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1 A bill to be entitled
2 An act relating to condominium and cooperative
3 associations; amending s. 468.4334, F.S.; revising the
4 circumstances under which community association
5 managers or management firms must comply with a
6 specified provision; amending s. 553.899, F.S.;
7 revising legislative findings; revising the definition
8 of the terms "milestone inspection" and "substantial
9 structural deterioration"; revising who must have
10 milestone inspections performed for buildings;
11 revising the deadline for milestone inspections of
12 certain buildings; authorizing local enforcement
13 agencies to make certain determinations relating to
14 milestone inspections after a building reaches a
15 specified age; authorizing local enforcement agencies
16 to extend deadlines for milestone inspections under
17 certain circumstances; authorizing local enforcement
18 agencies to accept certain inspection reports under
19 certain circumstances; deeming the inspections
20 relating to such inspection reports a milestone
21 inspection for certain purposes; revising costs that
22 condominium and cooperative associations are
23 responsible for; revising requirements relating to
24 written notice of required inspections; requiring
25 architects or engineers performing milestone
26 inspections to submit a specified progress report to a
27 local enforcement agency within a specified timeframe
28 under certain circumstances; specifying that
29 associations must distribute copies of certain

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30 inspection reports within a specified timeframe and in
31 a specified manner; authorizing municipal governing
32 bodies to adopt certain ordinances relating to
33 association repairs; requiring the Florida Building
34 Commission to adopt rules by a specified date;
35 providing requirements for such rules; conforming
36 provisions; amending s. 627.351, F.S.; revising
37 requirements relating to the purchase of flood
38 insurance as a condition for maintaining certain
39 policies issued by the Citizens Property Insurance
40 Corporation; amending s. 718.103, F.S.; defining the
41 term "alternative funding method"; revising the
42 definition of the term "structural integrity reserve
43 study"; amending s. 718.111, F.S.; making a technical
44 change; amending s. 718.112, F.S.; revising
45 requirements relating to budget meetings; revising
46 condominium association reserve account requirements;
47 revising requirements relating to waiving reserve
48 requirements or providing less reserves than required
49 by law; revising requirements relating to using
50 reserve funds or interest accrued on reserve funds for
51 certain purposes; revising requirements for structural
52 integrity reserve studies and mandatory milestone
53 inspections; providing applicability; conforming
54 provisions to changes made by the act; amending s.
55 718.1255, F.S.; revising the definition of the term
56 "dispute"; specifying that certain disputes are not
57 subject to nonbinding arbitration and must be
58 submitted to presuit mediation; amending s. 718.113,

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59 F.S.; revising requirements relating to maintenance,
60 repair, and replacement of common elements and
61 condominium property; amending s. 718.301, F.S.;
62 revising items that developers are required to deliver
63 to an association upon relinquishing control of the
64 association; amending s. 718.503, F.S.; revising the
65 documents developers are required to provide to
66 prospective buyers or lessees; revising the documents
67 that prospective purchasers are entitled to when
68 purchasing a condominium unit from a unit owner;
69 requiring specified disclosures relating to milestone
70 inspections, turnover inspection reports, and
71 structural integrity reserve studies for certain
72 contracts entered into after a specified date;
73 amending s. 718.504, F.S.; revising requirements for
74 prospectuses and offering circulars; amending s.
75 719.103, F.S.; revising the definition of the term
76 "structural integrity reserve study"; amending s.
77 719.104, F.S.; revising rights relating to the
78 official records of a cooperative association;
79 providing maintenance requirements for cooperative
80 associations; amending s. 719.106, F.S.; revising
81 requirements relating to budget procedures; revising
82 cooperative association reserve account requirements;
83 revising requirements relating to waiving reserve
84 requirements or providing less reserves than required
85 by law; revising a prohibition on using reserve funds
86 or interest accrued on reserve funds for certain
87 purposes; revising requirements for structural

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88 integrity reserve studies and mandatory milestone
89 inspections; providing applicability; conforming
90 provisions to changes made by the act; amending s.
91 719.301, F.S.; revising items that developers are
92 required to deliver to an association upon
93 relinquishing control of the association; amending s.
94 719.503, F.S.; revising the types of documents
95 developers are required to provide to prospective
96 buyers and lessees; revising the documents that a
97 prospective purchaser is entitled to when purchasing
98 an interest in cooperative from a unit owner;
99 requiring specified disclosures relating to milestone
100 inspections, turnover inspection reports, and
101 structural integrity reserve studies for certain
102 contracts entered into after a specified date;
103 amending s. 719.504, F.S.; revising requirements for
104 prospectuses and offering circulars; amending ss.
105 558.002, 718.116, and 720.3085, F.S.; conforming
106 cross-references; reenacting s. 719.1255, F.S.,
107 relating to alternative resolution of disputes, to
108 incorporate amendments made to s. 718.1255, F.S., in a
109 reference thereto; reenacting ss. 718.501(1)(f) and
110 719.501(1)(f), F.S., relating to the rulemaking
111 authority of the Division of Florida Condominiums,
112 Timeshares, and Mobile Homes of the Department of
113 Business and Professional Regulation; providing
114 appropriations; providing effective dates.

115
116 Be It Enacted by the Legislature of the State of Florida:

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117

118 Section 1. Paragraph (b) of subsection (1) of section
119 468.4334, Florida Statutes, is amended to read:

120 468.4334 Professional practice standards; liability.—

121 (1)

122 (b) If a community association manager or a community
123 association management firm has a contract with a community
124 association that ~~has a building on the association's property~~
125 ~~that~~ is subject to s. 553.899, the community association manager
126 or the community association management firm must comply with
127 that section as directed by the board.

128 Section 2. Subsections (1) through (6), paragraph (b) of
129 subsection (7), and subsections (8), (9), (11), and (12) of
130 section 553.899, Florida Statutes, are amended to read:

131 553.899 Mandatory structural inspections for condominium
132 and cooperative buildings.—

133 (1) The Legislature finds that maintaining the structural
134 integrity of a building throughout the life of the building ~~its~~
135 ~~service life~~ is of paramount importance in order to ensure that
136 buildings are structurally sound so as to not pose a threat to
137 the public health, safety, or welfare. As such, the Legislature
138 finds that the imposition of a statewide structural inspection
139 program for aging condominium and cooperative buildings in this
140 state is necessary to ensure that such buildings are safe for
141 continued use.

