

CHAMBER ACTION

1 The Committee on State Administration recommends the following:

2
3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to condominium associations; amending s.
7 718.110, F.S.; providing for grandfathering and
8 modification of rental rights; providing for certain
9 application of the amendment of unit owners' rental
10 rights; providing certain voting and approval criteria for
11 amendments depriving owners of certain rights; creating s.
12 718.5011, F.S.; creating an Office of the Condominium
13 Ombudsman within the Division of Florida Land Sales,
14 Condominiums, and Mobile Homes; providing for the office's
15 independence from the division; authorizing the Joint
16 Legislative Auditing Committee to appoint the ombudsman;
17 requiring the ombudsman to be an attorney; providing for
18 the filling of a vacant ombudsman position; requiring the
19 ombudsman and staff to subscribe to the oath of office
20 required of state officers; prohibiting the ombudsman and
21 staff from engaging in any other profession, serving as a
22 representative or employee of any political party, or
23 receiving remuneration for activities on behalf of

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24 political candidates; prohibiting the ombudsman and staff
25 from seeking public office unless resigned from the Office
26 of the Condominium Ombudsman; providing requirements and
27 limitations for office staff; creating s. 718.5012, F.S.;
28 providing for powers and duties of the ombudsman; creating
29 s. 718.5013, F.S.; providing for compensation and expenses
30 for the office; authorizing the ombudsman to employ
31 clerical and technical assistants for certain purposes;
32 creating s. 718.5014, F.S.; providing for the location of
33 the ombudsman's office; creating s. 718.5015, F.S.;
34 creating the Advisory Council on Condominiums; providing
35 for membership, functions, meetings, and offices of the
36 council; amending s. 718.504, F.S.; revising provisions
37 relating to certain prospectus and offering circulars;
38 requiring developers of certain condominiums to provide a
39 prospectus including a "Frequently Asked Questions and
40 Answers" document; requiring the document to contain
41 certain information; reducing the threshold amount to be
42 required to be disclosed in controversy for litigation;
43 preserving the department's authority to pursue certain
44 remedies; providing an effective date.

45
46 Be It Enacted by the Legislature of the State of Florida:

47
48 Section 1. Subsection (13) is added to section 718.110,
49 Florida Statutes, to read:

50 718.110 Amendment of declaration; correction of error or
51 omission in declaration by circuit court; grandfathering and
52 modification of certain rights.--

53 (13)(a) Unless expressly stated in the amendment, any
54 amendment restricting unit owners' rights relating to the rental
55 of units, keeping of pets, or allocation of parking spaces shall
56 apply only to unit owners who purchase their unit after the
57 effective date of that amendment.

58 (b) Notwithstanding any other provision of law, or of the
59 declaration or bylaws, if an amendment expressly deprives
60 current unit owners of any part of their rights mentioned in
61 subsection (a), it must be approved by at least a majority of
62 the voting interests. A declaration or an amendment to a
63 declaration may provide for a higher super majority vote
64 requirement.

65 Section 2. Section 718.5011, Florida Statutes, is created
66 to read:

67 718.5011 Ombudsman; appointment; oath; restrictions on
68 ombudsman and his or her employees.--

69 (1) There is created an Office of the Condominium
70 Ombudsman that for administrative purposes shall be located
71 within the Division of Florida Land Sales, Condominiums, and
72 Mobile Homes. However, the office shall be independent of the
73 division.

74 (2) The Joint Legislative Auditing Committee shall appoint
75 an ombudsman by majority vote of the members of that committee.
76 The ombudsman shall be an attorney admitted to practice before
77 the Florida Supreme Court and shall serve at the pleasure of the

78 | Joint Legislative Auditing Committee. Vacancies in the office
 79 | shall be filled in the same manner as the original appointment.
 80 | The ombudsman and attorneys under his or her staff shall take
 81 | and subscribe to the oath of office required of state officers
 82 | by the State Constitution. No officer or full-time employee of
 83 | the ombudsman's office shall actively engage in any other
 84 | business or profession; serve as the representative of any
 85 | political party, executive committee, or other governing body
 86 | thereof; serve as an executive, officer, or employee of any
 87 | political party, committee, organization, or association;
 88 | receive remuneration for activities on behalf of any candidate
 89 | for public office; or engage on behalf of any candidate for
 90 | public office in the solicitation of votes or other activities
 91 | on behalf of such candidacy. Neither the ombudsman nor any
 92 | employee of his or her office shall become a candidate for
 93 | election to public office unless he or she first resigns from
 94 | his or her office or employment.

