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LEGISLATIVE ACTION

Senate

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House

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Floor: 4/AD/2R

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04/11/2023 05:13 PM

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

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

24 719.106 Bylaws; cooperative ownership.-

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

28 (e) *Budget procedures*.-

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

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



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

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

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

69 (j) *Annual budget.*—



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

79           2. In addition to annual operating expenses, the budget  
80 must include reserve accounts for capital expenditures and  
81 deferred maintenance. These accounts must include, but not be  
82 limited to, roof replacement, building painting, and pavement  
83 resurfacing, regardless of the amount of deferred maintenance  
84 expense or replacement cost, and for any other items for which  
85 the deferred maintenance expense or replacement cost exceeds  
86 \$10,000. ~~The amount to be reserved for an item is determined by~~  
87 ~~the association's most recent structural integrity reserve study~~  
88 ~~that must be completed by December 31, 2024. If the amount to be~~  
89 ~~reserved for an item is not in the association's initial or most~~  
90 ~~recent structural integrity reserve study or the association has~~  
91 ~~not completed a structural integrity reserve study, the amount~~  
92 must be computed by means of a formula which is based upon  
93 estimated remaining useful life and estimated replacement cost  
94 or deferred maintenance expense of the reserve item. In a budget  
95 adopted by an association that is required to obtain a  
96 structural integrity reserve study, reserves must be maintained  
97 for the items identified in paragraph (k) for which the  
98 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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128           3. Reserve funds and any interest accruing thereon shall  
129 remain in the reserve account or accounts, and shall be used  
130 only for authorized reserve expenditures unless their use for  
131 other purposes is approved in advance by a vote of the majority  
132 of the total voting interests, ~~voting in person or by limited~~  
133 ~~proxy at a duly called meeting~~ of the association. Before  
134 turnover of control of an association by a developer to unit  
135 owners other than the developer under s. 719.301, the developer  
136 may not vote to use reserves for purposes other than that for  
137 which they were intended. For a budget adopted on or after  
138 ~~Effective~~ December 31, 2024, members of a unit-owner-controlled  
139 association that must obtain a structural integrity reserve  
140 study may not vote to use reserve funds, or any interest  
141 accruing thereon, ~~that are reserved for items listed in~~  
142 ~~paragraph (k)~~ for purposes other than the replacement or  
143 deferred maintenance costs of the components listed in paragraph  
144 (k) their intended purpose.

145           (k) *Structural integrity reserve study.*—

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

153           a. Roof.

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



- 157 c. ~~Floor.~~
- 158 d. ~~Foundation.~~
- 159 e. Fireproofing and fire protection systems.
- 160 d.f. Plumbing.
- 161 e.g. Electrical systems.
- 162 f.h. Waterproofing and exterior painting.
- 163 g.i. Windows and exterior doors.

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

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

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



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

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

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

212 ~~6.3.~~ Associations existing on or before July 1, 2022, which  
213 are controlled by unit owners other than the developer, must  
214 have a structural integrity reserve study completed by December





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215 31, 2024, for each building on the cooperative property that is  
216 three stories or higher in height. An association that is  
217 required to complete a milestone inspection on or before  
218 December 31, 2026, in accordance with s. 553.899 may complete  
219 the structural integrity reserve study simultaneously with the  
220 milestone inspection. In no event may the structural integrity  
221 reserve study be completed after December 31, 2026.