142 (2) As used in this section, the terms:

143 (a) "Milestone inspection" means a structural inspection of
144 a building, including an inspection of load-bearing elements
145 ~~walls~~ and the primary structural members and primary structural

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146 systems as those terms are defined in s. 627.706, by an a
147 ~~licensed~~ architect licensed under chapter 481 or engineer
148 licensed under chapter 471 authorized to practice in this state
149 for the purposes of attesting to the life safety and adequacy of
150 the structural components of the building and, to the extent
151 reasonably possible, determining the general structural
152 condition of the building as it affects the safety of such
153 building, including a determination of any necessary
154 maintenance, repair, or replacement of any structural component
155 of the building. The purpose of such inspection is not to
156 determine if the condition of an existing building is in
157 compliance with the Florida Building Code or the firesafety
158 code. The milestone inspection services may be provided by a
159 team of professionals with an architect or engineer acting as a
160 registered design professional in responsible charge with all
161 work and reports signed and sealed by the appropriate qualified
162 team member.

163 (b) "Substantial structural deterioration" means
164 substantial structural distress or substantial structural
165 weakness that negatively affects a building's general structural
166 condition and integrity. The term does not include surface
167 imperfections such as cracks, distortion, sagging, deflections,
168 misalignment, signs of leakage, or peeling of finishes unless
169 the licensed engineer or architect performing the phase one or
170 phase two inspection determines that such surface imperfections
171 are a sign of substantial structural deterioration.

172 (3) (a) An owner or owners of a building that is three
173 stories or more in height as determined by the Florida Building
174 Code and that is subject, in whole or in part, to the

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175 condominium or cooperative form of ownership as a residential
176 condominium association under chapter 718 or and a residential
177 cooperative association under chapter 719 must have a milestone
178 inspection performed for each building that is three stories or
179 more in height by December 31 of the year in which the building
180 reaches 30 years of age, based on the date the certificate of
181 occupancy for the building was issued, and every 10 years
182 thereafter. If a building reached 30 years of age before July 1,
183 2022, the building's initial milestone inspection must be
184 performed before December 31, 2024. If a building reaches 30
185 years of age on or after July 1, 2022, and before December 31,
186 2024, the building's initial milestone inspection must be
187 performed before December 31, 2025. If the date of issuance for
188 the certificate of occupancy is not available, the date of
189 issuance of the building's certificate of occupancy shall be the
190 date of occupancy evidenced in any record of the local building
191 official.

192 (b) The local enforcement agency may determine that local
193 circumstances, including environmental conditions such as
194 proximity to salt water as defined in s. 379.101, require that
195 If the building is located within 3 miles of a coastline as
196 defined in s. 376.031, the condominium association or
197 cooperative association must have a milestone inspection must be
198 performed by December 31 of the year in which the building
199 reaches 25 years of age, based on the date the certificate of
200 occupancy for the building was issued, and every 10 years
201 thereafter.

202 (c) The local enforcement agency may extend the date by
203 which a building's initial milestone inspection must be

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204 completed upon a showing of good cause by the owner or owners of
205 the building that the inspection cannot be timely completed if
206 the owner or owners have entered into a contract with an
207 architect or engineer to perform the milestone inspection and
208 the inspection cannot reasonably be completed before the
209 deadline or other circumstance to justify an extension.

210 (d) The local enforcement agency may accept an inspection
211 report prepared by a licensed engineer or architect for a
212 structural integrity and condition inspection of a building
213 performed before July 1, 2022, if the inspection and report
214 substantially comply with the requirements of this section.
215 Notwithstanding when such inspection was completed, the
216 condominium or cooperative association must comply with the unit
217 owner notice requirements in subsection (9). The inspection for
218 which an inspection report is accepted by the local enforcement
219 agency under this paragraph is deemed a milestone inspection for
220 the applicable requirements in chapters 718 and 719. If a
221 previous inspection and report is accepted by the local
222 enforcement agency under this paragraph, the deadline for the
223 building's subsequent 10-year milestone inspection is based on
224 the date of the accepted previous inspection.

225 (4) The milestone inspection report must be arranged by a
226 condominium or cooperative association and any owner of any
227 portion of the building which is not subject to the condominium
228 or cooperative form of ownership. The condominium association or
229 cooperative association and any owner of any portion of the
230 building which is not subject to the condominium or cooperative
231 form of ownership are each ~~must arrange for the milestone~~
232 ~~inspection to be performed and is~~ responsible for ensuring

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233 compliance with the requirements of this section. The
234 condominium association or cooperative association is
235 responsible for all costs associated with the milestone
236 inspection attributable to the portions of a building which the
237 association is responsible to maintain under the governing
238 documents of the association. This section ~~subsection~~ does not
239 apply to a single-family, two-family, or three-family dwelling
240 with three or fewer habitable stories above ground.

241 ~~(4) If a milestone inspection is required under this~~
242 ~~section and the building's certificate of occupancy was issued~~
243 ~~on or before July 1, 1992, the building's initial milestone~~
244 ~~inspection must be performed before December 31, 2024. If the~~
245 ~~date of issuance for the certificate of occupancy is not~~
246 ~~available, the date of issuance of the building's certificate of~~
247 ~~occupancy shall be the date of occupancy evidenced in any record~~
248 ~~of the local building official.~~

249 (5) Upon determining that a building must have a milestone
250 inspection, the local enforcement agency must provide written
251 notice of such required inspection to the condominium
252 association or cooperative association and any owner of any
253 portion of the building which is not subject to the condominium
254 or cooperative form of ownership, as applicable, by certified
255 mail, return receipt requested. The condominium or cooperative
256 association must notify the unit owners of the required
257 milestone inspection within 14 days after receipt of the written
258 notice from the local enforcement agency and provide the date
259 that the milestone inspection must be completed. Such notice may
260 be given by electronic submission to unit owners who consent to
261 receive notice by electronic submission or by posting on the

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262 association's website.

