Bill No. CS/HB 7037 (2014)

Amendment No. 1

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COMMITTEE/SUBCOMMITTEE	ACTION
ADOPTED	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

Committee/Subcommittee hearing bill: Judiciary Committee Representative Spano offered the following:

### Amendment (with title amendment)

Remove everything after the enacting clause and insert: Section 1. Subsection (2) of section 468.431, Florida Statutes, is amended to read:

468.431 Definitions.-As used in this part:

9 "Community association management" means any of the (2)following practices requiring substantial specialized knowledge, 10 judgment, and managerial skill when done for remuneration and 11 when the association or associations served contain more than 10 12 units or have an annual budget or budgets in excess of \$100,000: 13 controlling or disbursing funds of a community association, 14 15 preparing budgets or other financial documents for a community 16 association, assisting in the noticing or conduct of community association meetings, determining the number of days required 17

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18	for statutory notices, determining amounts due to the
19	association, collecting amounts due to the association before
20	filing of a civil action, calculating the votes required for a
21	quorum or to approve a proposition or amendment, completing
22	forms related to the management of a community association that
23	have been created by statute or by a state agency, drafting
24	meeting notices and agendas, calculating and preparing
25	certificates of assessment and estoppel certificates, responding
26	to requests for certificates of assessment and estoppel
27	certificates, negotiating monetary or performance terms of a
28	contract subject to approval by an association, drafting
29	prearbitration demands, coordinating or performing maintenance
30	for real or personal property and other related routine services
31	involved in the operation of a community association, and
32	complying with the association's governing documents and the
33	requirements of law as necessary to perform such practices and
34	coordinating maintenance for the residential development and
35	other day-to-day services involved with the operation of a
36	community association. A person who performs clerical or
37	ministerial functions under the direct supervision and control
38	of a licensed manager or who is charged only with performing the
39	maintenance of a community association and who does not assist
40	in any of the management services described in this subsection
41	is not required to be licensed under this part.
42	Section 2. Section 468.4334, Florida Statutes, is created
43	to read:
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Section 2. Section 468.4334, Florida Statutes, is created 44 45 to read: 468.4334 Duty of care; liability; indemnification.-46 (1) The duty of care owed by a community association 47 manager and a community association management firm to a 48 49 community association is that level of care that a reasonably 50 careful community association manager or firm would provide in 51 like circumstances. 52 (2) A contract between a managed community association and 53 a community association manager or a community association 54 management firm may provide that the community association indemnifies and holds harmless the community association manager 55 56 or community association management firm for ordinary negligence 57 that results from the manager or management firm's act or 58 omission that was the result of a lawful instruction of the 59 directors or an officer of the community association. The 60 provision for indemnification must be clear and conspicuous in the agreement. However, such indemnification may not cover, and 61 62 the community association manager or a community association 63 management firm may be held liable for, any act or omission 64 that: (a) Violates a criminal law as such is defined in s. 65 66 617.0834(1)(b)1.; 67 (b) Derives an improper personal benefit, either directly 68 or indirectly; 69 (C) Is grossly negligent; or 146389 - h7037-strike.docx Published On: 4/3/2014 6:29:50 PM

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70	(d) Is reckless, is in bad faith, is with malicious
71	purpose, or is in a manner exhibiting wanton and willful
72	disregard of human rights, safety, or property.
73	Section 3. Subsections (3), (5), and (6) of section
74	718.116, Florida Statutes, are amended to read:
75	718.116 Assessments; liability; lien and priority;
76	interest; collection
77	(3) Assessments and installments on assessments which are
78	not paid when due bear interest at the rate provided in the
79	declaration, from the due date until paid. The rate may not
80	exceed the rate allowed by law, and, if no rate is provided in
81	the declaration, interest accrues at the rate of 18 percent per
82	year. If provided by the declaration or bylaws, the association
83	may, in addition to such interest, charge an administrative late
84	fee of up to the greater of \$25 or 5 percent of each delinquent
85	installment for which the payment is late. The association may
86	also recover from the unit owner any reasonable charges imposed
87	upon the association under a written contract with its
88	management or bookkeeping company, or collection agent, incurred
89	in connection with collecting a delinquent assessment. Any
90	payment received by an association must be applied first to any
91	interest accrued by the association, then to any administrative
92	late fee, then to any costs and reasonable <u>attorney</u> <del>attorney's</del>
93	fees incurred in collection, then to any reasonable costs for
94	collection services contracted by the association, and then to
95	the delinquent assessment. The foregoing is applicable
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96 notwithstanding any restrictive endorsement, designation, or 97 instruction placed on or accompanying a payment. A late fee is 98 not subject to chapter 687 or s. 718.303(4).