95 | Section 3. Section 718.5012, Florida Statutes, is created
 96 | to read:

97 | 718.5012 Ombudsman; powers and duties.--The ombudsman
 98 | shall have such powers as are necessary to carry out the duties
 99 | of his or her office, including, but not limited to, the
 100 | following specific powers:

101 | (1) To have access to and use of all files and records of
 102 | the division and of all condominium associations, by subpoena if
 103 | necessary.

104 (2) To conduct onsite inspections of condominiums,
 105 including surprise inspections in accordance with rules
 106 providing for such inspections.

107 (3) To prepare and issue reports, recommendations, and
 108 proposed orders to the division, the Governor, the Advisory
 109 Council on Condominiums, the President of the Senate, the
 110 Speaker of the House of Representatives, and minority leaders of
 111 the Senate and the House of Representatives on any matter or
 112 subject within the jurisdiction of the division, and to make
 113 such recommendations as he or she deems appropriate for
 114 legislation relative to division procedures, rules,
 115 jurisdiction, personnel, and functions.

116 (4) To act as liaison between the division and unit
 117 owners, and to assist any unit owner in the preparation and
 118 filing of a complaint to be investigated by the division. The
 119 ombudsman shall establish procedures for receiving complaints.
 120 Any complaint deemed valid by the ombudsman and properly falling
 121 within the jurisdiction of the division and requiring remedial
 122 action shall be identified and promptly filed with the division.
 123 Upon the concurrence of the division, the ombudsman shall
 124 establish target dates for concluding an investigation and for
 125 taking appropriate specified remedial action. The ombudsman may
 126 recommend that the division initiate enforcement proceedings in
 127 accordance with chapter 120. The department and the ombudsman
 128 may take findings of a criminal nature and submit them as
 129 evidence to the state attorney's office and work with such
 130 office to bring charges against the alleged parties involved.

131 (5) To monitor, investigate, and review condominium
 132 elections and meetings. In addition, the ombudsman shall:

133 (a) Prove to the division, by clear and convincing
 134 evidence, that a member of a condominium board has attempted,
 135 engaged in, conspired to engage in, or willfully and knowingly
 136 benefited from electoral fraud in order for the division to
 137 order such member removed from office. Such an order of removal
 138 shall also prohibit such member from running for election to any
 139 office of the condominium board in the state for 4 years. If any
 140 person is so removed from office twice, such person shall be
 141 barred for life from serving on a condominium board. Factual
 142 findings forming the basis for an order of removal shall be
 143 subject to judicial review only for abuse of discretion.

144 (b) Jointly, with the division, adopt rules governing
 145 removal proceedings. Such rules shall, at a minimum, provide the
 146 accused board member with adequate notice, opportunity to be
 147 heard, the right to confront and cross-examine witnesses, the
 148 right to submit rebuttal evidence, and the right to counsel.

149
 150 Neither this subsection nor rules adopted to implement it shall
 151 be construed to require provision of counsel or witnesses, or
 152 other assistance, at public expense.

153 (6) To resolve disputes among unit owners by ordering
 154 mediation or arbitration in the same manner as the division.

155 (7) To make recommendations to the division for changes in
 156 rules and procedures for the filing, investigation, and
 157 resolution of complaints filed by unit owners, associations, and
 158 managers.

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159 Section 4. Section 718.5013, Florida Statutes, is created
160 to read:

161 718.5013 Ombudsman; compensation and expenses.--

162 (1) All costs and expenses incurred by the Office of the
163 Condominium Ombudsman shall be paid from disbursements from the
164 Division of Florida Land Sales, Condominiums, and Mobile Homes
165 Trust Fund and shall require approval of the Joint Legislative
166 Auditing Committee.

167 (2) The Joint Legislative Auditing Committee may authorize
168 the ombudsman to employ clerical and technical assistants whose
169 qualifications, duties, and responsibilities the committee shall
170 from time to time prescribe, and to enter into such contracts as
171 necessary. The committee may authorize retention of the services
172 of additional attorneys or experts to the extent that the best
173 interests of the people of the state will be better served
174 thereby, including the retention of expert witnesses and other
175 technical personnel for participation in contested proceedings
176 before the division.

