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LEGISLATIVE ACTION

Senate

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House

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Senator Bradley moved the following:

**Senate Amendment (with title amendment)**

Delete lines 1137 - 1532  
and insert:  
719.301(4)(p) and (q) until the association obtains new  
maintenance protocols from a licensed professional engineer or  
architect or a person certified as a reserve specialist or  
professional reserve analyst by the Community Associations  
Institute or the Association of Professional Reserve Analysts.  
The declaration may provide that certain limited common elements  
shall be maintained by those entitled to use the limited common



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elements or that the association shall provide the maintenance,  
either as a common expense or with the cost shared only by those  
entitled to use the limited common elements. If the maintenance  
is to be by the association at the expense of only those  
entitled to use the limited common elements, the declaration  
shall describe in detail the method of apportioning such costs  
among those entitled to use the limited common elements, and the  
association may use the provisions of s. 719.108 to enforce  
payment of the shares of such costs by the unit owners entitled  
to use the limited common elements.

Section 12. Paragraphs (e), (j), (k), and (l) of subsection  
(1) of section 719.106, Florida Statutes, are amended to read:

719.106 Bylaws; cooperative ownership.—

(1) MANDATORY PROVISIONS.—The bylaws or other cooperative  
documents shall provide for the following, and if they do not,  
they shall be deemed to include the following:

(e) *Budget procedures.*—

1. The board of administration shall mail, hand deliver, or  
electronically transmit to each unit owner at the address last  
furnished to the association, a meeting notice and copies of the  
proposed annual budget of common expenses to the unit owners not  
less than 14 days prior to the meeting at which the budget will  
be considered. Evidence of compliance with this 14-day notice  
must be made by an affidavit executed by an officer of the  
association or the manager or other person providing notice of  
the meeting and filed among the official records of the  
association. The meeting must be open to the unit owners.

2. If an adopted budget requires assessment against the  
unit owners in any fiscal or calendar year which exceeds 115



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percent of the assessments for the preceding year, the board upon written application of 10 percent of the voting interests to the board, shall call a special meeting of the unit owners within 30 days, upon not less than 10 days' written notice to each unit owner. At the special meeting, unit owners shall consider and enact a budget. Unless the bylaws require a larger vote, the adoption of the budget requires a vote of not less than a majority of all the voting interests.

3. The board of administration may, in any event, propose a budget to the unit owners at a meeting of members or by writing, and if the budget or proposed budget is approved by the unit owners at the meeting or by a majority of all voting interests in writing, the budget is adopted. If a meeting of the unit owners has been called and a quorum is not attained or a substitute budget is not adopted by the unit owners, the budget adopted by the board of directors goes into effect as scheduled.

4. In determining whether assessments exceed 115 percent of similar assessments for prior years, any authorized provisions for reasonable reserves for repair or replacement of cooperative property, anticipated expenses by the association which are not anticipated to be incurred on a regular or annual basis, insurance premiums, or assessments for betterments to the cooperative property must be excluded from computation. However, as long as the developer is in control of the board of administration, the board may not impose an assessment for any year greater than 115 percent of the prior fiscal or calendar year's assessment without approval of a majority of all voting interests.

(j) *Annual budget.*—



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1. The proposed annual budget of common expenses must be detailed and must show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to, those expenses listed in s. 719.504(20). The board of administration shall adopt the annual budget at least 14 days before the start of the association's fiscal year. In the event that the board fails to timely adopt the annual budget a second time, it is deemed a minor violation and the prior year's budget shall continue in effect until a new budget is adopted.

2. In addition to annual operating expenses, the budget must include reserve accounts for capital expenditures and deferred maintenance. These accounts must include, but not be limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other items for which the deferred maintenance expense or replacement cost exceeds \$10,000. ~~The amount to be reserved for an item is determined by the association's most recent structural integrity reserve study that must be completed by December 31, 2024. If the amount to be reserved for an item is not in the association's initial or most recent structural integrity reserve study or the association has not completed a structural integrity reserve study, the amount~~ must be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the reserve item. In a budget adopted by an association that is required to obtain a structural integrity reserve study, reserves must be maintained for the items identified in paragraph (k) for which the association is responsible pursuant to the declaration, and the