99 (5) (a) The association has a lien on each condominium parcel to secure the payment of assessments. Except as otherwise 100 101 provided in subsection (1) and as set forth below, the lien is 102 effective from and shall relate back to the recording of the 103 original declaration of condominium, or, in the case of lien on 104 a parcel located in a phase condominium, the last to occur of 105 the recording of the original declaration or amendment thereto 106 creating the parcel. However, as to first mortgages of record, 107 the lien is effective from and after recording of a claim of 108 lien in the public records of the county in which the 109 condominium parcel is located. Nothing in this subsection shall 110 be construed to bestow upon any lien, mortgage, or certified judgment of record on April 1, 1992, including the lien for 111 112 unpaid assessments created herein, a priority which, by law, the 113 lien, mortgage, or judgment did not have before that date.

(b) To be valid, a claim of lien must state the description 114 115 of the condominium parcel, the name of the record owner, the 116 name and address of the association, the amount due, and the due dates. It must be executed and acknowledged by an officer or 117 authorized agent of the association. The lien is not effective 1 118 119 year after the claim of lien was recorded unless, within that 120 time, an action to enforce the lien is commenced. The 1-year 121 period is automatically extended for any length of time during

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122 which the association is prevented from filing a foreclosure 123 action by an automatic stay resulting from a bankruptcy petition 124 filed by the parcel owner or any other person claiming an 125 interest in the parcel. The claim of lien secures all unpaid 126 assessments that are due and that may accrue after the claim of 127 lien is recorded and through the entry of a final judgment, as 128 well as interest, authorized administrative late fees, and all 129 reasonable costs and attorney attorney's fees incurred by the association incident to the collection process, including but 130 131 not limited to, any reasonable costs for collection services 132 contracted by the association. Upon payment in full, the person 133 making the payment is entitled to a satisfaction of the lien.

(c) By recording a notice in substantially the following form, a unit owner or the unit owner's agent or attorney may require the association to enforce a recorded claim of lien against his or her condominium parcel:

### NOTICE OF CONTEST OF LIEN

TO: ... (Name and address of association) ... You are 139 notified that the undersigned contests the claim of lien filed 140 by you on ...., ... (year)..., and recorded in Official Records 141 142 Book .... at Page ...., of the public records of .... County, Florida, and that the time within which you may file suit to 143 enforce your lien is limited to 90 days from the date of service 144 145 of this notice. Executed this .... day of ...., ... (year).... 146 Signed: ... (Owner or Attorney) ...

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148 After notice of contest of lien has been recorded, the clerk of 149 the circuit court shall mail a copy of the recorded notice to 150 the association by certified mail, return receipt requested, at 151 the address shown in the claim of lien or most recent amendment 152 to it and shall certify to the service on the face of the 153 notice. Service is complete upon mailing. After service, the 154 association has 90 days in which to file an action to enforce 155 the lien; and, if the action is not filed within the 90-day 156 period, the lien is void. However, the 90-day period shall be 157 extended for any length of time during which the association is 158 prevented from filing its action because of an automatic stay 159 resulting from the filing of a bankruptcy petition by the unit 160 owner or by any other person claiming an interest in the parcel. 161 (d) A release of lien must be in substantially the 162 following form: 163 164 RELEASE OF LIEN 165 The undersigned lienor, in consideration of the final payment in 166 167 the amount of \$...., hereby waives and releases its lien and 168 right to claim a lien for unpaid assessments through ....,

