

## CHAMBER ACTION

1 The Committee on Appropriations 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 certain rights of a unit owner; providing  
9 for certain application of the amendment of unit owner's  
10 rental rights; requiring certain voting and approval  
11 criteria for amendments depriving owners of certain  
12 rights; creating s. 718.5011, F.S.; creating the Office of  
13 the Condominium Ombudsman within the Division of Florida  
14 Land Sales, Condominiums, and Mobile Homes; requiring the  
15 division to fund the office; requiring the Department of  
16 Business and Professional Regulation to provide  
17 administrative support and service to the office;  
18 authorizing the Governor to appoint the ombudsman;  
19 requiring the ombudsman to be an attorney admitted to  
20 practice before the Florida Supreme Court; providing for  
21 the filling of vacancies in the office; requiring the  
22 ombudsman and staff to subscribe to the oath of office  
23 required of state officers; prohibiting an officer or

24 full-time employee of the office from engaging in any  
25 other profession, serving as a representative or employee  
26 of any political party, or receiving remuneration for  
27 activities on behalf of political candidates; prohibiting  
28 the ombudsman and his or her staff from seeking public  
29 office unless resigned from the office; creating s.  
30 718.5012, F.S.; granting certain powers and duties to the  
31 ombudsman; authorizing the ombudsman to adopt and  
32 administer a personnel classification system and pay plan  
33 for office employees with the approval of the Office of  
34 the Governor; authorizing the division to remove a member  
35 of a condominium board under certain circumstances;  
36 authorizing the division, in consultation with the  
37 ombudsman, to adopt rules with respect to such removal;  
38 providing that the ombudsman is not required to provide  
39 counsel or witnesses, or other assistance, at public  
40 expense; creating s. 718.5014, F.S.; providing for the  
41 location of the ombudsman's office; creating s. 718.5015,  
42 F.S.; creating the Advisory Council on Condominiums;  
43 providing for appointments by the President of the Senate,  
44 the Speaker of the House of Representatives, and the  
45 Governor; providing limited compensation; providing for  
46 membership, functions, terms of service, meetings, and  
47 offices of the advisory council; amending s. 718.504,  
48 F.S.; providing certain prospective unit buyers with a  
49 separate document, rather than a separate page, of  
50 frequently asked questions and answers; reducing the  
51 threshold amount to be required to be disclosed in

HB 1223 CS

2004  
CS

52 | controversy for litigation; preserving the department's  
53 | authority to pursue certain remedies; providing an  
54 | appropriation; providing an effective date.

55 |  
56 | Be It Enacted by the Legislature of the State of Florida:

57 |  
58 | Section 1. Subsection (13) is added to section 718.110,  
59 | Florida Statutes, to read:

60 | 718.110 Amendment of declaration; correction of error or  
61 | omission in declaration by circuit court; grandfathering and  
62 | modification of certain rights.--

63 | (13)(a) Unless expressly stated in the amendment, any  
64 | amendment restricting unit owners' rights relating to the rental  
65 | of units, or keeping of pets, shall apply only to unit owners  
66 | who purchase their unit after the effective date of that  
67 | amendment.

68 | (b) Notwithstanding any other provision of law, or of the  
69 | declaration or bylaws, an amendment that expressly deprives  
70 | current unit owners of any part of their rights specified in  
71 | paragraph (a) must be approved by at least a majority of the  
72 | voting interests. A declaration or an amendment to a declaration  
73 | may require approval by a greater than super majority vote.

74 | Section 2. Section 718.5011, Florida Statutes, is created  
75 | to read:

76 | 718.5011 Ombudsman; appointment; oath; restrictions on  
77 | ombudsman and his or her employees.--

78 | (1) There is created an Office of the Condominium  
79 | Ombudsman. The office is, for administrative purposes, within

HB 1223 CS

2004  
CS

80 the Division of Florida Land Sales, Condominiums, and Mobile  
81 Homes but shall remain independent of the division. The office  
82 shall be a separate budget entity, funded by the Division of  
83 Florida Land Sales, Condominiums, and Mobile Homes Trust Fund,  
84 and the ombudsman shall be the agency head for all purposes. The  
85 Department of Business and Professional Regulation shall provide  
86 administrative support and service to the ombudsman, but the  
87 ombudsman shall not be subject to the control, supervision, or  
88 direction of the department. The ombudsman shall develop a  
89 budget pursuant to chapter 216 which the department shall  
90 submit, without change, to the Governor along with the budget of  
91 the department.