263 (6) Phase one of the milestone inspection must be completed
264 within 180 days after the owner or owners of the building
265 receive ~~receiving~~ the written notice under subsection (5), ~~the~~
266 ~~condominium association or cooperative association must complete~~
267 ~~phase one of the milestone inspection.~~ For purposes of this
268 section, completion of phase one of the milestone inspection
269 means the licensed engineer or architect who performed the phase
270 one inspection submitted the inspection report by e-mail, United
271 States Postal Service, or commercial delivery service to the
272 local enforcement agency.

273 (7) A milestone inspection consists of two phases:

274 (b) A phase two of the milestone inspection must be
275 performed if any substantial structural deterioration is
276 identified during phase one. A phase two inspection may involve
277 destructive or nondestructive testing at the inspector's
278 direction. The inspection may be as extensive or as limited as
279 necessary to fully assess areas of structural distress in order
280 to confirm that the building is structurally sound and safe for
281 its intended use and to recommend a program for fully assessing
282 and repairing distressed and damaged portions of the building.
283 When determining testing locations, the inspector must give
284 preference to locations that are the least disruptive and most
285 easily repairable while still being representative of the
286 structure. If a phase two inspection is required, within 180
287 days after submitting a phase one inspection report the
288 architect or engineer performing the phase two inspection must
289 submit a phase two progress report to the local enforcement
290 agency with a timeline for completion of the phase two

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291 inspection. An inspector who completes a phase two milestone
292 inspection shall prepare and submit an inspection report
293 pursuant to subsection (8).

294 (8) Upon completion of a phase one or phase two milestone
295 inspection, the architect or engineer who performed the
296 inspection must submit a sealed copy of the inspection report
297 with a separate summary of, at minimum, the material findings
298 and recommendations in the inspection report to the condominium
299 association or cooperative association, to any other owner of
300 any portion of the building which is not subject to the
301 condominium or cooperative form of ownership, and to the
302 building official of the local government which has
303 jurisdiction. The inspection report must, at a minimum, meet all
304 of the following criteria:

305 (a) Bear the seal and signature, or the electronic
306 signature, of the licensed engineer or architect who performed
307 the inspection.

308 (b) Indicate the manner and type of inspection forming the
309 basis for the inspection report.

310 (c) Identify any substantial structural deterioration,
311 within a reasonable professional probability based on the scope
312 of the inspection, describe the extent of such deterioration,
313 and identify any recommended repairs for such deterioration.

314 (d) State whether unsafe or dangerous conditions, as those
315 terms are defined in the Florida Building Code, were observed.

316 (e) Recommend any remedial or preventive repair for any
317 items that are damaged but are not substantial structural
318 deterioration.

319 (f) Identify and describe any items requiring further

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320 inspection.

321 (9) Within 45 days after receiving the applicable
322 inspection report, the condominium or cooperative association
323 must distribute a copy of the inspector-prepared summary of the
324 inspection report to each condominium unit owner or cooperative
325 unit owner, regardless of the findings or recommendations in the
326 report, by United States mail or personal delivery at the
327 mailing address, property address, or any other address of the
328 owner provided to fulfill the association's notice requirements
329 under chapter 718 or chapter 719, as applicable, and by
330 electronic transmission to the e-mail address or facsimile
331 number provided to fulfill the association's notice requirements
332 to unit owners who previously consented to receive notice by
333 electronic transmission; must post a copy of the inspector-
334 prepared summary in a conspicuous place on the condominium or
335 cooperative property; and must publish the full report and
336 inspector-prepared summary on the association's website, if the
337 association is required to have a website.

338 (11) A board of county commissioners or municipal governing
339 body may adopt an ordinance requiring that a condominium or
340 cooperative association and any other owner that is subject to
341 this section schedule or commence repairs for substantial
342 structural deterioration within a specified timeframe after the
343 local enforcement agency receives a phase two inspection report;
344 however, such repairs must be commenced within 365 days after
345 receiving such report. If an owner of the building association
346 fails to submit proof to the local enforcement agency that
347 repairs have been scheduled or have commenced for substantial
348 structural deterioration identified in a phase two inspection

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349 report within the required timeframe, the local enforcement
350 agency must review and determine if the building is unsafe for
351 human occupancy.

352 (12) By December 31, 2024, the Florida Building Commission
353 shall adopt rules pursuant to ss. 120.536(1) and 120.54 to
354 establish a building safety program for the implementation of
355 this section within the Florida Building Code: Existing
356 Building. The building inspection program must, at minimum,
357 include inspection criteria, testing protocols, standardized
358 inspection and reporting forms that are adaptable to an
359 electronic format, and record maintenance requirements for the
360 local authority ~~review the milestone inspection requirements~~
361 ~~under this section and make recommendations, if any, to the~~
362 ~~Legislature to ensure inspections are sufficient to determine~~
363 ~~the structural integrity of a building. The commission must~~
364 ~~provide a written report of any recommendations to the Governor,~~
365 ~~the President of the Senate, and the Speaker of the House of~~
366 ~~Representatives by December 31, 2022.~~

367 Section 3. Paragraph (aa) of subsection (6) of section
368 627.351, Florida Statutes, is amended to read:

369 627.351 Insurance risk apportionment plans.—

370 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

371 (aa) Except as otherwise provided in this paragraph, the
372 corporation shall require the securing and maintaining of flood
373 insurance as a condition of coverage of a personal lines
374 residential risk. The insured or applicant must execute a form
375 approved by the office affirming that flood insurance is not
376 provided by the corporation and that if flood insurance is not
377 secured by the applicant or insured from an insurer other than

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378 the corporation and in addition to coverage by the corporation,
379 the risk will not be eligible for coverage by the corporation.
380 The corporation may deny coverage of a personal lines
381 residential risk to an applicant or insured who refuses to
382 secure and maintain flood insurance. The requirement to purchase
383 flood insurance shall be implemented as follows:

384 1. Except as provided in subparagraphs 2. and 3., all
385 personal lines residential policyholders must have flood
386 coverage in place for policies effective on or after:

387 a. January 1, 2024, for property valued at \$600,000 or
388 more.

389 b. January 1, 2025, for property valued at \$500,000 or
390 more.

391 c. January 1, 2026, for property valued at \$400,000 or
392 more.

393 d. January 1, 2027, for all other personal lines
394 residential property insured by the corporation.