169
...(year)..., recorded in the Official Records Book .... at Page
170
...., of the public records of .... County, Florida, for the

171 172

173 UNIT NO. .... OF (NAME OF CONDOMINIUM), A CONDOMINIUM

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following described real property:

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	Allendilente No. 1
174	AS SET FORTH IN THE DECLARATION OF CONDOMINIUM AND THE
175	EXHIBITS ANNEXED THERETO AND FORMING A PART THEREOF,
176	RECORDED IN OFFICIAL RECORDS BOOK, PAGE, OF
177	THE PUBLIC RECORDS OF COUNTY, FLORIDA. THE ABOVE
178	DESCRIPTION INCLUDES, BUT IS NOT LIMITED TO, ALL
179	APPURTENANCES TO THE CONDOMINIUM UNIT ABOVE DESCRIBED,
180	INCLUDING THE UNDIVIDED INTEREST IN THE COMMON
181	ELEMENTS OF SAID CONDOMINIUM.
182	
183	(signature of witness) (signature of authorized agent)
184	Print name: Print name:
185	
186	(signature of witness)
187	Print name:
188	
189	Sworn to (or affirmed) and subscribed before me this day of
190	,(year), by(name of person making statement)
191	(Signature of Notary Public)
192	(Print, type, or stamp commissioned name of Notary Public)
193	Personally Known OR Produced as identification.
194	(6)(a) The association may bring an action in its name to
195	foreclose a lien for assessments in the manner a mortgage of
196	real property is foreclosed and may also bring an action to
197	recover a money judgment for the unpaid assessments without
198	waiving any claim of lien. The association is entitled to
199	recover its reasonable attorney's fees incurred in either a lien
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200	foreclosure action or an action to recover a money judgment for
201	unpaid assessments.
202	(b) No foreclosure judgment may be entered until at least
203	30 days after the association gives written notice to the unit
204	owner of its intention to foreclose its lien to collect the
205	unpaid assessments. The notice must be in substantially the
206	following form:
207	
208	DELINQUENT ASSESSMENT
209	
210	This letter is to inform you a Claim of Lien has been filed
211	against your property because you have not paid the
212	assessment to Association. The Association intends
213	to foreclose the lien and collect the unpaid amount within 30
214	days of this letter being provided to you.
215	
216	You owe the interest accruing from (month/year) to the present.
217	As of the date of this letter, the total amount due with
218	interest is \$ All costs of any action and interest from
219	this day forward will also be charged to your account.
220	
221	Any questions concerning this matter should be directed to
222	(insert name, addresses and phone numbers of Association
223	representative).
224	
225	If this notice is not given at least 30 days before the
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226 foreclosure action is filed, and if the unpaid assessments, 227 including those coming due after the claim of lien is recorded, 228 are paid before the entry of a final judgment of foreclosure, 229 the association shall not recover attorney's fees or costs. The 230 notice must be given by delivery of a copy of it to the unit 231 owner or by certified or registered mail, return receipt requested, addressed to the unit owner at his or her last known 232 233 address; and, upon such mailing, the notice shall be deemed to 234 have been given, and the court shall proceed with the 235 foreclosure action and may award attorney's fees and costs as 236 permitted by law. The notice requirements of this subsection are 237 satisfied if the unit owner records a notice of contest of lien 238 as provided in subsection (5). The notice requirements of this 239 subsection do not apply if an action to foreclose a mortgage on 240 the condominium unit is pending before any court; if the rights of the association would be affected by such foreclosure; and if 241 242 actual, constructive, or substitute service of process has been made on the unit owner. 243

244 Section 4. Subsection (4) of section 718.121, Florida 245 Statutes, is amended to read:

246 71

718.121 Liens.-

(4) Except as otherwise provided in this chapter, no lien
may be filed by the association against a condominium unit until
30 days after the date on which a notice of intent to file a
lien has been delivered to the owner by registered or certified
mail, return receipt requested, and by first-class United States