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99 reserve amount for such items must be based on the findings and  
100 recommendations of the association's most recent structural  
101 integrity reserve study. With respect to items for which an  
102 estimate of useful life is not readily ascertainable or with an  
103 estimated remaining useful life of greater than 25 years, an  
104 association is not required to reserve replacement costs for  
105 such items, but an association must reserve the amount of  
106 deferred maintenance expense, if any, which is recommended by  
107 the structural integrity reserve study for such items. The  
108 association may adjust replacement reserve assessments annually  
109 to take into account an inflation adjustment and any changes in  
110 estimates or extension of the useful life of a reserve item  
111 caused by deferred maintenance. The members of a unit-owner-  
112 controlled association may determine, by a majority vote of the  
113 total voting interests ~~at a duly called meeting~~ of the  
114 association, for a fiscal year to provide no reserves or  
115 reserves less adequate than required by this subsection. Before  
116 turnover of control of an association by a developer to unit  
117 owners other than a developer under s. 719.301, the developer-  
118 controlled association may not vote to waive the reserves or  
119 reduce funding of the reserves. For a budget adopted on or after  
120 ~~Effective~~ December 31, 2024, a unit-owner-controlled association  
121 that must obtain a structural integrity reserve study may not  
122 determine to provide no reserves or reserves less adequate than  
123 required by this paragraph for items listed in paragraph (k). If  
124 a meeting of the unit owners has been called to determine to  
125 provide no reserves, or reserves less adequate than required,  
126 and such result is not attained or a quorum is not attained, the  
127 reserves as included in the budget shall go into effect.



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3. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a vote of the majority of the total voting interests, ~~voting in person or by limited proxy at a duly called meeting~~ of the association. Before turnover of control of an association by a developer to unit owners other than the developer under s. 719.301, the developer may not vote to use reserves for purposes other than that for which they were intended. For a budget adopted on or after ~~Effective~~ December 31, 2024, members of a unit-owner-controlled association that must obtain a structural integrity reserve study may not vote to use reserve funds, or any interest accruing thereon, ~~that are reserved for items listed in paragraph (k)~~ for purposes other than the replacement or deferred maintenance costs of the components listed in paragraph (k) ~~their intended purpose~~.

(k) *Structural integrity reserve study.*—

1. A residential cooperative ~~An~~ association must have a structural integrity reserve study completed at least every 10 years for each building on the cooperative property that is three stories or higher in height as determined by the Florida Building Code that includes, at a minimum, a study of the following items as related to the structural integrity and safety of the building:

a. Roof.

b. Structure, including load-bearing walls and ~~or~~ other primary structural members and primary structural systems as those terms are defined in s. 627.706.



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c. ~~Floor.~~

d. ~~Foundation.~~

e. Fireproofing and fire protection systems.

d.f. Plumbing.

e.g. Electrical systems.

f.h. Waterproofing and exterior painting.

g.i. Windows and exterior doors.

h.j. Any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000 and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g. ~~sub-subparagraphs a.-i.~~, as determined by the ~~licensed engineer or architect performing the~~ visual inspection portion of the structural integrity reserve study.

2. A structural integrity reserve study is based on a visual inspection of the cooperative property. A structural integrity reserve study may be performed by any person qualified to perform such study. However, the visual inspection portion of the structural integrity reserve study must be performed or verified by an engineer licensed under chapter 471, an architect licensed under chapter 481, or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.

3. At a minimum, a structural integrity reserve study must identify each item of the cooperative property being visually inspected, state the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of each item of the cooperative property being visually inspected,



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and provide a reserve funding schedule with a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each item of cooperative property being visually inspected by the end of the estimated remaining useful life of the item. The structural integrity reserve study may recommend that reserves do not need to be maintained for any item for which an estimate of useful life and an estimate of replacement cost cannot be determined, or the study may recommend a deferred maintenance expense amount for such item. The structural integrity reserve study may recommend that reserves for replacement costs do not need to be maintained for any item with an estimated remaining useful life of greater than 25 years, but the study may recommend a deferred maintenance expense amount for such item.

4. This paragraph does not apply to buildings less than three stories in height; single-family, two-family, or three-family dwellings with three or fewer habitable stories above ground; any portion or component of a building that has not been submitted to the cooperative form of ownership; or any portion or component of a building that is maintained by a party other than the association.