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

228 8.4. If the officers or directors of an association  
229 willfully and knowingly fail ~~fails~~ to complete a structural  
230 integrity reserve study pursuant to this paragraph, such failure  
231 is a breach of an officer's and director's fiduciary  
232 relationship to the unit owners under s. 719.104(9) ~~s.~~  
233 ~~719.104(8).~~

234 (1) *Mandatory milestone inspections.*—If an association is  
235 required to have a milestone inspection performed pursuant to s.  
236 553.899, the association must arrange for the milestone  
237 inspection to be performed and is responsible for ensuring  
238 compliance with the requirements of s. 553.899. The association  
239 is responsible for all costs associated with the milestone  
240 inspection attributable to the portions of the building which  
241 the association is responsible for maintaining under the  
242 governing documents of the association. If the officers or  
243 directors of an association willfully and knowingly fail to have



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244 a milestone inspection performed pursuant to s. 553.899, such  
245 failure is a breach of the officers' and directors' fiduciary  
246 relationship to the unit owners under s. 719.104(9)(a) ~~s.~~  
247 ~~719.104(8)(a)~~. Within 14 days after receipt of a written notice  
248 from the local enforcement agency that a milestone inspection is  
249 required, the association must notify the unit owners of the  
250 required milestone inspection and provide the date by which the  
251 milestone inspection must be completed. Such notice may be given  
252 by electronic submission to unit owners who consent to receive  
253 notice by electronic submission or by posting on the  
254 association's website. Within 45 days after receiving ~~upon~~  
255 ~~completion of a phase one or phase two milestone inspection and~~  
256 ~~receipt of the inspector-prepared summary of the inspection~~  
257 report from the architect or engineer who performed the  
258 inspection, the association must distribute a copy of the  
259 inspector-prepared summary of the inspection report to each unit  
260 owner, regardless of the findings or recommendations in the  
261 report, by United States mail or personal delivery at the  
262 mailing address, property address, or any other address of the  
263 owner provided to fulfill the association's notice requirements  
264 under this chapter and by electronic transmission to the e-mail  
265 address or facsimile number provided to fulfill the  
266 association's notice requirements to unit owners who previously  
267 consented to receive notice by electronic transmission; must  
268 post a copy of the inspector-prepared summary in a conspicuous  
269 place on the cooperative property; and must publish the full  
270 report and inspector-prepared summary on the association's  
271 website, if the association is required to have a website.

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



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

276 719.301 Transfer of association control.—

277 (4) When unit owners other than the developer elect a  
278 majority of the members of the board of administration of an  
279 association, the developer shall relinquish control of the  
280 association, and the unit owners shall accept control.

281 Simultaneously, or for the purpose of paragraph (c) not more  
282 than 90 days thereafter, the developer shall deliver to the  
283 association, at the developer's expense, all property of the  
284 unit owners and of the association held or controlled by the  
285 developer, including, but not limited to, the following items,  
286 if applicable, as to each cooperative operated by the  
287 association:

288 (p) Notwithstanding when the certificate of occupancy was  
289 issued or the height of the building, a structural integrity  
290 reserve study ~~milestone inspection report~~ in compliance with s.  
291 719.106(1)(k) ~~s. 553.899~~ included in the official records, under  
292 seal of an architect or engineer authorized to practice in this  
293 state or a person certified as a reserve specialist or  
294 professional reserve analyst by the Community Associations  
295 Institute or the Association of Professional Reserve Analysts,  
296 attesting to required maintenance, condition, useful life, and  
297 replacement costs of the following applicable cooperative  
298 property comprising a turnover inspection report:

299 1. Roof.

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



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302 are defined in s. 627.706.

303 3. Fireproofing and fire protection systems.

304 4. Plumbing Elevators.

305 5. Electrical systems Heating and cooling systems.

306 6. Waterproofing and exterior painting Plumbing.

307 7. Windows and exterior doors Electrical systems.

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

309 ~~9. Seawalls.~~

310 ~~10. Pavement and parking areas.~~

311 ~~11. Drainage systems.~~

312 ~~12. Painting.~~

313 ~~13. Irrigation systems.~~

314 ~~14. Waterproofing.~~

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

325 1. Elevators.

326 2. Heating and cooling systems.

327 3. Swimming pool or spa and equipment.

328 4. Seawalls.

329 5. Pavement and parking areas.

330 6. Drainage systems.



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331           7. Irrigation systems.

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

337           719.503 Disclosure prior to sale.—

338           (1) DEVELOPER DISCLOSURE.—

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



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

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

367 2. The documents creating the association.

