  
 1142 Regulation to the Division of Florida Land Sales, Condominiums,  
 1143 and Mobile Homes of the Department of Business and Professional  
 1144 Regulation.



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1145           Section 18. The Department of Business and Professional  
1146 Regulation may continue to prosecute any existing legal  
1147 proceedings and related administrative cases that are in  
1148 existence on the effective date of this act.

1149           Section 19. Section 718.510, Florida Statutes, is created  
1150 to read:

1151           718.510 Condominium Owners' Bill of Rights.--The division  
1152 shall adopt rules to provide for a brochure entitled  
1153 "Condominium Owners' Bill of Rights," which shall explain what  
1154 rights are afforded to condominium owners and potential  
1155 purchasers of condominiums under this chapter. It is the intent  
1156 of the Legislature that this brochure be widely distributed and  
1157 as conveniently available as possible.

1158           Section 20. This act shall take effect upon becoming a  
1159 law.