5. Before a developer turns over control of an association to unit owners other than the developer, the developer must have a structural integrity reserve study completed for each building on the cooperative property that is three stories or higher in height.

6.3- Associations existing on or before July 1, 2022, which are controlled by unit owners other than the developer, must have a structural integrity reserve study completed by December





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31, 2024, for each building on the cooperative property that is three stories or higher in height. An association that is required to complete a milestone inspection on or before December 31, 2026, in accordance with s. 553.899 may complete the structural integrity reserve study simultaneously with the milestone inspection. In no event may the structural integrity reserve study be completed after December 31, 2026.

7. If the milestone inspection required by s. 553.899, or an inspection completed for a similar local requirement, was performed within the past 5 years and meets the requirements of this paragraph, such inspection may be used in place of the visual inspection portion of the structural integrity reserve study.

8.4. If the officers or directors of an association willfully and knowingly fail ~~fails~~ to complete a structural integrity reserve study pursuant to this paragraph, such failure is a breach of an officer's and director's fiduciary relationship to the unit owners under s. 719.104(9) s. ~~719.104(8).~~

(1) Mandatory milestone inspections.—If an association is required to have a milestone inspection performed pursuant to s. 553.899, the association must arrange for the milestone inspection to be performed and is responsible for ensuring compliance with the requirements of s. 553.899. The association is responsible for all costs associated with the milestone inspection attributable to the portions of the building which the association is responsible for maintaining under the governing documents of the association. If the officers or directors of an association willfully and knowingly fail to have



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a milestone inspection performed pursuant to s. 553.899, such failure is a breach of the officers' and directors' fiduciary relationship to the unit owners under s. 719.104(9)(a) ~~s. 719.104(8)(a)~~. Within 14 days after receipt of a written notice from the local enforcement agency that a milestone inspection is required, the association must notify the unit owners of the required milestone inspection and provide the date by which the milestone inspection must be completed. Such notice may be given by electronic submission to unit owners who consent to receive notice by electronic submission or by posting on the association's website. Within 45 days after receiving ~~Upon completion of a phase one or phase two milestone inspection and receipt of the inspector-prepared summary of the inspection report from the architect or engineer who performed the inspection, the association must distribute a copy of the inspector-prepared summary of the inspection report to each unit owner, regardless of the findings or recommendations in the report, by United States mail or personal delivery at the mailing address, property address, or any other address of the owner provided to fulfill the association's notice requirements under this chapter and by electronic transmission to the e-mail address or facsimile number provided to fulfill the association's notice requirements to unit owners who previously consented to receive notice by electronic transmission; must post a copy of the inspector-prepared summary in a conspicuous place on the cooperative property; and must publish the full report and inspector-prepared summary on the association's website, if the association is required to have a website.~~

Section 13. Present paragraph (q) of subsection (4) of



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section 719.301, Florida Statutes, is redesignated as paragraph (r), a new paragraph (q) is added to that subsection, and paragraph (p) that subsection is amended, to read:

719.301 Transfer of association control.—

(4) When unit owners other than the developer elect a majority of the members of the board of administration of an association, the developer shall relinquish control of the association, and the unit owners shall accept control. Simultaneously, or for the purpose of paragraph (c) not more than 90 days thereafter, the developer shall deliver to the association, at the developer's expense, all property of the unit owners and of the association held or controlled by the developer, including, but not limited to, the following items, if applicable, as to each cooperative operated by the association:

(p) Notwithstanding when the certificate of occupancy was issued or the height of the building, a structural integrity reserve study milestone inspection report in compliance with s. 719.106(1)(k) ~~s. 553.899~~ included in the official records, under seal of an architect or engineer authorized to practice in this state or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts, attesting to required maintenance, condition, useful life, and replacement costs of the following applicable cooperative property comprising a turnover inspection report:

1. Roof.

2. Structure, including load-bearing walls and primary structural members and primary structural systems as those terms



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are defined in s. 627.706.