177 Section 5. Section 718.5014, Florida Statutes, is created
178 to read:

179 718.5014 Ombudsman; location.--The ombudsman shall
180 maintain his or her principal office in Leon County on the
181 premises of the division or, if suitable space cannot be
182 provided there, at such other place convenient to the offices of
183 the division as will enable the ombudsman to expeditiously carry
184 out the duties and functions of his or her office. The ombudsman
185 may establish branch offices upon the concurrence of the Joint
186 Legislative Auditing Committee

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187 Section 6. Section 718.5015, Florida Statutes, is created
188 to read:

189 718.5015 Advisory council; membership functions.--

190 (1) There is created the Advisory Council on Condominiums.
191 The council shall consist of seven members. Two members shall be
192 appointed by the Speaker of the House of Representatives, two
193 members shall be appointed by the President of the Senate, and
194 three members shall be appointed by the Governor. At least one
195 member shall represent timeshare condominiums. Members shall be
196 appointed to 2-year terms; however, of the initial appointments,
197 one of the members appointed by each of the Governor, the
198 Speaker of the House of Representatives, and the President of
199 the Senate shall be appointed to 1-year terms. In addition to
200 these appointed members, the director of the Division of Florida
201 Land Sales, Condominiums, and Mobile Homes shall serve as an ex
202 officio member of the council. It is the intent of the
203 Legislature that the persons appointed to this council represent
204 a cross-section of persons interested in condominium issues. For
205 administrative purposes, the council shall be located in the
206 Division of Florida Land Sales, Condominiums, and Mobile Homes
207 of the Department of Business and Professional Regulation.
208 Members of the council shall serve without compensation, but
209 shall be entitled to receive per diem and travel expenses
210 pursuant to s. 112.061 while on official business.

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

212 (a) Receive input from the public regarding issues of
213 concern with respect to condominiums and to receive
214 recommendations for any changes to be made in the condominium

215 law. The issues that the council shall consider shall include,
 216 but shall not be limited to, the rights and responsibilities of
 217 the unit owners in relation to the rights and responsibilities
 218 of the association.

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

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

223 (3) The council is authorized to elect a chair and vice
 224 chair and such other offices as it may deem advisable. The
 225 council shall meet at the call of its chair, at the request of a
 226 majority of its membership, at the request of the division, or
 227 at such times as may be prescribed by its rules. A majority of
 228 the members of the council shall constitute a quorum for the
 229 transaction of all business and the carrying out of the duties
 230 of the council.

231 Section 7. Section 718.504, Florida Statutes, is amended
 232 to read:

233 718.504 Prospectus or offering circular; "Frequently Asked
 234 Questions and Answers".--Every developer of a residential
 235 condominium which contains more than 20 residential units, or
 236 which is part of a group of residential condominiums which will
 237 be served by property to be used in common by unit owners of
 238 more than 20 residential units, shall prepare a prospectus or
 239 offering circular and file it with the Division of Florida Land
 240 Sales, Condominiums, and Mobile Homes prior to entering into an
 241 enforceable contract of purchase and sale of any unit or lease
 242 of a unit for more than 5 years and shall furnish a copy of the

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243 | prospectus or offering circular to each buyer. In addition to
244 | the prospectus or offering circular, any prospective ~~each~~ buyer
245 | from the developer or a current unit owner shall be furnished a
246 | separate document ~~page~~ entitled "Frequently Asked Questions and
247 | Answers," which shall be in accordance with a format approved by
248 | the division and a copy of the financial information required by
249 | s. 718.111. This document ~~page~~ shall, in readable language,
250 | inform prospective purchasers regarding their voting rights and
251 | unit use restrictions, including restrictions on the leasing of
252 | a unit; shall indicate whether and in what amount the unit
253 | owners or the association is obligated to pay rent or land use
254 | fees for recreational or other commonly used facilities; shall
255 | contain a statement identifying that amount of assessment which,
256 | pursuant to the budget, would be levied upon each unit type,
257 | exclusive of any special assessments, and which shall further
258 | identify the basis upon which assessments are levied, whether
259 | monthly, quarterly, or otherwise; shall state and identify any
260 | court cases in which the association is currently a party of
261 | record in which the association may face liability ~~in excess of~~
262 | \$25,000 or more ~~\$100,000~~; and which shall further state whether
263 | membership in a recreational facilities association is
264 | mandatory, and if so, shall identify the fees currently charged
265 | per unit type. The division shall by rule require such other
266 | disclosure as in its judgment will assist prospective
267 | purchasers. The prospectus or offering circular may include more
268 | than one condominium, although not all such units are being
269 | offered for sale as of the date of the prospectus or offering

270 circular. The prospectus or offering circular must contain the
271 following information:

272 (1) The front cover or the first page must contain only:

273 (a) The name of the condominium.

