

1 A bill to be entitled
 2 An act relating to residential properties; amending s.
 3 718.116, F.S.; revising and providing liability of
 4 certain condominium owners acquiring title; amending
 5 s. 720.3085, F.S.; revising and providing liability of
 6 certain homeowners' association unit owners acquiring
 7 title; providing an effective date.

8
 9 Be It Enacted by the Legislature of the State of Florida:

10
 11 Section 1. Paragraph (b) of subsection (1) of section
 12 718.116, Florida Statutes, is amended to read:

13 718.116 Assessments; liability; lien and priority;
 14 interest; collection.—

15 (1)

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

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

26 b. One percent of the original mortgage debt. The

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

27 provisions of this paragraph apply only if the first mortgagee
 28 joined the association as a defendant in the foreclosure action.
 29 Joinder of the association is not required if, on the date the
 30 complaint is filed, the association was dissolved or did not
 31 maintain an office or agent for service of process at a location
 32 which was known to or reasonably discoverable by the mortgagee.

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

41 3. A first mortgagee or his or her successor or assignee
 42 is liable for all assessments and related costs and fees that
 43 accrue from the date of the judgment of foreclosure or deed in
 44 lieu of foreclosure.

45 Section 2. Paragraph (c) of subsection (2) of section
 46 720.3085, Florida Statutes, is amended to read:

47 720.3085 Payment for assessments; lien claims.—

48 (2)

49 (c)1. Notwithstanding anything to the contrary contained
 50 in this section, the liability of a first mortgagee, or its
 51 successor or assignee as a subsequent holder of the first
 52 mortgage who acquires title to a parcel by foreclosure or by

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53 deed in lieu of foreclosure for the unpaid assessments that
54 became due before the mortgagee's acquisition of title, shall be
55 the greater ~~lesser~~ of:

56 ~~a.1.~~ The parcel's unpaid common expenses and regular
57 periodic or special assessments that accrued or came due during
58 the 12 months immediately preceding the judgment of foreclosure
59 or deed in lieu of foreclosure ~~acquisition of title~~ and for
60 which payment in full has not been received by the association;
61 or

62 ~~b.2.~~ One percent of the original mortgage debt.

63 2. A first mortgagee or his or her successor or assignee
64 is liable for all assessments and related costs and fees that
65 accrue from the date of the judgment of foreclosure or deed in
66 lieu of foreclosure until title is transferred to a third-party
67 purchaser.

68
69 The limitations on first mortgagee liability provided by this
70 paragraph apply only if the first mortgagee filed suit against
71 the parcel owner and initially joined the association as a
72 defendant in the mortgagee foreclosure action. Joinder of the
73 association is not required if, on the date the complaint is
74 filed, the association was dissolved or did not maintain an
75 office or agent for service of process at a location that was
76 known to or reasonably discoverable by the mortgagee.

77 Section 3. This act shall take effect July 1, 2015.