92 (2) The Governor shall appoint the ombudsman. The  
93 ombudsman must be an attorney admitted to practice before the  
94 Florida Supreme Court and shall serve at the pleasure of the  
95 Governor. Vacancies in the office shall be filled in the same  
96 manner as the original appointment. The ombudsman and attorneys  
97 -serving as staff shall take and subscribe to the oath of office  
98 required of state officers by the State Constitution. An officer  
99 or full-time employee of the ombudsman's office may not actively  
100 engage in any other business or profession; serve as the  
101 representative of any political party or on the executive  
102 committee or other governing body of any political party; serve  
103 as an executive, officer, or employee of any political party,  
104 committee, organization, or association; receive remuneration  
105 for activities on behalf of any candidate for public office; or  
106 engage in the solicitation of votes or other activities on  
107 behalf of any candidate for public office. The ombudsman or any

108 employee of his or her office may not become a candidate for  
 109 election to public office unless he or she first resigns from  
 110 his or her office or employment.

111 Section 3. Section 718.5012, Florida Statutes, is created  
 112 to read:

113 718.5012 Ombudsman; powers and duties.--The ombudsman  
 114 shall have such powers as are necessary to carry out the duties  
 115 of his or her office, including, but not limited to, the  
 116 following specific powers:

117 (1) To have access to and use of all files and records of  
 118 the division and of all condominium associations, by subpoena if  
 119 necessary.

120 (2) To employ professional and clerical staff as necessary  
 121 for the efficient operation of the Office of the Condominium  
 122 Ombudsman, including experts and other technical personnel for  
 123 participation in contested proceedings before the division when  
 124 the best interests of the public will be served, and with the  
 125 approval of the Office of the Governor, to adopt and administer  
 126 a uniform personnel job classification and pay plan for such  
 127 employees, and to enter into contracts.

128 (3) To prepare and issue reports, recommendations, and  
 129 proposed orders to the division, the Governor, the Advisory  
 130 Council on Condominiums, the President of the Senate, the  
 131 Speaker of the House of Representatives, and the minority  
 132 leaders of the Senate and the House of Representatives on any  
 133 matter or subject within the jurisdiction of the division, and  
 134 to make such recommendations as he or she deems appropriate for

135 legislation relative to division procedures, rules,  
 136 jurisdiction, personnel, and functions.

137 (4) To act as liaison between the division and unit  
 138 owners, and to assist any unit owner in providing and explaining  
 139 how to file a complaint to be investigated by the division. The  
 140 ombudsman shall establish procedures for the submittal and  
 141 processing of complaints, including target dates for concluding  
 142 any investigation by the ombudsman. The ombudsman shall identify  
 143 complaints that properly fall within the jurisdiction of the  
 144 division and require remedial action and shall assist residents  
 145 with promptly filing complaints with the division. The ombudsman  
 146 may recommend that the division initiate enforcement  
 147 proceedings. The department and the ombudsman may submit  
 148 findings of a criminal nature to the state attorney's office and  
 149 work with that office to bring charges against the parties  
 150 allegedly involved.

151 (5) To monitor, investigate, and review condominium  
 152 elections and meetings, which includes, but is not limited to:

153 (a) Providing information and evidence to the division if  
 154 a member of a condominium board attempts, engages in, conspires  
 155 to engage in, or willfully and knowingly benefits from electoral  
 156 fraud. If the information and evidence provided is clear and  
 157 convincing, the division shall order the member removed from the  
 158 board. The order of removal shall also prohibit the person who  
 159 is removed from running for election to any office of a  
 160 condominium board in the state for 4 years. Any person who is so  
 161 removed from office twice shall be barred from serving on a  
 162 condominium board in the state. Factual findings forming the

163 basis for an order of removal shall be subject to judicial  
 164 review only for abuse of discretion.