274 (b) The following statements in conspicuous type:

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

277 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN
278 NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES,
279 ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES
280 MATERIALS.

281 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY
282 STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS
283 PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT
284 REPRESENTATIONS.

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

288 (3) A separate index of the contents and exhibits of the
289 prospectus.

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

293 (a) Its name and location.

294 (b) A description of the condominium property, including,
295 without limitation:

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

298 | the total number of units, if the condominium is not a phase
 299 | condominium, or the maximum number of buildings that may be
 300 | contained within the condominium, the minimum and maximum
 301 | numbers of units in each building, the minimum and maximum
 302 | numbers of bathrooms and bedrooms that may be contained in each
 303 | unit, and the maximum number of units that may be contained
 304 | within the condominium, if the condominium is a phase
 305 | condominium.

306 | 2. The page in the condominium documents where a copy of
 307 | the plot plan and survey of the condominium is located.

308 | 3. The estimated latest date of completion of
 309 | constructing, finishing, and equipping. In lieu of a date, the
 310 | description shall include a statement that the estimated date of
 311 | completion of the condominium is in the purchase agreement and a
 312 | reference to the article or paragraph containing that
 313 | information.

314 | (c) The maximum number of units that will use facilities
 315 | in common with the condominium. If the maximum number of units
 316 | will vary, a description of the basis for variation and the
 317 | minimum amount of dollars per unit to be spent for additional
 318 | recreational facilities or enlargement of such facilities. If
 319 | the addition or enlargement of facilities will result in a
 320 | material increase of a unit owner's maintenance expense or
 321 | rental expense, if any, the maximum increase and limitations
 322 | thereon shall be stated.

323 | (5)(a) A statement in conspicuous type describing whether
 324 | the condominium is created and being sold as fee simple
 325 | interests or as leasehold interests. If the condominium is

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

328 (b) If timeshare estates are or may be created with
329 respect to any unit in the condominium, a statement in
330 conspicuous type stating that timeshare estates are created and
331 being sold in units in the condominium.

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

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

337 (b) Each swimming pool, as to its general location,
338 approximate size and depths, approximate deck size and capacity,
339 and whether heated.

340 (c) Additional facilities, as to the number of each
341 facility, its approximate location, approximate size, and
342 approximate capacity.

343 (d) A general description of the items of personal
344 property and the approximate number of each item of personal
345 property that the developer is committing to furnish for each
346 room or other facility or, in the alternative, a representation
347 as to the minimum amount of expenditure that will be made to
348 purchase the personal property for the facility.

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

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

354 2. A reference to the location in the disclosure materials
355 of the lease or other agreements providing for the use of those
356 facilities; and

357 3. A description of the terms of the lease or other
358 agreements, including the length of the term; the rent payable,
359 directly or indirectly, by each unit owner, and the total rent
360 payable to the lessor, stated in monthly and annual amounts for
361 the entire term of the lease; and a description of any option to
362 purchase the property leased under any such lease, including the
363 time the option may be exercised, the purchase price or how it
364 is to be determined, the manner of payment, and whether the
365 option may be exercised for a unit owner's share or only as to
366 the entire leased property.

367 (g) A statement as to whether the developer may provide
368 additional facilities not described above; their general
369 locations and types; improvements or changes that may be made;
370 the approximate dollar amount to be expended; and the maximum
371 additional common expense or cost to the individual unit owners
372 that may be charged during the first annual period of operation
373 of the modified or added facilities.

374
375 Descriptions as to locations, areas, capacities, numbers,
376 volumes, or sizes may be stated as approximations or minimums.

377 (7) A description of the recreational and other facilities
378 that will be used in common with other condominiums, community
379 associations, or planned developments which require the payment
380 of the maintenance and expenses of such facilities, either

381 directly or indirectly, by the unit owners. The description
382 shall include, but not be limited to, the following:

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

384 (b) Facilities not committed to be built except under
385 certain conditions, and a statement of those conditions or
386 contingencies.