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252 mail to the owner at his or her last address as reflected in the 253 records of the association, if the address is within the United 254 States, and delivered to the owner at the address of the unit if 255 the owner's address as reflected in the records of the 256 association is not the unit address. If the address reflected in 257 the records is outside the United States, sending the notice to 258 that address and to the unit address by first-class United 259 States mail is sufficient. Delivery of the notice shall be 260 deemed given upon mailing as required by this subsection. The 261 notice must be in substantially the following form: 262 263 NOTICE OF INTENT TO RECORD A CLAIM OF LIEN 264 265 Re: Unit of (name of association) 266 267 The following amounts are currently due on your account to 268 Association, and must be paid within thirty (30) 269 days after your receipt of this letter. This letter shall serve 270 as the Association's notice of intent to record a Claim of Lien 271 against your property after thirty (30) days from your receipt 272 of this letter, unless you pay in full the amounts set forth 273 below: 274 275 Maintenance due (dates) \$ \$ 276 Late fee, if applicable \$ 277 Interest through 146389 - h7037-strike.docx Published On: 4/3/2014 6:29:50 PM

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278	Certified mail charges \$
279	Other costs \$
280	
281	TOTAL OUTSTANDING \$
282	
283	* interest accrues at the rate of \$ per day.
284	Section 5. Subsections (3) and (4) of section 719.108,
285	Florida Statutes, are amended to read:
286	719.108 Rents and assessments; liability; lien and
287	priority; interest; collection; cooperative ownership
288	(3) Rents and assessments, and installments on them, not
289	paid when due bear interest at the rate provided in the
290	cooperative documents from the date due until paid. This rate
291	may not exceed the rate allowed by law and, if a rate is not
292	provided in the cooperative documents, accrues at 18 percent per
293	annum. If the cooperative documents or bylaws so provide, the
294	association may charge an administrative late fee in addition to
295	such interest, not to exceed the greater of \$25 or 5 percent of
296	each installment of the assessment for each delinquent
297	installment that the payment is late. The association may also
298	recover from the unit owner any reasonable charges imposed upon
299	the association under a written contract with its management or
300	bookkeeping company, or collection agent, incurred in connection
301	with collecting a delinquent assessment. Any payment received by
302	an association must be applied first to any interest accrued by
303	the association, then to any administrative late fee, then to
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any costs and reasonable <u>attorney</u> attorney's fees incurred in collection, <u>then to any reasonable costs for collection services</u> <u>contracted for by the association</u>, and then to the delinquent assessment. The foregoing applies notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. A late fee is not subject to chapter 687 or s. 719.303(4).

311 (4)The association has a lien on each cooperative parcel 312 for any unpaid rents and assessments, plus interest, authorized 313 administrative late fees and any reasonable costs for collection 314 services contracted for by the association, and any authorized 315 administrative late fees. If authorized by the cooperative 316 documents, the lien also secures reasonable attorney attorney's 317 fees incurred by the association and all reasonable collection 318 costs incident to the collection of the rents and assessments or enforcement of such lien. The lien is effective from and after 319 320 recording a claim of lien in the public records in the county in which the cooperative parcel is located which states the 321 322 description of the cooperative parcel, the name of the unit 323 owner, the amount due, and the due dates. The lien expires if a 32.4 claim of lien is not filed within 1 year after the date the 325 assessment was due, and the lien does not continue for longer 326 than 1 year after the claim of lien has been recorded unless, 327 within that time, an action to enforce the lien is commenced. 328 Except as otherwise provided in this chapter, a lien may not be 329 filed by the association against a cooperative parcel until 30