395 2. All personal lines residential policyholders whose
396 property insured by the corporation is located within the
397 special flood hazard area defined by the Federal Emergency
398 Management Agency must have flood coverage in place:

399 a. At the time of initial policy issuance for all new
400 personal lines residential policies issued by the corporation on
401 or after April 1, 2023.

402 b. By the time of the policy renewal for all personal lines
403 residential policies renewing on or after July 1, 2023.

404 3. Policyholders ~~whose policies issued by the corporation~~
405 ~~do not provide coverage for the peril of wind~~ are not required
406 to purchase flood insurance as a condition for maintaining the

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407 following ~~their~~ policies issued by ~~with~~ the corporation:

408 a. Policies that do not provide coverage for the peril of
409 wind.

410 b. Policies that provide coverage under a condominium unit
411 owners form.

412

413 The flood insurance required under this paragraph must meet, at
414 a minimum, the coverage available from the National Flood
415 Insurance Program or the requirements of subparagraphs s.
416 627.715(1)(a)1., 2., and 3.

417 Section 4. Present subsections (1) through (31) of section
418 718.103, Florida Statutes, are redesignated as subsections (2)
419 through (32), respectively, a new subsection (1) is added to
420 that section, and present subsection (25) of that section is
421 amended, to read:

422 718.103 Definitions.—As used in this chapter, the term:

423 (1) "Alternative funding method" means a method approved by
424 the division for funding the capital expenditures and deferred
425 maintenance obligations for a multicondominium association
426 operating at least 25 condominiums which may reasonably be
427 expected to fully satisfy the association's reserve funding
428 obligations by the allocation of funds in the annual operating
429 budget.

430 ~~(26)~~~~(25)~~ "Structural integrity reserve study" means a study
431 of the reserve funds required for future major repairs and
432 replacement of the condominium property performed as required
433 under s. 718.112(2)(g) common areas based on a visual inspection
434 ~~of the common areas. A structural integrity reserve study may be~~
435 ~~performed by any person qualified to perform such study.~~

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436 ~~However, the visual inspection portion of the structural~~
437 ~~integrity reserve study must be performed by an engineer~~
438 ~~licensed under chapter 471 or an architect licensed under~~
439 ~~chapter 481. At a minimum, a structural integrity reserve study~~
440 ~~must identify the common areas being visually inspected, state~~
441 ~~the estimated remaining useful life and the estimated~~
442 ~~replacement cost or deferred maintenance expense of the common~~
443 ~~areas being visually inspected, and provide a recommended annual~~
444 ~~reserve amount that achieves the estimated replacement cost or~~
445 ~~deferred maintenance expense of each common area being visually~~
446 ~~inspected by the end of the estimated remaining useful life of~~
447 ~~each common area.~~

448 Section 5. Paragraph (c) of subsection (12) of section
449 718.111, Florida Statutes, is amended to read:

450 718.111 The association.—

451 (12) OFFICIAL RECORDS.—

452 (c)1. The official records of the association are open to
453 inspection by any association member and any person authorized
454 by an association member as a ~~or the authorized~~ representative
455 of such member at all reasonable times. The right to inspect the
456 records includes the right to make or obtain copies, at the
457 reasonable expense, if any, of the member and of the person
458 authorized by the association member as a ~~or authorized~~
459 representative of such member. A renter of a unit has a right to
460 inspect and copy only the declaration of condominium, the
461 association's bylaws and rules, and the inspection reports
462 described in ss. 553.899 and 718.301(4) (p). The association may
463 adopt reasonable rules regarding the frequency, time, location,
464 notice, and manner of record inspections and copying but may not

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465 require a member to demonstrate any purpose or state any reason
466 for the inspection. The failure of an association to provide the
467 records within 10 working days after receipt of a written
468 request creates a rebuttable presumption that the association
469 willfully failed to comply with this paragraph. A unit owner who
470 is denied access to official records is entitled to the actual
471 damages or minimum damages for the association's willful failure
472 to comply. Minimum damages are \$50 per calendar day for up to 10
473 days, beginning on the 11th working day after receipt of the
474 written request. The failure to permit inspection entitles any
475 person prevailing in an enforcement action to recover reasonable
476 attorney fees from the person in control of the records who,
477 directly or indirectly, knowingly denied access to the records.

478 2. Any person who knowingly or intentionally defaces or
479 destroys accounting records that are required by this chapter to
480 be maintained during the period for which such records are
481 required to be maintained, or who knowingly or intentionally
482 fails to create or maintain accounting records that are required
483 to be created or maintained, with the intent of causing harm to
484 the association or one or more of its members, is personally
485 subject to a civil penalty pursuant to s. 718.501(1)(d).

486 3. The association shall maintain an adequate number of
487 copies of the declaration, articles of incorporation, bylaws,
488 and rules, and all amendments to each of the foregoing, as well
489 as the question and answer sheet as described in s. 718.504 and
490 year-end financial information required under this section, on
491 the condominium property to ensure their availability to unit
492 owners and prospective purchasers, and may charge its actual
493 costs for preparing and furnishing these documents to those

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494 requesting the documents. An association shall allow a member or
495 his or her authorized representative to use a portable device,
496 including a smartphone, tablet, portable scanner, or any other
497 technology capable of scanning or taking photographs, to make an
498 electronic copy of the official records in lieu of the
499 association's providing the member or his or her authorized
500 representative with a copy of such records. The association may
501 not charge a member or his or her authorized representative for
502 the use of a portable device. Notwithstanding this paragraph,
503 the following records are not accessible to unit owners:

504 a. Any record protected by the lawyer-client privilege as
505 described in s. 90.502 and any record protected by the work-
506 product privilege, including a record prepared by an association
507 attorney or prepared at the attorney's express direction, which
508 reflects a mental impression, conclusion, litigation strategy,
509 or legal theory of the attorney or the association, and which
510 was prepared exclusively for civil or criminal litigation or for
511 adversarial administrative proceedings, or which was prepared in
512 anticipation of such litigation or proceedings until the
513 conclusion of the litigation or proceedings.

514 b. Information obtained by an association in connection
515 with the approval of the lease, sale, or other transfer of a
516 unit.

517 c. Personnel records of association or management company
518 employees, including, but not limited to, disciplinary, payroll,
519 health, and insurance records. For purposes of this sub-
520 subparagraph, the term "personnel records" does not include
521 written employment agreements with an association employee or
522 management company, or budgetary or financial records that

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523 indicate the compensation paid to an association employee.