165 (b) Working with the division to adopt rules governing  
 166 proceedings to remove a board member for electoral fraud. The  
 167 division shall adopt rules governing such removal which shall,  
 168 at minimum, provide the accused board member with adequate  
 169 notice, opportunity to be heard, the right to confront and  
 170 cross-examine witnesses, the right to submit rebuttal evidence,  
 171 and the right to counsel. Before the division develops a rule  
 172 proposal on removal, the division and the office shall meet and  
 173 confer regarding issues to be addressed in the rule. After the  
 174 division develops a rule proposal on removal, and before the  
 175 proposal is finalized for publication or other presentation to  
 176 the public, the division shall provide the office with a  
 177 reasonable opportunity to review and provide written comments on  
 178 the proposal and consider any comments the ombudsman provides.

179  
 180 Neither this subsection nor rules adopted to implement it shall  
 181 be construed to require the ombudsman to provide counsel or  
 182 witnesses, or other assistance, at public expense.

183 (6) To make recommendations to the division for changes in  
 184 rules and procedures for the filing, investigation, and  
 185 resolution of complaints filed by unit owners, associations, and  
 186 managers.

187 Section 4. Section 718.5014, Florida Statutes, is created  
 188 to read:

189 718.5014 Ombudsman; location.--The ombudsman shall  
 190 maintain his or her principal office in Leon County on the

191 premises of the division or, if suitable space cannot be  
 192 provided there, at such other place convenient to the offices of  
 193 the division as will enable the ombudsman to expeditiously carry  
 194 out the duties and functions of his or her office.

195 Section 5. Section 718.5015, Florida Statutes, is created  
 196 to read:

197 718.5015 Advisory council; membership functions.--

198 (1) There is created the Advisory Council on Condominiums.

199 The council shall consist of seven appointed members. Two  
 200 members shall be appointed by the President of the Senate, two  
 201 members shall be appointed by the Speaker of the House of  
 202 Representatives, and three members shall be appointed by the  
 203 Governor. At least one member that is appointed by the Governor  
 204 shall represent timeshare condominiums. Members shall be  
 205 appointed to 2-year terms; however, one of the persons initially  
 206 appointed by the Governor, by the President of the Senate, and  
 207 by the Speaker of the House of Representatives shall be  
 208 appointed to a 1-year term. The director of the division shall  
 209 serve as an ex officio nonvoting member. The Legislature intends  
 210 that the persons appointed represent a cross-section of persons  
 211 interested in condominium issues. The council shall be located  
 212 within the division for administrative purposes. Members of the  
 213 council shall serve without compensation, but are entitled to  
 214 receive per diem and travel expenses pursuant to s. 112.061  
 215 while on official business.

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

217 (a) Receive, from the public, input regarding issues of  
 218 concern with respect to condominiums and recommendations for



219 changes in the condominium law. The issues that the council  
 220 shall consider include, but are not limited to, the rights and  
 221 responsibilities of the unit owners in relation to the rights  
 222 and responsibilities of the association.

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

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

227 (3) The council may elect a chair and vice chair and such  
 228 other officers as it may deem advisable. The council shall meet  
 229 at the call of its chair, at the request of a majority of its  
 230 membership, at the request of the division, or at such times as  
 231 it may prescribe. A majority of the members of the council shall  
 232 constitute a quorum. Council action may be taken by vote of a  
 233 majority of the voting members who are present at a meeting  
 234 where there is a quorum.

235 Section 6. Section 718.504, Florida Statutes, is amended  
 236 to read:

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

HB 1223 CS

2004  
CS

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

274 circular. The prospectus or offering circular must contain the  
275 following information:

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

277 (a) The name of the condominium.

278 (b) The following statements in conspicuous type:

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

281 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN  
282 NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES,  
283 ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES  
284 MATERIALS.

285 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY  
286 STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS  
287 PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT  
288 REPRESENTATIONS.

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

292 (3) A separate index of the contents and exhibits of the  
293 prospectus.

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

297 (a) Its name and location.

298 (b) A description of the condominium property, including,  
299 without limitation:

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

302 the total number of units, if the condominium is not a phase  
 303 condominium, or the maximum number of buildings that may be  
 304 contained within the condominium, the minimum and maximum  
 305 numbers of units in each building, the minimum and maximum  
 306 numbers of bathrooms and bedrooms that may be contained in each  
 307 unit, and the maximum number of units that may be contained  
 308 within the condominium, if the condominium is a phase  
 309 condominium.

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

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

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

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

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

332 (b) If timeshare estates are or may be created with  
333 respect to any unit in the condominium, a statement in  
334 conspicuous type stating that timeshare estates are created and  
335 being sold in units in the condominium.