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330	days after the date on which a notice of intent to file a lien
331	has been delivered to the owner.
332	(a) The notice must be sent to the unit owner at the
333	address of the unit by first-class United States mail and <u>the</u>
334	notice must be in substantially the following form:
335	
336	NOTICE OF INTENT TO RECORD A CLAIM OF LIEN
337	
338	Re: Unit of (name of cooperative)
339	
340	The following amounts are currently due on your account to
341	Association, and must be paid within thirty (30)
342	days after your receipt of this letter. This letter shall serve
343	as the Association's notice of intent to record a Claim of Lien
344	against your property after thirty (30) days from your receipt
345	of this letter, unless you pay in full the amounts set forth
346	below:
347	
348	Maintenance due (dates) \$
349	Late fee, if applicable \$
350	Interest through * \$
351	Certified mail charges \$
352	Other costs \$
353	
354	TOTAL OUTSTANDING \$
355	

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356 \* interest accrues at the rate of \$ per day

357 1. If the most recent address of the unit owner on the 358 records of the association is the address of the unit, the 359 notice must be sent by registered or certified mail, return 360 receipt requested, to the unit owner at the address of the unit.

361 2. If the most recent address of the unit owner on the 362 records of the association is in the United States, but is not 363 the address of the unit, the notice must be sent by registered 364 or certified mail, return receipt requested, to the unit owner 365 at his or her most recent address.

366 3. If the most recent address of the unit owner on the 367 records of the association is not in the United States, the 368 notice must be sent by first-class United States mail to the 369 unit owner at his or her most recent address.

370 A notice that is sent pursuant to this subsection is (b) deemed delivered upon mailing. A claim of lien must be executed 371 372 and acknowledged by an officer or authorized agent of the 373 association. The lien is not effective 1 year after the claim of 374 lien was recorded unless, within that time, an action to enforce 375 the lien is commenced. The 1-year period is automatically 376 extended for any length of time during which the association is 377 prevented from filing a foreclosure action by an automatic stay 378 resulting from a bankruptcy petition filed by the parcel owner 379 or any other person claiming an interest in the parcel. The 380 claim of lien secures all unpaid rents and assessments that are 381 due and that may accrue after the claim of lien is recorded and

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Bill No. CS/HB 7037 (2014) Amendment No. 1 382 through the entry of a final judgment, as well as interest and 383 all reasonable costs and attorney's fees incurred by the 384 association incident to the collection process. Upon payment in 385 full, the person making the payment is entitled to a 386 satisfaction of the lien. 387 (c) By recording a notice in substantially the following 388 form, a unit owner or the unit owner's agent or attorney may 389 require the association to enforce a recorded claim of lien 390 against his or her cooperative parcel: 391 392 NOTICE OF CONTEST OF LIEN 393 394 TO: ... (Name and address of association) ... You are 395 notified that the undersigned contests the claim of lien filed 396 by you on ...., ... (year) ..., and recorded in Official Records 397 Book .... at Page ...., of the public records of .... County, 398 Florida, and that the time within which you may file suit to 399 enforce your lien is limited to 90 days from the date of service 400 of this notice. Executed this .... day of ...., ... (year).... 401 Signed: ... (Owner or Attorney) ... 402 403 After notice of contest of lien has been recorded, the clerk of 404 the circuit court shall mail a copy of the recorded notice to 405 the association by certified mail, return receipt requested, at the address shown in the claim of lien or most recent amendment 406

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to it and shall certify to the service on the face of the