524 d. Medical records of unit owners.

525 e. Social security numbers, driver license numbers, credit
526 card numbers, e-mail addresses, telephone numbers, facsimile
527 numbers, emergency contact information, addresses of a unit
528 owner other than as provided to fulfill the association's notice
529 requirements, and other personal identifying information of any
530 person, excluding the person's name, unit designation, mailing
531 address, property address, and any address, e-mail address, or
532 facsimile number provided to the association to fulfill the
533 association's notice requirements. Notwithstanding the
534 restrictions in this sub-subparagraph, an association may print
535 and distribute to unit owners a directory containing the name,
536 unit address, and all telephone numbers of each unit owner.
537 However, an owner may exclude his or her telephone numbers from
538 the directory by so requesting in writing to the association. An
539 owner may consent in writing to the disclosure of other contact
540 information described in this sub-subparagraph. The association
541 is not liable for the inadvertent disclosure of information that
542 is protected under this sub-subparagraph if the information is
543 included in an official record of the association and is
544 voluntarily provided by an owner and not requested by the
545 association.

546 f. Electronic security measures that are used by the
547 association to safeguard data, including passwords.

548 g. The software and operating system used by the
549 association which allow the manipulation of data, even if the
550 owner owns a copy of the same software used by the association.
551 The data is part of the official records of the association.

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552 h. All affirmative acknowledgments made pursuant to s.
553 718.121(4) (c).

554 Section 6. Paragraphs (e), (f), (g), and (h) of subsection
555 (2) of section 718.112, Florida Statutes, are amended to read:
556 718.112 Bylaws.—

557 (2) REQUIRED PROVISIONS.—The bylaws shall provide for the
558 following and, if they do not do so, shall be deemed to include
559 the following:

560 (e) *Budget meeting*.—

561 1. Any meeting at which a proposed annual budget of an
562 association will be considered by the board or unit owners shall
563 be open to all unit owners. At least 14 days prior to such a
564 meeting, the board shall hand deliver to each unit owner, mail
565 to each unit owner at the address last furnished to the
566 association by the unit owner, or electronically transmit to the
567 location furnished by the unit owner for that purpose a notice
568 of such meeting and a copy of the proposed annual budget. An
569 officer or manager of the association, or other person providing
570 notice of such meeting, shall execute an affidavit evidencing
571 compliance with such notice requirement, and such affidavit
572 shall be filed among the official records of the association.

573 2.a. If a board adopts in any fiscal year an annual budget
574 which requires assessments against unit owners which exceed 115
575 percent of assessments for the preceding fiscal year, the board
576 shall conduct a special meeting of the unit owners to consider a
577 substitute budget if the board receives, within 21 days after
578 adoption of the annual budget, a written request for a special
579 meeting from at least 10 percent of all voting interests. The
580 special meeting shall be conducted within 60 days after adoption

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581 of the annual budget. At least 14 days prior to such special
582 meeting, the board shall hand deliver to each unit owner, or
583 mail to each unit owner at the address last furnished to the
584 association, a notice of the meeting. An officer or manager of
585 the association, or other person providing notice of such
586 meeting shall execute an affidavit evidencing compliance with
587 this notice requirement, and such affidavit shall be filed among
588 the official records of the association. Unit owners may
589 consider and adopt a substitute budget at the special meeting. A
590 substitute budget is adopted if approved by a majority of all
591 voting interests unless the bylaws require adoption by a greater
592 percentage of voting interests. If there is not a quorum at the
593 special meeting or a substitute budget is not adopted, the
594 annual budget previously adopted by the board shall take effect
595 as scheduled.

596 b. Any determination of whether assessments exceed 115
597 percent of assessments for the prior fiscal year shall exclude
598 any authorized provision for reasonable reserves for repair or
599 replacement of the condominium property, anticipated expenses of
600 the association which the board does not expect to be incurred
601 on a regular or annual basis, insurance premiums, or assessments
602 for betterments to the condominium property.

603 c. If the developer controls the board, assessments shall
604 not exceed 115 percent of assessments for the prior fiscal year
605 unless approved by a majority of all voting interests.

606 (f) *Annual budget.*—

607 1. The proposed annual budget of estimated revenues and
608 expenses must be detailed and must show the amounts budgeted by
609 accounts and expense classifications, including, at a minimum,

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610 any applicable expenses listed in s. 718.504(21). The board
611 shall adopt the annual budget at least 14 days before the start
612 of the association's fiscal year. In the event that the board
613 fails to timely adopt the annual budget a second time, it is
614 deemed a minor violation and the prior year's budget shall
615 continue in effect until a new budget is adopted. A
616 multicondominium association must adopt a separate budget of
617 common expenses for each condominium the association operates
618 and must adopt a separate budget of common expenses for the
619 association. In addition, if the association maintains limited
620 common elements with the cost to be shared only by those
621 entitled to use the limited common elements as provided for in
622 s. 718.113(1), the budget or a schedule attached to it must show
623 the amount budgeted for this maintenance. If, after turnover of
624 control of the association to the unit owners, any of the
625 expenses listed in s. 718.504(21) are not applicable, they do
626 not need to be listed.

627 2.a. In addition to annual operating expenses, the budget
628 must include reserve accounts for capital expenditures and
629 deferred maintenance. These accounts must include, but are not
630 limited to, roof replacement, building painting, and pavement
631 resurfacing, regardless of the amount of deferred maintenance
632 expense or replacement cost, and any other item that has a
633 deferred maintenance expense or replacement cost that exceeds
634 \$10,000. The amount to be reserved ~~for an item is determined by~~
635 ~~the association's most recent structural integrity reserve study~~
636 ~~that must be completed by December 31, 2024. If the amount to be~~
637 ~~reserved for an item is not in the association's initial or most~~
638 ~~recent structural integrity reserve study or the association has~~