387 (c) As to each facility committed to be built, or which
388 will be committed to be built upon the happening of one of the
389 conditions in paragraph (b), a statement of whether it will be
390 owned by the unit owners having the use thereof or by an
391 association or other entity which will be controlled by them, or
392 others, and the location in the exhibits of the lease or other
393 document providing for use of those facilities.

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

398 (e) A general description of the items of personal
399 property, and the approximate number of each item of personal
400 property, that the developer is committing to furnish for each
401 room or other facility or, in the alternative, a representation
402 as to the minimum amount of expenditure that will be made to
403 purchase the personal property for the facility.

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

407

408 Descriptions shall include location, areas, capacities, numbers,
409 volumes, or sizes and may be stated as approximations or
410 minimums.

411 (8) Recreation lease or associated club membership:

412 (a) If any recreational facilities or other facilities
413 offered by the developer and available to, or to be used by,
414 unit owners are to be leased or have club membership associated,
415 the following statement in conspicuous type shall be included:
416 THERE IS A RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS
417 CONDOMINIUM; or, THERE IS A CLUB MEMBERSHIP ASSOCIATED WITH THIS
418 CONDOMINIUM. There shall be a reference to the location in the
419 disclosure materials where the recreation lease or club
420 membership is described in detail.

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

425 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS
426 MANDATORY FOR UNIT OWNERS; or

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

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

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

436
437 Immediately following the applicable statement, the location in
438 the disclosure materials where the development is described in
439 detail shall be stated.

440 (c) If the developer, or any other person other than the
441 unit owners and other persons having use rights in the
442 facilities, reserves, or is entitled to receive, any rent, fee,
443 or other payment for the use of the facilities, then there shall
444 be the following statement in conspicuous type: THE UNIT OWNERS
445 OR THE ASSOCIATION(S) MUST PAY RENT OR LAND USE FEES FOR
446 RECREATIONAL OR OTHER COMMONLY USED FACILITIES. Immediately
447 following this statement, the location in the disclosure
448 materials where the rent or land use fees are described in
449 detail shall be stated.

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

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

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

464
465 Immediately following the applicable statement, the location in
466 the disclosure materials where the lien or lien right is
467 described in detail shall be stated.

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

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

478 (10) A statement of whether the developer's plan includes
479 a program of leasing units rather than selling them, or leasing
480 units and selling them subject to such leases. If so, there
481 shall be a description of the plan, including the number and
482 identification of the units and the provisions and term of the
483 proposed leases, and a statement in boldfaced type that: THE
484 UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

485 (11) The arrangements for management of the association
486 and maintenance and operation of the condominium property and of
487 other property that will serve the unit owners of the
488 condominium property, and a description of the management
489 contract and all other contracts for these purposes having a
490 term in excess of 1 year, including the following:

491 (a) The names of contracting parties.

492 (b) The term of the contract.

493 (c) The nature of the services included.

494 (d) The compensation, stated on a monthly and annual
495 basis, and provisions for increases in the compensation.

496 (e) A reference to the volumes and pages of the
497 condominium documents and of the exhibits containing copies of
498 such contracts.

499

500 Copies of all described contracts shall be attached as exhibits.
501 If there is a contract for the management of the condominium
502 property, then a statement in conspicuous type in substantially
503 the following form shall appear, identifying the proposed or
504 existing contract manager: THERE IS (IS TO BE) A CONTRACT FOR
505 THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH (NAME OF THE
506 CONTRACT MANAGER). Immediately following this statement, the
507 location in the disclosure materials of the contract for
508 management of the condominium property shall be stated.

509 (12) If the developer or any other person or persons other
510 than the unit owners has the right to retain control of the
511 board of administration of the association for a period of time
512 which can exceed 1 year after the closing of the sale of a
513 majority of the units in that condominium to persons other than
514 successors or alternate developers, then a statement in
515 conspicuous type in substantially the following form shall be
516 included: THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO
517 RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS
518 HAVE BEEN SOLD. Immediately following this statement, the

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519 location in the disclosure materials where this right to control
520 is described in detail shall be stated.

521 (13) If there are any restrictions upon the sale,
522 transfer, conveyance, or leasing of a unit, then a statement in
523 conspicuous type in substantially the following form shall be
524 included: THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR
525 CONTROLLED. Immediately following this statement, the location
526 in the disclosure materials where the restriction, limitation,
527 or control on the sale, lease, or transfer of units is described
528 in detail shall be stated.