3. Fireproofing and fire protection systems.

4. Plumbing Elevators.

5. Electrical systems ~~Heating and cooling systems.~~

6. Waterproofing and exterior painting ~~Plumbing.~~

7. Windows and exterior doors ~~Electrical systems.~~

~~8. Swimming pool or spa and equipment.~~

~~9. Seawalls.~~

~~10. Pavement and parking areas.~~

~~11. Drainage systems.~~

~~12. Painting.~~

~~13. Irrigation systems.~~

~~14. Waterproofing.~~

(q) Notwithstanding when the certificate of occupancy was issued or the height of the building, a turnover inspection report included in the official records, under seal of an architect or engineer authorized to practice in this state or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts, and attesting to required maintenance, condition, useful life, and replacement costs of the following applicable cooperative property comprising a turnover inspection report:

1. Elevators.

2. Heating and cooling systems.

3. Swimming pool or spa and equipment.

4. Seawalls.

5. Pavement and parking areas.

6. Drainage systems.



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7. Irrigation systems.

Section 14. Paragraph (b) of subsection (1) and paragraph (a) of subsection (2) of section 719.503, Florida Statutes, are amended, and paragraph (d) is added to subsection (1) and paragraph (d) is added to subsection (2) of that section, to read:

719.503 Disclosure prior to sale.—

(1) DEVELOPER DISCLOSURE.—

(b) *Copies of documents to be furnished to prospective buyer or lessee.*—Until such time as the developer has furnished the documents listed below to a person who has entered into a contract to purchase a unit or lease it for more than 5 years, the contract may be voided by that person, entitling the person to a refund of any deposit together with interest thereon as provided in s. 719.202. The contract may be terminated by written notice from the proposed buyer or lessee delivered to the developer within 15 days after the buyer or lessee receives all of the documents required by this section. The developer may not close for 15 days after the execution of the agreement and delivery of the documents to the buyer as evidenced by a receipt for documents signed by the buyer unless the buyer is informed in the 15-day voidability period and agrees to close before the expiration of the 15 days. The developer shall retain in his or her records a separate signed agreement as proof of the buyer's agreement to close before the expiration of the voidability period. The developer must retain such proof for a period of 5 years after the date of the closing transaction. The documents to be delivered to the prospective buyer are the prospectus or disclosure statement with all exhibits, if the development is



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subject to s. 719.504, or, if not, then copies of the following which are applicable:

1. The question and answer sheet described in s. 719.504, and cooperative documents, or the proposed cooperative documents if the documents have not been recorded, which shall include the certificate of a surveyor approximately representing the locations required by s. 719.104.

2. The documents creating the association.

3. The bylaws.

4. The ground lease or other underlying lease of the cooperative.

5. The management contract, maintenance contract, and other contracts for management of the association and operation of the cooperative and facilities used by the unit owners having a service term in excess of 1 year, and any management contracts that are renewable.

6. The estimated operating budget for the cooperative and a schedule of expenses for each type of unit, including fees assessed to a shareholder who has exclusive use of limited common areas, where such costs are shared only by those entitled to use such limited common areas.

7. The lease of recreational and other facilities that will be used only by unit owners of the subject cooperative.

8. The lease of recreational and other common areas that will be used by unit owners in common with unit owners of other cooperatives.

9. The form of unit lease if the offer is of a leasehold.

10. Any declaration of servitude of properties serving the cooperative but not owned by unit owners or leased to them or



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the association.

11. If the development is to be built in phases or if the association is to manage more than one cooperative, a description of the plan of phase development or the arrangements for the association to manage two or more cooperatives.

12. If the cooperative is a conversion of existing improvements, the statements and disclosure required by s. 719.616.

13. The form of agreement for sale or lease of units.

14. A copy of the floor plan of the unit and the plot plan showing the location of the residential buildings and the recreation and other common areas.

15. A copy of all covenants and restrictions that will affect the use of the property and are not contained in the foregoing.

16. If the developer is required by state or local authorities to obtain acceptance or approval of any dock or marina facilities intended to serve the cooperative, a copy of any such acceptance or approval acquired by the time of filing with the division pursuant to s. 719.502(1) or a statement that such acceptance or approval has not been acquired or received.

17. Evidence demonstrating that the developer has an ownership, leasehold, or contractual interest in the land upon which the cooperative is to be developed.

18. A copy of the inspector-prepared summary of the milestone inspection report as described in s. 553.899 ss. 553.899 and 719.301(4)(p), or a statement in conspicuous type indicating that the required milestone inspection described in s. 553.899 has not been completed or that a milestone inspection



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is not required, as if applicable.