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639 ~~not completed a structural integrity reserve study, the amount~~
640 must be computed using a formula based upon estimated remaining
641 useful life and estimated replacement cost or deferred
642 maintenance expense of the reserve item. In a budget adopted by
643 an association that is required to obtain a structural integrity
644 reserve study, reserves must be maintained for the items
645 identified in paragraph (g) for which the association is
646 responsible pursuant to the declaration of condominium, and the
647 reserve amount for such items must be based on the findings and
648 recommendations of the association's most recent structural
649 integrity reserve study. With respect to items for which an
650 estimate of useful life is not readily ascertainable or with an
651 estimated remaining useful life of greater than 25 years, an
652 association is not required to reserve replacement costs for
653 such items, but an association must reserve the amount of
654 deferred maintenance expense, if any, which is recommended by
655 the structural integrity reserve study for such items. The
656 association may adjust replacement reserve assessments annually
657 to take into account an inflation adjustment and any changes in
658 estimates or extension of the useful life of a reserve item
659 caused by deferred maintenance. The members of a unit-owner-
660 controlled association may determine, by a majority vote of the
661 total voting interests ~~at a duly called meeting~~ of the
662 association, to provide no reserves or less reserves than
663 required by this subsection. For a budget adopted on or after
664 ~~Effective~~ December 31, 2024, the members of a unit-owner-
665 controlled association that must obtain a structural integrity
666 reserve study may not determine to provide no reserves or less
667 reserves than required by this subsection for items listed in

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668 paragraph (g), except that members of an association operating a
669 multicondominium may determine to provide no reserves or less
670 reserves than required by this subsection if an alternative
671 funding method has been approved by the division.

672 b. Before turnover of control of an association by a
673 developer to unit owners other than a developer under s.
674 718.301, the developer-controlled association may not vote to
675 waive the reserves or reduce funding of the reserves. If a
676 meeting of the unit owners has been called to determine whether
677 to waive or reduce the funding of reserves and no such result is
678 achieved or a quorum is not attained, the reserves included in
679 the budget shall go into effect. After the turnover, the
680 developer may vote its voting interest to waive or reduce the
681 funding of reserves.

682 3. Reserve funds and any interest accruing thereon shall
683 remain in the reserve account or accounts, and may be used only
684 for authorized reserve expenditures unless their use for other
685 purposes is approved in advance by a majority vote of all the
686 total voting interests ~~at a duly called meeting~~ of the
687 association. Before turnover of control of an association by a
688 developer to unit owners other than the developer pursuant to s.
689 718.301, the developer-controlled association may not vote to
690 use reserves for purposes other than those for which they were
691 intended. For a budget adopted on or after ~~Effective~~ December
692 31, 2024, members of a unit-owner-controlled association that
693 must obtain a structural integrity reserve study may not vote to
694 use reserve funds, or any interest accruing thereon, ~~that are~~
695 ~~reserved for items listed in paragraph (g)~~ for any other purpose
696 other than the replacement or deferred maintenance costs of the

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697 components listed in paragraph (g) ~~their intended purpose.~~

698 4. The only voting interests that are eligible to vote on
699 questions that involve waiving or reducing the funding of
700 reserves, or using existing reserve funds for purposes other
701 than purposes for which the reserves were intended, are the
702 voting interests of the units subject to assessment to fund the
703 reserves in question. Proxy questions relating to waiving or
704 reducing the funding of reserves or using existing reserve funds
705 for purposes other than purposes for which the reserves were
706 intended must contain the following statement in capitalized,
707 bold letters in a font size larger than any other used on the
708 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN
709 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY
710 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
711 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

712 (g) *Structural integrity reserve study.*—

713 1. A residential condominium ~~An~~ association must have a
714 structural integrity reserve study completed at least every 10
715 years after the condominium's creation for each building on the
716 condominium property that is three stories or higher in height
717 as determined by the Florida Building Code which includes, at a
718 minimum, a study of the following items as related to the
719 structural integrity and safety of the building:

720 a. Roof.

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

724 c. ~~Floor.~~

725 d. ~~Foundation.~~

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726 ~~e.~~ Fireproofing and fire protection systems.
727 ~~d.f.~~ Plumbing.
728 ~~e.g.~~ Electrical systems.
729 ~~f.h.~~ Waterproofing and exterior painting.
730 ~~g.i.~~ Windows and exterior doors.
731 ~~h.j.~~ Any other item that has a deferred maintenance expense
732 or replacement cost that exceeds \$10,000 and the failure to
733 replace or maintain such item negatively affects the items
734 listed in sub-subparagraphs a.-g. ~~sub-subparagraphs a.-i.~~, as
735 determined by the ~~licensed engineer or architect performing the~~
736 visual inspection portion of the structural integrity reserve
737 study.

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

748 3. At a minimum, a structural integrity reserve study must
749 identify each item of the condominium property being visually
750 inspected, state the estimated remaining useful life and the
751 estimated replacement cost or deferred maintenance expense of
752 each item of the condominium property being visually inspected,
753 and provide a reserve funding schedule with a recommended annual
754 reserve amount that achieves the estimated replacement cost or

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755 deferred maintenance expense of each item of condominium
756 property being visually inspected by the end of the estimated
757 remaining useful life of the item. The structural integrity
758 reserve study may recommend that reserves do not need to be
759 maintained for any item for which an estimate of useful life and
760 an estimate of replacement cost cannot be determined, or the
761 study may recommend a deferred maintenance expense amount for
762 such item. The structural integrity reserve study may recommend
763 that reserves for replacement costs do not need to be maintained
764 for any item with an estimated remaining useful life of greater
765 than 25 years, but the study may recommend a deferred
766 maintenance expense amount for such item.

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

774 5. Before a developer turns over control of an association
775 to unit owners other than the developer, the developer must have
776 a turnover inspection report in compliance with s. 718.301(4)(p)
777 and (q) ~~structural integrity reserve study completed~~ for each
778 building on the condominium property that is three stories or
779 higher in height.

780 ~~6.3.~~ Associations existing on or before July 1, 2022, which
781 are controlled by unit owners other than the developer, must
782 have a structural integrity reserve study completed by December
783 31, 2024, for each building on the condominium property that is

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784 three stories or higher in height. An association that is
785 required to complete a milestone inspection in accordance with
786 s. 553.899 on or before December 31, 2026, may complete the
787 structural integrity reserve study simultaneously with the
788 milestone inspection. In no event may the structural integrity
789 reserve study be completed after December 31, 2026.

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

796 8.4. If the officers or directors of an association
797 willfully and knowingly fail ~~fails~~ to complete a structural
798 integrity reserve study pursuant to this paragraph, such failure
799 is a breach of an officer's and director's fiduciary
800 relationship to the unit owners under s. 718.111(1).