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

531 (a) A statement in conspicuous type in substantially the
532 following form: THIS IS A PHASE CONDOMINIUM. ADDITIONAL LAND AND
533 UNITS MAY BE ADDED TO THIS CONDOMINIUM. Immediately following
534 this statement, the location in the disclosure materials where
535 the phasing is described shall be stated.

536 (b) A summary of the provisions of the declaration which
537 provide for the phasing.

538 (c) A statement as to whether or not residential buildings
539 and units which are added to the condominium may be
540 substantially different from the residential buildings and units
541 originally in the condominium. If the added residential
542 buildings and units may be substantially different, there shall
543 be a general description of the extent to which such added
544 residential buildings and units may differ, and a statement in
545 conspicuous type in substantially the following form shall be
546 included: BUILDINGS AND UNITS WHICH ARE ADDED TO THE CONDOMINIUM

547 MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS AND
 548 UNITS IN THE CONDOMINIUM. Immediately following this statement,
 549 the location in the disclosure materials where the extent to
 550 which added residential buildings and units may substantially
 551 differ is described shall be stated.

552 (d) A statement of the maximum number of buildings
 553 containing units, the maximum and minimum numbers of units in
 554 each building, the maximum number of units, and the minimum and
 555 maximum square footage of the units that may be contained within
 556 each parcel of land which may be added to the condominium.

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

560 (a) A statement in conspicuous type in substantially the
 561 following form: THIS CONDOMINIUM IS (MAY BE) PART OF A
 562 MULTICONDOMINIUM DEVELOPMENT IN WHICH OTHER CONDOMINIUMS WILL
 563 (MAY) BE OPERATED BY THE SAME ASSOCIATION. Immediately following
 564 this statement, the location in the prospectus or offering
 565 circular and its exhibits where the multicondominium aspects of
 566 the offering are described must be stated.

567 (b) A summary of the provisions in the declaration,
 568 articles of incorporation, and bylaws which establish and
 569 provide for the operation of the multicondominium, including a
 570 statement as to whether unit owners in the condominium will have
 571 the right to use recreational or other facilities located or
 572 planned to be located in other condominiums operated by the same
 573 association, and the manner of sharing the common expenses
 574 related to such facilities.

575 (c) A statement of the minimum and maximum number of
 576 condominiums, and the minimum and maximum number of units in
 577 each of those condominiums, which will or may be operated by the
 578 association, and the latest date by which the exact number will
 579 be finally determined.

580 (d) A statement as to whether any of the condominiums in
 581 the multicondominium may include units intended to be used for
 582 nonresidential purposes and the purpose or purposes permitted
 583 for such use.

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

587 (16) If the condominium is created by conversion of
 588 existing improvements, the following information shall be
 589 stated:

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

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

593 (17) A summary of the restrictions, if any, to be imposed
 594 on units concerning the use of any of the condominium property,
 595 including statements as to whether there are restrictions upon
 596 children and pets, and reference to the volumes and pages of the
 597 condominium documents where such restrictions are found, or if
 598 such restrictions are contained elsewhere, then a copy of the
 599 documents containing the restrictions shall be attached as an
 600 exhibit.

601 (18) If there is any land that is offered by the developer
 602 for use by the unit owners and that is neither owned by them nor

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603 | leased to them, the association, or any entity controlled by
604 | unit owners and other persons having the use rights to such
605 | land, a statement shall be made as to how such land will serve
606 | the condominium. If any part of such land will serve the
607 | condominium, the statement shall describe the land and the
608 | nature and term of service, and the declaration or other
609 | instrument creating such servitude shall be included as an
610 | exhibit.

611 | (19) The manner in which utility and other services,
612 | including, but not limited to, sewage and waste disposal, water
613 | supply, and storm drainage, will be provided and the person or
614 | entity furnishing them.

615 | (20) An explanation of the manner in which the
616 | apportionment of common expenses and ownership of the common
617 | elements has been determined.

618 | (21) An estimated operating budget for the condominium and
619 | the association, and a schedule of the unit owner's expenses
620 | shall be attached as an exhibit and shall contain the following
621 | information:

622 | (a) The estimated monthly and annual expenses of the
623 | condominium and the association that are collected from unit
624 | owners by assessments.