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408	notice. Service is complete upon mailing. After service, the
409	association has 90 days in which to file an action to enforce
410	the lien; and, if the action is not filed within the 90-day
411	period, the lien is void. However, the 90-day period shall be
412	extended for any length of time during which the association is
413	prevented from filing its action because of an automatic stay
414	resulting from the filing of a bankruptcy petition by the unit
415	owner or by any other person claiming an interest in the parcel.
416	(d) A release of lien must be in substantially the
417	following form:
418	
419	RELEASE OF LIEN
420	
421	The undersigned lienor, in consideration of the final payment in
422	the amount of $\$$ , hereby waives and releases its lien and
423	right to claim a lien for unpaid assessments through,
424	(year), recorded in the Official Records Book at Page
425	, of the public records of County, Florida, for the
426	following described real property:
427	
428	THAT COOPERATIVE PARCEL WHICH INCLUDES UNIT NO
429	OF (NAME OF COOPERATIVE), A COOPERATIVE AS SET FORTH
430	IN THE COOPERATIVE DOCUMENTS AND THE EXHIBITS ANNEXED
431	THERETO AND FORMING A PART THEREOF, RECORDED IN
432	OFFICIAL RECORDS BOOK, PAGE, OF THE PUBLIC
433	RECORDS OF COUNTY, FLORIDA.
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434		
435	(signature of witness)	(signature of authorized agent)
436	Print name:	Print name:
437		
438	(signature of witness)	
439	Print name:	
440		
441	Sworn to (or affirmed) and subscr	ibed before me this day of
442	,(year), by(name o	f person making statement)
443	(Signature of Notary Public)	<u>.</u>
444	(Print, type, or stamp commiss	ioned name of Notary Public)
445	Personally Known OR Produced.	as identification.
446	Section 6. Subsections (1),	(3), (4), and (5) of section
447	720.3085, Florida Statutes, are a	mended to read:
448	720.3085 Payment for assess	ments; lien claims
449	(1) When authorized by the	governing documents, the
450	association has a lien on each pa	rcel to secure the payment of
451	assessments and other amounts pro	vided for by this section.
452	Except as otherwise set forth in	this section, the lien is
453	effective from and shall relate b	ack to the date on which the
454	original declaration of the commu	nity was recorded. However, as
455	to first mortgages of record, the	lien is effective from and
456	after recording of a claim of lie	n in the public records of the
457	county in which the parcel is loc	ated. This subsection does not
458	bestow upon any lien, mortgage, o	r certified judgment of record
459	on July 1, 2008, including the li	en for unpaid assessments
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460 created in this section, a priority that, by law, the lien, 461 mortgage, or judgment did not have before July 1, 2008.

462 To be valid, a claim of lien must state the (a) 463 description of the parcel, the name of the record owner, the 464 name and address of the association, the assessment amount due, 465 and the due date. The claim of lien secures all unpaid 466 assessments that are due and that may accrue subsequent to the 467 recording of the claim of lien and before entry of a certificate of title, as well as interest, late charges, and reasonable 468 469 collection costs and attorney attorney's fees incurred by the association incident to the collection process. The person 470 471 making payment is entitled to a satisfaction of the lien upon 472 payment in full.

473 By recording a notice in substantially the following (b) 474 form, a parcel owner or the parcel owner's agent or attorney may require the association to enforce a recorded claim of lien 475 476 against his or her parcel:

NOTICE OF CONTEST OF LIEN

478 TO: ... (Name and address of association) ...

479 You are notified that the undersigned contests the claim of lien 480 filed by you on ...., ... (year)..., and recorded in Official 481 Records Book .... at page ...., of the public records of .... 482 County, Florida, and that the time within which you may file 483 suit to enforce your lien is limited to 90 days following the 484 date of service of this notice. Executed this .... day of ...., 485 ...(year)....

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486 Signed: ... (Owner or Attorney) ...

487 After the notice of a contest of lien has been recorded, the 488 clerk of the circuit court shall mail a copy of the recorded 489 notice to the association by certified mail, return receipt 490 requested, at the address shown in the claim of lien or the most 491 recent amendment to it and shall certify to the service on the 492 face of the notice. Service is complete upon mailing. After 493 service, the association has 90 days in which to file an action 494 to enforce the lien and, if the action is not filed within the 495 90-day period, the lien is void. However, the 90-day period 496 shall be extended for any length of time that the association is 497 prevented from filing its action because of an automatic stay 498 resulting from the filing of a bankruptcy petition by the parcel 499 owner or by any other person claiming an interest in the parcel.