801 (h) Mandatory milestone inspections.—If an association is
802 required to have a milestone inspection performed pursuant to s.
803 553.899, the association must arrange for the milestone
804 inspection to be performed and is responsible for ensuring
805 compliance with the requirements of s. 553.899. The association
806 is responsible for all costs associated with the milestone
807 inspection attributable to the portions of the building which
808 the association is responsible for maintaining under the
809 governing documents of the association. If the officers or
810 directors of an association willfully and knowingly fail to have
811 a milestone inspection performed pursuant to s. 553.899, such
812 failure is a breach of the officers' and directors' fiduciary

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813 relationship to the unit owners under s. 718.111(1)(a). Within
814 14 days after receipt of a written notice from the local
815 enforcement agency that a milestone inspection is required, the
816 association must notify the unit owners of the required
817 milestone inspection and provide the date by which the milestone
818 inspection must be completed. Such notice may be given by
819 electronic submission to unit owners who consent to receive
820 notice by electronic submission or by posting on the
821 association's website. Within 45 days after receiving ~~Upon~~
822 ~~completion of a phase one or phase two milestone inspection and~~
823 ~~receipt of the inspector-prepared summary of the inspection~~
824 report from the architect or engineer who performed the
825 inspection, the association must distribute a copy of the
826 inspector-prepared summary of the inspection report to each unit
827 owner, regardless of the findings or recommendations in the
828 report, by United States mail or personal delivery at the
829 mailing address, property address, or any other address of the
830 owner provided to fulfill the association's notice requirements
831 under this chapter and by electronic transmission to the e-mail
832 address or facsimile number provided to fulfill the
833 association's notice requirements to unit owners who previously
834 consented to receive notice by electronic transmission; must
835 post a copy of the inspector-prepared summary in a conspicuous
836 place on the condominium property; and must publish the full
837 report and inspector-prepared summary on the association's
838 website, if the association is required to have a website.

839 Section 7. Effective July 1, 2027, subsection (5) of
840 section 718.1255, Florida Statutes, is amended, and paragraph
841 (d) is added to subsection (1) of that section, to read:

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842 718.1255 Alternative dispute resolution; mediation;
843 nonbinding arbitration; applicability.-

844 (1) DEFINITIONS.-As used in this section, the term
845 "dispute" means any disagreement between two or more parties
846 that involves:

847 (d) The failure of a board of administration, when required
848 by this chapter or an association document, to:

849 1. Obtain the milestone inspection required under s.
850 553.899.

851 2. Obtain a structural integrity reserve study required
852 under s. 718.112(2)(g).

853 3. Fund reserves as required for an item identified in s.
854 718.112(2)(g).

855 4. Make or provide necessary maintenance or repairs of
856 condominium property recommended by a milestone inspection or a
857 structural integrity reserve study.

858

859 "Dispute" does not include any disagreement that primarily
860 involves: title to any unit or common element; the
861 interpretation or enforcement of any warranty; the levy of a fee
862 or assessment, or the collection of an assessment levied against
863 a party; the eviction or other removal of a tenant from a unit;
864 alleged breaches of fiduciary duty by one or more directors; or
865 claims for damages to a unit based upon the alleged failure of
866 the association to maintain the common elements or condominium
867 property.

868 (5) PRESUIT MEDIATION.-In lieu of the initiation of
869 nonbinding arbitration as provided in subsections (1)-(4), a
870 party may submit a dispute to presuit mediation in accordance

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871 with s. 720.311; however, election and recall disputes are not
872 eligible for mediation and such disputes must be arbitrated by
873 the division or filed in a court of competent jurisdiction.
874 Disputes identified in paragraph (1)(d) are not subject to
875 nonbinding arbitration under subsection (4) and must be
876 submitted to presuit mediation in accordance with s. 720.311.

877 Section 8. Subsection (1) of section 718.113, Florida
878 Statutes, is amended to read:

879 718.113 Maintenance; limitation upon improvement; display
880 of flag; hurricane shutters and protection; display of religious
881 decorations.—

882 (1) Maintenance of the common elements is the
883 responsibility of the association, except for any maintenance
884 responsibility for limited common elements assigned to the unit
885 owner by the declaration. The association shall provide for the
886 maintenance, repair, and replacement of the condominium property
887 for which it bears responsibility pursuant to the declaration of
888 condominium. After turnover of control of the association to the
889 unit owners, the association must perform any required
890 maintenance identified by the developer pursuant to s.
891 718.301(4)(p) and (q) until the association obtains new
892 maintenance protocols from a licensed professional engineer or
893 architect or a person certified as a reserve specialist or
894 professional reserve analyst by the Community Associations
895 Institute or the Association of Professional Reserve Analysts.
896 The declaration may provide that certain limited common elements
897 shall be maintained by those entitled to use the limited common
898 elements or that the association shall provide the maintenance,
899 either as a common expense or with the cost shared only by those

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900 entitled to use the limited common elements. If the maintenance
901 is to be by the association at the expense of only those
902 entitled to use the limited common elements, the declaration
903 shall describe in detail the method of apportioning such costs
904 among those entitled to use the limited common elements, and the
905 association may use the provisions of s. 718.116 to enforce
906 payment of the shares of such costs by the unit owners entitled
907 to use the limited common elements.