368 3. The bylaws.

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

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

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

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

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

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

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



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389 the association.

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

394 12. If the cooperative is a conversion of existing  
395 improvements, the statements and disclosure required by s.  
396 719.616.

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

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

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

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

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

413 18. A copy of the inspector-prepared summary of the  
414 milestone inspection report as described in s. 553.899 ~~ss.~~  
415 ~~553.899 and 719.301(4)(p)~~, or a statement in conspicuous type  
416 indicating that the required milestone inspection described in  
417 s. 553.899 has not been completed or that a milestone inspection



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418 is not required, as ~~if~~ applicable.

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

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

429 (d) *Milestone inspection, turnover inspection report, or*  
430 *structural integrity reserve study.*—If the association is  
431 required to have completed a milestone inspection as described  
432 in s. 553.899, a turnover inspection report for a turnover  
433 inspection performed on or after July 1, 2023, or a structural  
434 integrity reserve study, and the association has not completed  
435 the milestone inspection, the turnover inspection report, or the  
436 structural integrity reserve study, each contract entered into  
437 after December 31, 2024, for the sale of a residential unit  
438 shall contain in conspicuous type a statement indicating that  
439 the association is required to have a milestone inspection, a  
440 turnover inspection report, or a structural integrity reserve  
441 study and has not completed such inspection, report, or study,  
442 as appropriate. If the association is not required to have a  
443 milestone inspection as described in s. 553.899 or a structural  
444 integrity reserve study, each contract entered into after  
445 December 31, 2024, for the sale of a residential unit shall  
446 contain in conspicuous type a statement indicating that the





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

455 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES  
456 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-  
457 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED  
458 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF  
459 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION  
460 719.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A  
461 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY  
462 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND  
463 719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 15  
464 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO  
465 EXECUTION OF THIS CONTRACT; and

466 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY  
467 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO  
468 CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL  
469 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE  
470 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-  
471 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED  
472 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF  
473 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION  
474 719.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A  
475 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY



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476 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND  
477 719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED  
478 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER  
479 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15  
480 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER  
481 THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED  
482 SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN  
483 SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER  
484 INSPECTION REPORT DESCRIBED IN SECTION 719.301(4)(p) AND (q),  
485 FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT  
486 STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS  
487 719.103(24) AND 719.106(1)(k), FLORIDA STATUTES, IF REQUESTED IN  
488 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT  
489 CLOSING.

490  
491 A contract that does not conform to the requirements of this  
492 paragraph is voidable at the option of the purchaser prior to  
493 closing.

494 (2) NONDEVELOPER DISCLOSURE.—

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

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



505 4. A copy of the inspector-prepared summary of the  
506 milestone inspection report as described in s. 553.899 ~~ss-~~  
507 ~~553.899 and 719.301(4)(p)~~, if applicable.

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

511 6. A copy of the inspection report described in s.  
512 719.301(4)(p) and (q) for a turnover inspection performed on or  
513 after July 1, 2023.

514 (d) If the association is required to have completed a  
515 milestone inspection as described in s. 553.899, a turnover  
516 inspection report for a turnover inspection performed on or  
517 after July 1, 2023, or a structural integrity reserve study, and  
518 the association has not completed the milestone inspection, the  
519 turnover inspection report, or the structural integrity reserve  
520 study, each contract entered into after December 31, 2024, for  
521 the sale of a residential unit shall contain in conspicuous type  
522 a statement indicating that the association is required to have  
523 a milestone inspection, a turnover inspection report, or a  
524 structural integrity reserve study and has not completed such  
525 inspection, report, or study, as appropriate. If the association  
526 is not required to have a milestone inspection as described in  
527 s. 553.899 or a structural integrity reserve study, each  
528 contract entered into after December 31, 2024, for the sale of a  
529 residential unit shall contain in conspicuous type a statement  
530 indicating that the association is not required to have a  
531 milestone inspection or a structural integrity reserve study, as  
532 appropriate. If the association has completed a milestone  
533 inspection as described in s. 553.899, a turnover inspection