500 The association may bring an action in its name to (C) 501 foreclose a lien for assessments in the same manner in which a 502 mortgage of real property is foreclosed and may also bring an 503 action to recover a money judgment for the unpaid assessments without waiving any claim of lien. The association is entitled 504 505 to recover its reasonable attorney's fees incurred in an action 506 to foreclose a lien or an action to recover a money judgment for unpaid assessments. 507

508 (d) A release of lien must be in substantially the 509 following form:

RELEASE OF LIEN

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512	
513	The undersigned lienor, in consideration of the final payment in
514	the amount of $\$\ldots$ , hereby waives and releases its lien and
515	right to claim a lien for unpaid assessments through,
516	(year), recorded in the Official Records Book at Page
517	, of the public records of County, Florida, for the
518	following described real property:
519	
520	(PARCEL NO OR LOT AND BLOCK) OF
521	SUBDIVISION AS SHOWN IN THE PLAT THEREOF, RECORDED AT
522	PLAT BOOK , PAGE , OF THE OFFICIAL RECORDS
523	OF COUNTY, FLORIDA.
524	
525	(or insert appropriate metes and bounds description
526	here)
527	
528	(signature of witness) (signature of authorized agent)
529	
530	(signature of witness)
531	
532	Sworn to (or affirmed) and subscribed before me this day of
533	,(year), by(name of person making statement)
534	(Signature of Notary Public)
535	(Print, type, or stamp commissioned name of Notary Public)
536	Personally Known OR Produced as identification.
537	
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538 (e) (d) If the parcel owner remains in possession of the 539 parcel after a foreclosure judgment has been entered, the court 540 may require the parcel owner to pay a reasonable rent for the 541 parcel. If the parcel is rented or leased during the pendency of 542 the foreclosure action, the association is entitled to the 543 appointment of a receiver to collect the rent. The expenses of 544 the receiver must be paid by the party who does not prevail in 545 the foreclosure action.

546 <u>(f)(e)</u> The association may purchase the parcel at the 547 foreclosure sale and hold, lease, mortgage, or convey the 548 parcel.

(3) Assessments and installments on assessments that are not paid when due bear interest from the due date until paid at the rate provided in the declaration of covenants or the bylaws of the association, which rate may not exceed the rate allowed by law. If no rate is provided in the declaration or bylaws, interest accrues at the rate of 18 percent per year.

555 If the declaration or bylaws so provide, the (a) 556 association may also charge an administrative late fee not to 557 exceed the greater of \$25 or 5 percent of the amount of each 558 installment that is paid past the due date. The association may 559 also recover from the parcel owner any reasonable charges 560 imposed upon the association under a written contract with its 561 management or bookkeeping company, or collection agent, incurred 562 in connection with collecting a delinquent assessment.

563

(b) Any payment received by an association and accepted

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564 shall be applied first to any interest accrued, then to any 565 administrative late fee, then to any costs and reasonable 566 attorney attorney's fees incurred in collection, then to any 567 reasonable costs for collection services contracted for by the 568 association, and then to the delinquent assessment. This 569 paragraph applies notwithstanding any restrictive endorsement, 570 designation, or instruction placed on or accompanying a payment. 571 A late fee is not subject to the provisions of chapter 687 and 572 is not a fine.

(4) A homeowners' association may not file a record of lien against a parcel for unpaid assessments unless a written notice or demand for past due assessments as well as any other amounts owed to the association pursuant to its governing documents has been made by the association. The written notice or demand must:

(a) Provide the owner with 45 days following the date the notice is deposited in the mail to make payment for all amounts due, including, but not limited to, any attorney's fees and actual costs associated with the preparation and delivery of the written demand. <u>The notice must be in substantially the</u> <u>following form:</u>

NOTICE OF INTENT TO RECORD A CLAIM OF LIEN

588 <u>Re: Parcel or (lot/block)</u> of (name of association) 589 146389 - h7037-strike.docx