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

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

341 (b) Each swimming pool, as to its general location,  
342 approximate size and depths, approximate deck size and capacity,  
343 and whether heated.

344 (c) Additional facilities, as to the number of each  
345 facility, its approximate location, approximate size, and  
346 approximate capacity.

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

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

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

358           2. A reference to the location in the disclosure materials  
359 of the lease or other agreements providing for the use of those  
360 facilities; and

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

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

378  
379 Descriptions as to locations, areas, capacities, numbers,  
380 volumes, or sizes may be stated as approximations or minimums.

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

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

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

388 |       (b) Facilities not committed to be built except under  
 389 | certain conditions, and a statement of those conditions or  
 390 | contingencies.

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

398 |       (d) The year in which each facility will be available for  
 399 | use by the unit owners or, in the alternative, the maximum  
 400 | number of unit owners in the project at the time each of all of  
 401 | the facilities is committed to be completed.

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

408 |       (f) If there are leases, a description thereof, including  
 409 | the length of the term, the rent payable, and a description of  
 410 | any option to purchase.

411 |

412 Descriptions shall include location, areas, capacities, numbers,  
413 volumes, or sizes and may be stated as approximations or  
414 minimums.

415 (8) Recreation lease or associated club membership:

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

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

429 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS  
430 MANDATORY FOR UNIT OWNERS; or

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

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

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



440  
441 Immediately following the applicable statement, the location in  
442 the disclosure materials where the development is described in  
443 detail shall be stated.

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

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

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

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

468  
469 Immediately following the applicable statement, the location in  
470 the disclosure materials where the lien or lien right is  
471 described in detail shall be stated.

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

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

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

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

495 (a) The names of contracting parties.

496 (b) The term of the contract.

497 (c) The nature of the services included.

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

500 (e) A reference to the volumes and pages of the  
501 condominium documents and of the exhibits containing copies of  
502 such contracts.

503

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

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

523 | location in the disclosure materials where this right to control  
524 | is described in detail shall be stated.

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

533 |       (14) If the condominium is part of a phase project, the  
534 | following information shall be stated:

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

540 |       (b) A summary of the provisions of the declaration which  
541 | provide for the phasing.

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

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

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

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

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

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

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

584 (d) A statement as to whether any of the condominiums in  
 585 the multicondominium may include units intended to be used for  
 586 nonresidential purposes and the purpose or purposes permitted  
 587 for such use.

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

591 (16) If the condominium is created by conversion of  
 592 existing improvements, the following information shall be  
 593 stated:

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

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

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

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

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

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

619 |         (20) An explanation of the manner in which the  
 620 | apportionment of common expenses and ownership of the common  
 621 | elements has been determined.

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

626 |             (a) The estimated monthly and annual expenses of the  
 627 | condominium and the association that are collected from unit  
 628 | owners by assessments.

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

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

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

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



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

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

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

694 (b) The articles of incorporation creating the  
695 association.

696 (c) The bylaws of the association.

697 (d) The ground lease or other underlying lease of the  
698 condominium.

699 (e) The management agreement and all maintenance and other  
700 contracts for management of the association and operation of the  
701 condominium and facilities used by the unit owners having a  
702 service term in excess of 1 year.

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

705 (g) A copy of the floor plan of the unit and the plot plan  
706 showing the location of the residential buildings and the  
707 recreation and other common areas.

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

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

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

713 (k) A declaration of servitude of properties serving the  
714 condominium but not owned by unit owners or leased to them or  
715 the association.

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

719 (m) The statement of inspection for termite damage and  
720 treatment of the existing improvements, if the condominium is a  
721 conversion.

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

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

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

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

731 (26) A brief narrative description of the location and  
732 effect of all existing and intended easements located or to be  
733 located on the condominium property other than those described  
734 in the declaration.

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

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

HB 1223 CS

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744           Section 7. The Department of Business and Professional  
745 Regulation may continue to prosecute any existing judicial or  
746 administrative legal proceedings that are in existence on the  
747 effective date of this act.

748           Section 8. There is hereby appropriated \$379,450 from the  
749 Florida Land Sales, Condominiums, and Mobile Homes Trust Fund,  
750 and six full-time equivalent positions are authorized for the  
751 Department of Business and Professional Regulation to implement  
752 the provisions of this act.

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