534 report for a turnover inspection performed on or after July 1,  
535 2023, or a structural integrity reserve study, each contract  
536 entered into after December 31, 2024, for the resale of a  
537 residential unit shall contain in conspicuous type:

538 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES  
539 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-  
540 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED  
541 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF  
542 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION  
543 719.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A  
544 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY  
545 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND  
546 719.106(1) (k), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 3  
547 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO  
548 EXECUTION OF THIS CONTRACT; and

549 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY  
550 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO  
551 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL  
552 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE  
553 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-  
554 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED  
555 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF  
556 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION  
557 719.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A  
558 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY  
559 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND  
560 719.106(1) (k), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED  
561 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER  
562 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3



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563 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER  
564 THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED  
565 SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN  
566 SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER  
567 INSPECTION REPORT DESCRIBED IN SECTION 719.301(4) (p) AND (q),  
568 FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT  
569 STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS  
570 719.103(24) AND 719.106(1) (k), FLORIDA STATUTES, IF REQUESTED IN  
571 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT  
572 CLOSING.

573  
574 A contract that does not conform to the requirements of this  
575 paragraph is voidable at the option of the purchaser prior to  
576 closing.

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

580 719.504 Prospectus or offering circular.—Every developer of  
581 a residential cooperative which contains more than 20  
582 residential units, or which is part of a group of residential  
583 cooperatives which will be served by property to be used in  
584 common by unit owners of more than 20 residential units, shall  
585 prepare a prospectus or offering circular and file it with the  
586 Division of Florida Condominiums, Timeshares, and Mobile Homes  
587 prior to entering into an enforceable contract of purchase and  
588 sale of any unit or lease of a unit for more than 5 years and  
589 shall furnish a copy of the prospectus or offering circular to  
590 each buyer. In addition to the prospectus or offering circular,  
591 each buyer shall be furnished a separate page entitled



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

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



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621 but not be limited to, the following:

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

625  
626 Descriptions shall include location, areas, capacities, numbers,  
627 volumes, or sizes and may be stated as approximations or  
628 minimums.

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

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

- 639 1. Expenses for the association and cooperative:
- 640 a. Administration of the association.
  - 641 b. Management fees.
  - 642 c. Maintenance.
  - 643 d. Rent for recreational and other commonly used areas.
  - 644 e. Taxes upon association property.
  - 645 f. Taxes upon leased areas.
  - 646 g. Insurance.
  - 647 h. Security provisions.
  - 648 i. Other expenses.
  - 649 j. Operating capital.



650 k. Reserves for all applicable items referenced in s.  
651 719.106(1)(k).  
652 1. Fee payable to the division.  
653 2. Expenses for a unit owner:  
654 a. Rent for the unit, if subject to a lease.  
655 b. Rent payable by the unit owner directly to the lessor or  
656 agent under any recreational lease or lease for the use of  
657 commonly used areas, which use and payment are a mandatory  
658 condition of ownership and are not included in the common  
659 expense or assessments for common maintenance paid by the unit  
660 owners to the association.

661  
662 ===== T I T L E A M E N D M E N T =====

663 And the title is amended as follows:

664 Delete lines 71 - 84

665 and insert:

666 revising requirements relating to budget procedures;  
667 revising cooperative association reserve account  
668 requirements; revising requirements relating to  
669 waiving reserve requirements or providing less  
670 reserves than required by law; revising a prohibition  
671 on using reserve funds or interest accrued on reserve  
672 funds for certain purposes; revising requirements for  
673 structural integrity reserve studies and mandatory  
674 milestone inspections; providing applicability;  
675 conforming provisions to changes made by the act;  
676 amending s. 719.301, F.S.; revising items that  
677 developers are required to deliver to an association  
678 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;