625 | (b) The estimated monthly and annual expenses of each unit
626 | owner for a unit, other than common expenses paid by all unit
627 | owners, payable by the unit owner to persons or entities other
628 | than the association, as well as to the association, including
629 | fees assessed pursuant to s. 718.113(1) for maintenance of
630 | limited common elements where such costs are shared only by

631 those entitled to use the limited common element, and the total
 632 estimated monthly and annual expense. There may be excluded from
 633 this estimate expenses which are not provided for or
 634 contemplated by the condominium documents, including, but not
 635 limited to, the costs of private telephone; maintenance of the
 636 interior of condominium units, which is not the obligation of
 637 the association; maid or janitorial services privately
 638 contracted for by the unit owners; utility bills billed directly
 639 to each unit owner for utility services to his or her unit;
 640 insurance premiums other than those incurred for policies
 641 obtained by the condominium; and similar personal expenses of
 642 the unit owner. A unit owner's estimated payments for
 643 assessments shall also be stated in the estimated amounts for
 644 the times when they will be due.

645 (c) The estimated items of expenses of the condominium and
 646 the association, except as excluded under paragraph (b),
 647 including, but not limited to, the following items, which shall
 648 be stated either as an association expense collectible by
 649 assessments or as unit owners' expenses payable to persons other
 650 than the association:

- 651 1. Expenses for the association and condominium:
- 652 a. Administration of the association.
- 653 b. Management fees.
- 654 c. Maintenance.
- 655 d. Rent for recreational and other commonly used
- 656 facilities.
- 657 e. Taxes upon association property.
- 658 f. Taxes upon leased areas.

- 659 g. Insurance.
- 660 h. Security provisions.
- 661 i. Other expenses.
- 662 j. Operating capital.
- 663 k. Reserves.
- 664 l. Fees payable to the division.
- 665 2. Expenses for a unit owner:
 - 666 a. Rent for the unit, if subject to a lease.
 - 667 b. Rent payable by the unit owner directly to the lessor
 - 668 or agent under any recreational lease or lease for the use of
 - 669 commonly used facilities, which use and payment is a mandatory
 - 670 condition of ownership and is not included in the common expense
 - 671 or assessments for common maintenance paid by the unit owners to
 - 672 the association.
- 673 (d) The estimated amounts shall be stated for a period of
- 674 at least 12 months and may distinguish between the period prior
- 675 to the time unit owners other than the developer elect a
- 676 majority of the board of administration and the period after
- 677 that date.
- 678 (22) A schedule of estimated closing expenses to be paid
- 679 by a buyer or lessee of a unit and a statement of whether title
- 680 opinion or title insurance policy is available to the buyer and,
- 681 if so, at whose expense.
- 682 (23) The identity of the developer and the chief operating
- 683 officer or principal directing the creation and sale of the
- 684 condominium and a statement of its and his or her experience in
- 685 this field.

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

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

690 (b) The articles of incorporation creating the
691 association.

692 (c) The bylaws of the association.

693 (d) The ground lease or other underlying lease of the
694 condominium.

695 (e) The management agreement and all maintenance and other
696 contracts for management of the association and operation of the
697 condominium and facilities used by the unit owners having a
698 service term in excess of 1 year.

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

701 (g) A copy of the floor plan of the unit and the plot plan
702 showing the location of the residential buildings and the
703 recreation and other common areas.

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

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

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

709 (k) A declaration of servitude of properties serving the
710 condominium but not owned by unit owners or leased to them or
711 the association.

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

715 (m) The statement of inspection for termite damage and
716 treatment of the existing improvements, if the condominium is a
717 conversion.

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

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

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

723 (25) Any prospectus or offering circular complying, prior
724 to the effective date of this act, with the provisions of former
725 ss. 711.69 and 711.802 may continue to be used without amendment
726 or may be amended to comply with the provisions of this chapter.

727 (26) A brief narrative description of the location and
728 effect of all existing and intended easements located or to be
729 located on the condominium property other than those described
730 in the declaration.

731 (27) If the developer is required by state or local
732 authorities to obtain acceptance or approval of any dock or
733 marina facilities intended to serve the condominium, a copy of
734 any such acceptance or approval acquired by the time of filing
735 with the division under s. 718.502(1) or a statement that such
736 acceptance or approval has not been acquired or received.

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

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740 Section 8. The Department of Business and Professional
741 Regulation may continue to prosecute any existing legal
742 proceedings and related administrative cases that are in
743 existence on the effective date of this act.

744 Section 9. This act shall take effect July 1, 2004.