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A bill to be entitled
 An act relating to conveyances of land; transferring,
 renumbering, and amending s. 689.26, F.S.; providing that
 certain contracts are voidable for a specified period;
 requiring that a purchaser provide written notice of
 cancellation; transferring and renumbering s. 689.265,
 F.S., relating to required financial reports of certain
 residential subdivision developers; amending s. 498.025,
 F.S., relating to the disposition of subdivided lands;
 conforming cross-references; providing an effective date.

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

Section 1. Section 689.26, Florida Statutes, is
 transferred, renumbered as section 720.3085, Florida Statutes,
 and amended to read:

720.3085 ~~689.26~~ Prospective purchasers subject to
 association membership requirement; disclosure required;
 covenants; assessments; contract voidability.--

(1)(a) A prospective parcel owner in a community must be
 presented a disclosure summary before executing the contract for
 sale. The disclosure summary must be in a form substantially
 similar to the following form:

DISCLOSURE SUMMARY
 FOR
 (NAME OF COMMUNITY)

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29 1. AS A PURCHASER OF PROPERTY IN THIS COMMUNITY, YOU
 30 (WILL) (WILL NOT) BE OBLIGATED TO BE A MEMBER OF A HOMEOWNERS'
 31 ASSOCIATION.

32 2. THERE HAVE BEEN OR WILL BE RECORDED RESTRICTIVE
 33 COVENANTS GOVERNING THE USE AND OCCUPANCY OF PROPERTIES IN THIS
 34 COMMUNITY.

35 3. YOU (WILL) (WILL NOT) BE OBLIGATED TO PAY ASSESSMENTS
 36 TO THE ASSOCIATION. YOU (WILL) (WILL NOT) BE OBLIGATED TO PAY
 37 SPECIAL ASSESSMENTS TO THE RESPECTIVE MUNICIPALITY, COUNTY, OR
 38 SPECIAL DISTRICT. ALL ASSESSMENTS ARE SUBJECT TO PERIODIC
 39 CHANGE.

40 4. YOUR FAILURE TO PAY SPECIAL ASSESSMENTS OR ASSESSMENTS
 41 LEVIED BY A MANDATORY HOMEOWNERS' ASSOCIATION COULD RESULT IN A
 42 LIEN ON YOUR PROPERTY.

43 5. THERE (IS) (IS NOT) AN OBLIGATION TO PAY RENT OR LAND
 44 USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES AS
 45 AN OBLIGATION OF MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION. (If
 46 such obligation exists, then the amount of the current
 47 obligation shall be set forth.)

48 6. THE RESTRICTIVE COVENANTS (CAN) (CANNOT) BE AMENDED
 49 WITHOUT THE APPROVAL OF THE ASSOCIATION MEMBERSHIP OR, IF NO
 50 MANDATORY ASSOCIATION EXISTS, PARCEL OWNERS.

51 7. THE STATEMENTS CONTAINED IN THIS DISCLOSURE FORM ARE
 52 ONLY SUMMARY IN NATURE, AND, AS A PROSPECTIVE PURCHASER, YOU
 53 SHOULD REFER TO THE COVENANTS AND THE ASSOCIATION GOVERNING
 54 DOCUMENTS BEFORE PURCHASING PROPERTY.

55 8. THESE DOCUMENTS ARE MATTERS OF PUBLIC RECORD AND CAN BE
 56 OBTAINED FROM THE RECORD OFFICE IN THE COUNTY WHERE THE PROPERTY
 57 IS LOCATED.

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DATE: PURCHASER:
PURCHASER:

The disclosure must be supplied by the developer, or by the parcel owner if the sale is by an owner that is not the developer. Any contract or agreement for sale shall refer to and incorporate the disclosure summary and shall include, in prominent language, a statement that the potential buyer should not execute the contract or agreement until they have received and read the disclosure summary required by this section.

(b) Each contract entered into for the sale of property governed by covenants subject to disclosure required by this section must contain in conspicuous type a clause that states:

IF THE DISCLOSURE SUMMARY REQUIRED BY SECTION 720.3085 ~~689.26~~, FLORIDA STATUTES, HAS NOT BEEN PROVIDED TO THE PROSPECTIVE PURCHASER BEFORE EXECUTING THIS CONTRACT FOR SALE, THIS CONTRACT IS VOIDABLE BY BUYER BY DELIVERING TO SELLER OR SELLER'S AGENT OR REPRESENTATIVE WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 3 DAYS AFTER RECEIPT OF THE DISCLOSURE SUMMARY OR PRIOR TO CLOSING, WHICHEVER OCCURS FIRST. ANY PURPORTED WAIVER OF THIS VOIDABILITY RIGHT HAS NO EFFECT. BUYER'S RIGHT TO VOID THIS CONTRACT SHALL TERMINATE AT CLOSING.