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590	The following amounts are currently due on your account to
591	Association, and must be paid within forty-five (45)
592	days after your receipt of this letter. This letter shall serve
593	as the Association's notice of intent to record a Claim of Lien
594	against your property after forty-five (45) days from your
595	receipt of this letter, unless you pay in full the amounts set
596	forth below:
597	
598	Maintenance due (dates) \$
599	Late fee, if applicable \$
600	Interest through * \$
601	Certified mail charges \$
602	Other costs \$
603	
604	TOTAL OUTSTANDING \$
605	
606	* interest accrues at the rate of \$ per day.
607	(b) Be sent by registered or certified mail, return
608	receipt requested, and by first-class United States mail to the
609	parcel owner at his or her last address as reflected in the
610	records of the association, if the address is within the United
611	States, and to the parcel owner subject to the demand at the
612	address of the parcel if the owner's address as reflected in the
613	records of the association is not the parcel address. If the
614	address reflected in the records is outside the United States,
615	then sending the notice to that address and to the parcel
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616 address by first-class United States mail is sufficient. 617 The association may bring an action in its name to (5) 618 foreclose a lien for unpaid assessments secured by a lien in the 619 same manner that a mortgage of real property is foreclosed and 620 may also bring an action to recover a money judgment for the 621 unpaid assessments without waiving any claim of lien. The action 622 to foreclose the lien may not be brought until 45 days after the 623 parcel owner has been provided notice of the association's 624 intent to foreclose and collect the unpaid amount. The notice 625 must be given in the manner provided in paragraph (4)(b), and the notice may not be provided until the passage of the 45 days 626 627 required in paragraph (4)(a). The notice must be in 628 substantially the following form: 629 630 DELINQUENT ASSESSMENT 631 632 This letter is to inform you a Claim of Lien has been filed 633 against your property because you have not paid the 634 assessment to Association. The Association intends 635 to foreclose the lien and collect the unpaid amount within 45 636 days of this letter being provided to you. 637 638 You owe the interest accruing from (month/year) to the present. 639 As of the date of this letter, the total amount due with 640 interest is \$ . . All costs of any action and interest from 641 this day forward will also be charged to your account. 146389 - h7037-strike.docx Published On: 4/3/2014 6:29:50 PM

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643	Any questions concerning this matter should be directed to
644	(insert name, addresses and phone numbers of Association
645	representative).
646	(a) The association may recover any interest, late
647	charges, costs, and reasonable attorney's fees incurred in a
648	lien foreclosure action or in an action to recover a money
649	judgment for the unpaid assessments.
650	(b) The time limitations in this subsection do not apply
651	if the parcel is subject to a foreclosure action or forced sale
652	of another party, or if an owner of the parcel is a debtor in a
653	bankruptcy proceeding.
654	Section 7. This act shall take effect July 1, 2014.
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656	
657	
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659	
660	TITLE AMENDMENT
661	Remove everything before the enacting clause and insert:
662	An act relating to residential communities; amending s. 468.431,
663	F.S.; revising the term "community association management";
664	creating s. 468.4334, F.S.; providing that a community
665	association manager is liable to the same extent as an officer
666	or director; amending s. 718.116, F.S.; allowing for reasonable
667	charges to be imposed for collection of a delinquent assessment;
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668 requiring a release of lien to be in a specific form; requiring 669 a pre-foreclosure notice to be in a specific form; amending s. 670 718.121, F.S.; requiring a pre-lien notice to be in a specific 671 form; amending s. 719.108, F.S.; allowing for reasonable charges 672 to be imposed for collection of a delinquent assessment; 673 deleting a provision providing for the expiration of certain 674 liens; revising notice requirements; requiring a pre-lien notice 675 to be in a specific form; providing for the content of a 676 recording notice; requiring a release of lien to be in a 677 specific form; amending s. 720.3085, F.S.; requiring a release 678 of lien to be in a specific form; allowing for reasonable 679 charges to be imposed for collection of a delinquent assessment; 680 requiring a pre-lien notice to be in a specific form; requiring 681 a pre-foreclosure notice to be in a specific form; providing an 682 effective date.

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