19. A copy of the ~~association's~~ most recent structural integrity reserve study or a statement in conspicuous type indicating that the association has not completed a required structural integrity reserve study has not been completed or that a structural integrity reserve study is not required, as applicable.

20. A copy of the turnover inspection report described in s. 719.301(4)(p) and (q) or a statement in conspicuous type indicating that a turnover inspection report has not been completed, as applicable.

(d) Milestone inspection, turnover inspection report, or structural integrity reserve study.—If the association is required to have completed a milestone inspection as described in s. 553.899, a turnover inspection report for a turnover inspection performed on or after July 1, 2023, or a structural integrity reserve study, and the association has not completed the milestone inspection, the turnover inspection report, or the structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type a statement indicating that the association is required to have a milestone inspection, a turnover inspection report, or a structural integrity reserve study and has not completed such inspection, report, or study, as appropriate. If the association is not required to have a milestone inspection as described in s. 553.899 or a structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type a statement indicating that the





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association is not required to have a milestone inspection or a structural integrity reserve study, as appropriate. If the association has completed a milestone inspection as described in s. 553.899, a turnover inspection report for a turnover inspection performed on or after July 1, 2023, or a structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type:

1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR- PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 719.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND 719.106(1) (k), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF THIS CONTRACT; and

2. A clause which states: THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR- PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 719.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY



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RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND  
719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED  
WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER  
MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15  
DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER  
THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED  
SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN  
SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER  
INSPECTION REPORT DESCRIBED IN SECTION 719.301(4)(p) AND (q),  
FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT  
STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS  
719.103(24) AND 719.106(1)(k), FLORIDA STATUTES, IF REQUESTED IN  
WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT  
CLOSING.

A contract that does not conform to the requirements of this  
paragraph is voidable at the option of the purchaser prior to  
closing.

(2) NONDEVELOPER DISCLOSURE.—

(a) Each unit owner who is not a developer as defined by  
this chapter must comply with this subsection before the sale of  
his or her interest in the association. Each prospective  
purchaser who has entered into a contract for the purchase of an  
interest in a cooperative is entitled, at the seller's expense,  
to a current copy of all of the following:

1. The articles of incorporation of the association.
2. The bylaws and rules of the association.
3. A copy of the question and answer sheet as provided in  
s. 719.504.



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4. A copy of the inspector-prepared summary of the milestone inspection report as described in s. 553.899 ~~ss. 553.899 and 719.301(4)(p)~~, if applicable.

5. A copy of the association's most recent structural integrity reserve study or a statement that the association has not completed a structural integrity reserve study.

6. A copy of the inspection report described in s. 719.301(4)(p) and (q) for a turnover inspection performed on or after July 1, 2023.

(d) If the association is required to have completed a milestone inspection as described in s. 553.899, a turnover inspection report for a turnover inspection performed on or after July 1, 2023, or a structural integrity reserve study, and the association has not completed the milestone inspection, the turnover inspection report, or the structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type a statement indicating that the association is required to have a milestone inspection, a turnover inspection report, or a structural integrity reserve study and has not completed such inspection, report, or study, as appropriate. If the association is not required to have a milestone inspection as described in s. 553.899 or a structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type a statement indicating that the association is not required to have a milestone inspection or a structural integrity reserve study, as appropriate. If the association has completed a milestone inspection as described in s. 553.899, a turnover inspection



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report for a turnover inspection performed on or after July 1, 2023, or a structural integrity reserve study, each contract entered into after December 31, 2024, for the resale of a residential unit shall contain in conspicuous type:

1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR- PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 719.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND 719.106(1) (k), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF THIS CONTRACT; and

2. A clause which states: THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR- PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 719.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND 719.106(1) (k), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3



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DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER  
THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED  
SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN  
SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER  
INSPECTION REPORT DESCRIBED IN SECTION 719.301(4) (p) AND (q),  
FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT  
STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS  
719.103(24) AND 719.106(1) (k), FLORIDA STATUTES, IF REQUESTED IN  
WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT  
CLOSING.

A contract that does not conform to the requirements of this  
paragraph is voidable at the option of the purchaser prior to  
closing.

