

1 A bill to be entitled
 2 An act relating to condominium assessments; amending
 3 s. 718.116, F.S.; revising the limitations of
 4 liability for assessments; providing an effective
 5 date.

6
 7 Be It Enacted by the Legislature of the State of Florida:

8
 9 Section 1. Paragraph (b) of subsection (1) of section
 10 718.116, Florida Statutes, is amended to read:

11 718.116 Assessments; liability; lien and priority;
 12 interest; collection.—

13 (1)

14 (b)1. The liability of a first mortgagee or its successor
 15 or assignees who acquire title to a unit by foreclosure or by
 16 deed in lieu of foreclosure for the unpaid assessments that
 17 became due before the mortgagee's acquisition of title is
 18 limited to the lesser of:

19 a. The unit's unpaid common expenses and regular periodic
 20 assessments which accrued or came due during the 24 ~~12~~ months
 21 immediately preceding the acquisition of title and for which
 22 payment in full has not been received by the association; or

23 b. Three ~~one~~ percent of the original mortgage debt. ~~The~~
 24 ~~provisions of~~ This paragraph applies ~~apply~~ only if the first
 25 mortgagee joined the association as a defendant in the
 26 foreclosure action. Joinder of the association is not required

HB 1405

2014

27 | if, on the date the complaint is filed, the association was
28 | dissolved or did not maintain an office or agent for service of
29 | process at a location which was known to or reasonably
30 | discoverable by the mortgagee.

31 | 2. An association, or its successor or assignee, which
32 | ~~that~~ acquires title to a unit through the foreclosure of its
33 | lien for assessments is not liable for any unpaid assessments,
34 | late fees, interest, or reasonable attorney fees ~~attorney's fees~~
35 | and costs that came due before the association's acquisition of
36 | title in favor of any other association, as defined in s.
37 | 718.103(2) or s. 720.301(9), which holds a superior lien
38 | interest on the unit. This subparagraph is intended to clarify
39 | existing law.

40 | Section 2. This act shall take effect July 1, 2014.