

Amendment No. 1

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WITHDRAWN	_____	(Y/N)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		

1 Committee/Subcommittee hearing bill: Commerce Committee
 2 Representative White offered the following:

Amendment

Remove lines 56-192 and insert:

6 5. Provide fair treatment and just compensation for
 7 individuals and preserve property values and the local property
 8 tax base.

9 6. Preserve the state's long history of protecting
 10 homestead property and homestead property rights by ensuring
 11 that such protection is extended to homestead property owners in
 12 the context of a termination of the covenants of a declaration
 13 of condominium. This section applies to all condominiums in this
 14 state in existence on or after July 1, 2007.

15 (3) OPTIONAL TERMINATION. ~~Except as provided in subsection~~
 16 ~~(2) or unless the declaration provides for a lower percentage,~~

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17 The condominium form of ownership may be terminated for all or a
18 portion of the condominium property pursuant to a plan of
19 termination meeting the requirements of this section and, where
20 applicable, accepted by the division. Before a residential
21 association submits a plan to the division, the plan must be
22 approved by at least 80 percent of the total voting interests of
23 the condominium. However, if 5 ~~10~~ percent or more of the total
24 voting interests of the condominium have rejected the plan of
25 termination by negative vote or by providing written objections,
26 the plan of termination may not proceed.

27 (a) The termination of the condominium form of ownership
28 is subject to the following conditions:

29 1. The total voting interests of the condominium must
30 include all voting interests for the purpose of considering a
31 plan of termination. A voting interest of the condominium may
32 not be suspended for any reason when voting on termination
33 pursuant to this subsection.

34 2. If 5 ~~10~~ percent or more of the total voting interests
35 of the condominium reject a plan of termination, a subsequent
36 plan of termination pursuant to this subsection may not be
37 considered for 24 ~~18~~ months after the date of the rejection.

38 (b) This subsection does not apply to any condominium
39 created pursuant to part VI of this chapter until 10 ~~5~~ years
40 after the recording of the declaration of condominium, unless
41 there is no objection to the plan of termination.

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42 (c) For purposes of this subsection, the term "bulk owner"
43 means the single holder of such voting interests or an owner
44 together with a related entity or entities that would be
45 considered an insider, as defined in s. 726.102, holding such
46 voting interests. If the condominium association is a
47 residential association proposed for termination pursuant to
48 this section and, at the time of recording the plan of
49 termination, at least 80 percent of the total voting interests
50 are owned by a bulk owner, the plan of termination is subject to
51 the following conditions and limitations:

52 1. If the former condominium units are offered for lease
53 to the public after the termination, each unit owner in
54 occupancy immediately before the date of recording of the plan
55 of termination may lease his or her former unit and remain in
56 possession of the unit for 12 months after the effective date of
57 the termination on the same terms as similar unit types within
58 the property are being offered to the public. In order to obtain
59 a lease and exercise the right to retain exclusive possession of
60 the unit owner's former unit, the unit owner must make a written
61 request to the termination trustee to rent the former unit
62 within 90 days after the date the plan of termination is
63 recorded. Any unit owner who fails to timely make such written
64 request and sign a lease within 15 days after being presented
65 with a lease is deemed to have waived his or her right to retain
66 possession of his or her former unit and shall be required to

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67 vacate the former unit upon the effective date of the
68 termination, unless otherwise provided in the plan of
69 termination.

70 2. Any former unit owner whose unit was granted homestead
71 exemption status by the applicable county property appraiser as
72 of the date of the recording of the plan of termination shall be
73 paid a relocation payment in an amount equal to 1 percent of the
74 termination proceeds allocated to the owner's former unit. Any
75 relocation payment payable under this subparagraph shall be paid
76 by the single entity or related entities owning at least 80
77 percent of the total voting interests. Such relocation payment
78 shall be in addition to the termination proceeds for such
79 owner's former unit and shall be paid no later than 10 days
80 after the former unit owner vacates his or her former unit.

81 3. For their respective units, all unit owners other than
82 the bulk owner must be compensated at least 100 percent of the
83 fair market value of their units. The fair market value shall be
84 determined as of a date that is no earlier than 90 days before
85 the date that the plan of termination is recorded and shall be
86 determined by an independent appraiser selected by the
87 termination trustee. For a person ~~an original purchaser from the~~
88 ~~developer who rejects the plan of termination and~~ whose unit was
89 granted homestead exemption status by the applicable county
90 property appraiser, or was an owner-occupied operating business,
91 as of the date that the plan of termination is recorded and who

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92 is current in payment of both assessments and other monetary
93 obligations to the association ~~and any mortgage encumbering the~~
94 ~~unit~~ as of the date the plan of termination is recorded, the
95 fair market value for the unit owner rejecting the plan shall be
96 at least the original purchase price paid for the unit. For
97 purposes of this subparagraph, the term "fair market value"
98 means the price of a unit that a seller is willing to accept and
99 a buyer is willing to pay on the open market in an arms-length
100 transaction based on similar units sold in other condominiums,
101 including units sold in bulk purchases but excluding units sold
102 at wholesale or distressed prices. The purchase price of units
103 acquired in bulk following a bankruptcy or foreclosure shall not
104 be considered for purposes of determining fair market value.

105 4. The plan of termination must provide for payment of a
106 first mortgage encumbering a unit to the extent necessary to
107 satisfy the lien, but the payment may not exceed the unit's
108 share of the proceeds of termination under the plan. If the unit
109 owner is current in payment of both assessments and other
110 monetary obligations to the association and any mortgage
111 encumbering the unit as of the date the plan of termination is
112 recorded, the receipt by the holder of the unit's share of the
113 proceeds of termination under the plan or the outstanding
114 balance of the mortgage, whichever is less, shall be deemed to
115 have satisfied the first mortgage in full.

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116 5. Before a plan of termination is presented to the unit
117 owners for consideration pursuant to this paragraph, the plan
118 must include the following written disclosures in a sworn
119 statement:

120 a. The identity of any person or entity that owns or
121 controls 25 ~~50~~ percent or more of the units in the condominium
122 and, if the units are owned by an artificial entity or entities,
123 a disclosure of the natural person or persons who, directly or
124 indirectly, manage or control the entity or entities and the
125 natural person or persons who, directly or indirectly, own or
126 control 10 ~~20~~ percent or more of the artificial entity or
127 entities that constitute the bulk owner.

128 b. The units acquired by any bulk owner, the date each
129 unit was acquired, and the total amount of compensation paid to
130 each prior unit owner by the bulk owner, regardless of whether
131 attributed to the purchase price of the unit.

132 c. The relationship of any board member to the bulk owner
133 or any person or entity affiliated with the bulk owner subject
134 to disclosure pursuant to this subparagraph.

135 d. The factual circumstances that show that the plan
136 complies with the requirements of this section and that the plan
137 supports the expressed public policies of this section.

138 (d) If the members of the board of administration are
139 elected by the bulk owner, unit owners other than the bulk owner

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140 may elect at least one-third of the members of the board of
141 administration before the approval of any plan of termination.

142 (e) Upon approval of a plan of termination by the unit
143 owners in a residential condominium, the plan shall be filed
144 with the division. The division shall review the plan to
145 determine its sufficiency under the Condominium Act and must,
146 within 45 days after receipt of the initial filing, notify the
147 association by mail of any procedural deficiencies or that the
148 filing is accepted. If the notice is not provided to the
149 association within 45 days after receipt of the filing, the
150 filing is presumed to be accepted. If the