Section 15. Paragraph (a) of subsection (7) and paragraph  
(c) of subsection (20) of section 719.504, Florida Statutes, are  
amended to read:

719.504 Prospectus or offering circular.—Every developer of  
a residential cooperative which contains more than 20  
residential units, or which is part of a group of residential  
cooperatives which will be served by property to be used in  
common by unit owners of more than 20 residential units, shall  
prepare a prospectus or offering circular and file it with the  
Division of Florida Condominiums, Timeshares, and Mobile Homes  
prior to entering into an enforceable contract of purchase and  
sale of any unit or lease of a unit for more than 5 years and  
shall furnish a copy of the prospectus or offering circular to  
each buyer. In addition to the prospectus or offering circular,  
each buyer shall be furnished a separate page entitled



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"Frequently Asked Questions and Answers," which must be in accordance with a format approved by the division. This page must, in readable language: inform prospective purchasers regarding their voting rights and unit use restrictions, including restrictions on the leasing of a unit; indicate whether and in what amount the unit owners or the association is obligated to pay rent or land use fees for recreational or other commonly used facilities; contain a statement identifying that amount of assessment which, pursuant to the budget, would be levied upon each unit type, exclusive of any special assessments, and which identifies the basis upon which assessments are levied, whether monthly, quarterly, or otherwise; state and identify any court cases in which the association is currently a party of record in which the association may face liability in excess of \$100,000; and state whether membership in a recreational facilities association is mandatory and, if so, identify the fees currently charged per unit type. The division shall by rule require such other disclosure as in its judgment will assist prospective purchasers. The prospectus or offering circular may include more than one cooperative, although not all such units are being offered for sale as of the date of the prospectus or offering circular. The prospectus or offering circular must contain the following information:

(7) A description of the recreational and other facilities that will be used in common with other cooperatives, community associations, or planned developments which require the payment of the maintenance and expenses of such facilities, directly or indirectly, by the unit owners. The description shall include,



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but not be limited to, the following:

(a) Each building and facility committed to be built and a summary description of the structural integrity of each building for which reserves are required pursuant to s. 719.106(1)(k).

Descriptions shall include location, areas, capacities, numbers, volumes, or sizes and may be stated as approximations or minimums.

(20) An estimated operating budget for the cooperative and the association, and a schedule of the unit owner's expenses shall be attached as an exhibit and shall contain the following information:

(c) The estimated items of expenses of the cooperative and the association, except as excluded under paragraph (b), including, but not limited to, the following items, which shall be stated as an association expense collectible by assessments or as unit owners' expenses payable to persons other than the association:

1. Expenses for the association and cooperative:
  - a. Administration of the association.
  - b. Management fees.
  - c. Maintenance.
  - d. Rent for recreational and other commonly used areas.
  - e. Taxes upon association property.
  - f. Taxes upon leased areas.
  - g. Insurance.
  - h. Security provisions.
  - i. Other expenses.
  - j. Operating capital.



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k. Reserves for all applicable items referenced in s.  
719.106(1)(k).

1. Fee payable to the division.

2. Expenses for a unit owner:

a. Rent for the unit, if subject to a lease.

b. Rent payable by the unit owner directly to the lessor or agent under any recreational lease or lease for the use of commonly used areas, which use and payment are a mandatory condition of ownership and are not included in the common expense or assessments for common maintenance paid by the unit owners to the association.

===== T I T L E   A M E N D M E N T =====

And the title is amended as follows:

Delete lines 71 - 84

and insert:

revising requirements relating to budget procedures;  
revising cooperative association reserve account requirements; revising requirements relating to waiving reserve requirements or providing less reserves than required by law; revising a prohibition on using reserve funds or interest accrued on reserve funds for certain purposes; revising requirements for structural integrity reserve studies and mandatory milestone inspections; providing applicability; conforming provisions to changes made by the act; amending s. 719.301, F.S.; revising items that developers are required to deliver to an association upon relinquishing control of the association;





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679       amending s. 719.503, F.S.; revising the types of  
680       documents developers are required to provide to  
681       prospective buyers and lessees; revising the documents  
682       that a prospective purchaser is entitled to when  
683       purchasing an interest in cooperative from a unit  
684       owner; requiring specified disclosures relating to  
685       milestone inspections, turnover inspection reports,  
686       and structural integrity reserve studies for certain  
687       contracts entered into after a specified date;  
688       amending s. 719.504, F.S.; revising requirements for  
689       prospectuses and offering circulars;