(c) If the disclosure summary is not provided to a prospective purchaser before the purchaser executes a contract

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87 for the sale of property governed by covenants that are subject
 88 to disclosure pursuant to this section, the purchaser may void
 89 the contract by delivering to the seller or the seller's agent
 90 or representative written notice canceling the contract within 3
 91 days after receipt of the disclosure summary or prior to
 92 closing, whichever occurs first. This right may not be waived by
 93 the purchaser, but terminates at closing. A contract that does
 94 ~~not conform to the requirements of this subsection is voidable~~
 95 ~~at the option of the purchaser prior to closing.~~

96 (2) This section does not apply to any association
 97 regulated under chapter 718, chapter 719, chapter 721, or
 98 chapter 723 or to a subdivider registered under chapter 498; and
 99 also does not apply if disclosure regarding the association is
 100 otherwise made in connection with the requirements of chapter
 101 718, chapter 719, chapter 721, or chapter 723.

102 Section 2. Section 689.265, Florida Statutes, is
 103 transferred and renumbered as section 720.3086, Florida
 104 Statutes, to read:

105 720.3086 ~~689.265~~ Financial report.--In a residential
 106 subdivision in which the owners of lots or parcels must pay
 107 mandatory maintenance or amenity fees to the subdivision
 108 developer or to the owners of the common areas, recreational
 109 facilities, and other properties serving the lots or parcels,
 110 the developer or owner of such areas, facilities, or properties
 111 shall make public, within 60 days following the end of each
 112 fiscal year, a complete financial report of the actual, total
 113 receipts of mandatory maintenance or amenity fees received by
 114 it, and an itemized listing of the expenditures made by it from
 115 such fees, for that year. Such report shall be made public by

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116 mailing it to each lot or parcel owner in the subdivision, by
 117 publishing it in a publication regularly distributed within the
 118 subdivision, or by posting it in prominent locations in the
 119 subdivision. This section does not apply to amounts paid to
 120 homeowner associations pursuant to chapter 617, chapter 718,
 121 chapter 719, chapter 721, or chapter 723, or to amounts paid to
 122 local governmental entities, including special districts.

123 Section 3. Paragraphs (g) and (h) of subsection (2) of
 124 section 498.025, Florida Statutes, are amended to read:

125 498.025 Exemptions.--

126 (2) Except as provided in s. 498.022, the provisions of
 127 this chapter do not apply to offers or dispositions of interests
 128 in lots, parcels, or units contained in a recorded subdivision
 129 plat, or resulting from the subdivision of land in accordance
 130 with applicable local land development laws and regulations
 131 pursuant to part II of chapter 163, including lots, parcels,
 132 units, or interest vested under such part, if all of the
 133 following conditions exist:

134 (g) The contract for purchase or lease contains, and the
 135 subdivider complies with, the following provisions:

136 1. The purchaser must inspect the subdivided land prior to
 137 the execution of the contract or lease.

138 2. The purchaser shall have an absolute right to cancel
 139 the contract or lease for any reason whatsoever for a period of
 140 7 business days following the date on which the contract or
 141 lease was executed by the purchaser.

142 3. In the event the purchaser elects to cancel within the
 143 period provided, all funds or other property paid by the
 144 purchaser shall be refunded without penalty or obligation within

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145 20 days of the receipt of the notice of cancellation by the
 146 developer.

147 4. All funds or ~~for~~ property paid by the purchaser shall
 148 be put in escrow until closing has occurred and the lease or
 149 deed has been recorded.

150 5. Unless otherwise timely canceled, closing shall occur
 151 within 180 days of the date of execution of the contract by the
 152 purchaser.

153 6. When title is conveyed, said title shall be conveyed by
 154 statutory warranty deed unencumbered by any lien or mortgage
 155 except for any first purchase money mortgage given by the
 156 purchaser and restrictions, covenants, or easements of record.

157 7. The subdivider presents to the purchaser the disclosure
 158 required by s. 720.3085 ~~s. 689.26~~ prior to the execution of the
 159 contract or lease.

160 (h) The agreement for deed contains, and the subdivider
 161 complies with, the following provisions:

162 1. The purchaser must inspect the subdivided land prior to
 163 the execution of the agreement for deed.

164 2. The purchaser shall have an absolute right to cancel
 165 the agreement for deed for any reason whatsoever for a period of
 166 7 business days following the date on which the agreement for
 167 deed was executed by the purchaser.

168 3. If the purchaser elects to cancel within the period
 169 provided, all funds or other property paid by the purchaser
 170 shall be refunded without penalty or obligation within 20 days
 171 after the receipt of the notice of cancellation by the
 172 developer.

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173 4. All funds or ~~for~~ property paid by the purchaser shall
 174 be put in escrow until the agreement for deed has been recorded
 175 in the county in which the subdivision is located.

176 5. Unless otherwise timely canceled, the agreement for
 177 deed shall be recorded within 180 days after its execution by
 178 the purchaser.

179 6. Sale of lots in the subdivision shall be restricted
 180 solely to residents of the state.

181 7. The underlying mortgage or other ancillary documents
 182 shall contain release provisions for the individual lot
 183 purchased.

184 8. The subdivider presents to the purchaser the disclosure
 185 required by s. 720.3085 ~~s. 689.26~~ prior to the execution of the
 186 agreement for deed.

187 Section 4. This act shall take effect July 1, 2004.