908 Section 9. Present paragraphs (q) and (r) of subsection (4)
909 of section 718.301, Florida Statutes, are redesignated as
910 paragraphs (r) and (s), respectively, a new paragraph (q) is
911 added to that subsection, and paragraph (p) of that subsection
912 is amended, to read:

913 718.301 Transfer of association control; claims of defect
914 by association.—

915 (4) At the time that unit owners other than the developer
916 elect a majority of the members of the board of administration
917 of an association, the developer shall relinquish control of the
918 association, and the unit owners shall accept control.
919 Simultaneously, or for the purposes of paragraph (c) not more
920 than 90 days thereafter, the developer shall deliver to the
921 association, at the developer's expense, all property of the
922 unit owners and of the association which is held or controlled
923 by the developer, including, but not limited to, the following
924 items, if applicable, as to each condominium operated by the
925 association:

926 (p) Notwithstanding when the certificate of occupancy was
927 issued or the height of the building, a turnover inspection
928 report ~~a milestone inspection report in compliance with s.~~

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929 ~~553.899~~ included in the official records, under seal of an
930 architect or engineer authorized to practice in this state or a
931 person certified as a reserve specialist or professional reserve
932 analyst by the Community Associations Institute or the
933 Association of Professional Reserve Analysts, and attesting to
934 required maintenance, condition, useful life, and replacement
935 costs of the following applicable condominium property
936 ~~comprising a turnover inspection report:~~

- 937 1. Roof.
- 938 2. Structure, including load-bearing walls and primary
939 structural members and primary structural systems as those terms
940 are defined in s. 627.706.
- 941 3. Fireproofing and fire protection systems.
- 942 4. Plumbing Elevators.
- 943 5. Electrical systems ~~Heating and cooling systems~~.
- 944 6. Waterproofing and exterior painting ~~Plumbing~~.
- 945 7. Windows and exterior doors ~~Electrical systems~~.
- 946 8. ~~Swimming pool or spa and equipment.~~
- 947 9. ~~Seawalls.~~
- 948 10. ~~Pavement and parking areas.~~
- 949 11. ~~Drainage systems.~~
- 950 12. ~~Painting.~~
- 951 13. ~~Irrigation systems.~~
- 952 14. ~~Waterproofing.~~

953 (q) Notwithstanding when the certificate of occupancy was
954 issued or the height of the building, a turnover inspection
955 report included in the official records, under seal of an
956 architect or engineer authorized to practice in this state or a
957 person certified as a reserve specialist or professional reserve

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958 analyst by the Community Associations Institute or the
959 Association of Professional Reserve Analysts, and attesting to
960 required maintenance, condition, useful life, and replacement
961 costs of the following applicable condominium property
962 comprising a turnover inspection report:

- 963 1. Elevators.
- 964 2. Heating and cooling systems.
- 965 3. Swimming pool or spa and equipment.
- 966 4. Seawalls.
- 967 5. Pavement and parking areas.
- 968 6. Drainage systems.
- 969 7. Irrigation systems.

970 Section 10. Paragraph (b) of subsection (1) and paragraph
971 (a) of subsection (2) of section 718.503, Florida Statutes, are
972 amended, and paragraph (d) is added to subsection (1) and
973 paragraph (e) is added to subsection (2) of that section, to
974 read:

975 718.503 Developer disclosure prior to sale; nondeveloper
976 unit owner disclosure prior to sale; voidability.—

977 (1) DEVELOPER DISCLOSURE.—

978 (b) *Copies of documents to be furnished to prospective*
979 *buyer or lessee.*—Until such time as the developer has furnished
980 the documents listed below to a person who has entered into a
981 contract to purchase a residential unit or lease it for more
982 than 5 years, the contract may be voided by that person,
983 entitling the person to a refund of any deposit together with
984 interest thereon as provided in s. 718.202. The contract may be
985 terminated by written notice from the proposed buyer or lessee
986 delivered to the developer within 15 days after the buyer or

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987 lessee receives all of the documents required by this section.
988 The developer may not close for 15 days after the execution of
989 the agreement and delivery of the documents to the buyer as
990 evidenced by a signed receipt for documents unless the buyer is
991 informed in the 15-day voidability period and agrees to close
992 before the expiration of the 15 days. The developer shall retain
993 in his or her records a separate agreement signed by the buyer
994 as proof of the buyer's agreement to close before the expiration
995 of the voidability period. The developer must retain such proof
996 for a period of 5 years after the date of the closing of the
997 transaction. The documents to be delivered to the prospective
998 buyer are the prospectus or disclosure statement with all
999 exhibits, if the development is subject to s. 718.504, or, if
1000 not, then copies of the following which are applicable:

- 1001 1. The question and answer sheet described in s. 718.504,
1002 and declaration of condominium, or the proposed declaration if
1003 the declaration has not been recorded, which shall include the
1004 certificate of a surveyor approximately representing the
1005 locations required by s. 718.104.
- 1006 2. The documents creating the association.
- 1007 3. The bylaws.
- 1008 4. The ground lease or other underlying lease of the
1009 condominium.
- 1010 5. The management contract, maintenance contract, and other
1011 contracts for management of the association and operation of the
1012 condominium and facilities used by the unit owners having a
1013 service term in excess of 1 year, and any management contracts
1014 that are renewable.
- 1015 6. The estimated operating budget for the condominium and a

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1016 schedule of expenses for each type of unit, including fees
1017 assessed pursuant to s. 718.113(1) for the maintenance of
1018 limited common elements where such costs are shared only by
1019 those entitled to use the limited common elements.

1020 7. The lease of recreational and other facilities that will
1021 be used only by unit owners of the subject condominium.

1022 8. The lease of recreational and other common facilities
1023 that will be used by unit owners in common with unit owners of
1024 other condominiums.

1025 9. The form of unit lease if the offer is of a leasehold.

1026 10. Any declaration of servitude of properties serving the
1027 condominium but not owned by unit owners or leased to them or
1028 the association.

1029 11. If the development is to be built in phases or if the
1030 association is to manage more than one condominium, a
1031 description of the plan of phase development or the arrangements
1032 for the association to manage two or more condominiums.

1033 12. If the condominium is a conversion of existing
1034 improvements, the statements and disclosure required by s.
1035 718.616.

1036 13. The form of agreement for sale or lease of units.

1037 14. A copy of the floor plan of the unit and the plot plan
1038 showing the location of the residential buildings and the
1039 recreation and other common areas.

1040 15. A copy of all covenants and restrictions that will
1041 affect the use of the property and are not contained in the
1042 foregoing.

1043 16. If the developer is required by state or local
1044 authorities to obtain acceptance or approval of any dock or

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1045 marina facilities intended to serve the condominium, a copy of
1046 any such acceptance or approval acquired by the time of filing
1047 with the division under s. 718.502(1), or a statement that such
1048 acceptance or approval has not been acquired or received.

1049 17. Evidence demonstrating that the developer has an
1050 ownership, leasehold, or contractual interest in the land upon
1051 which the condominium is to be developed.

1052 18. A copy of the inspector-prepared summary of the
1053 milestone inspection report as described in s. 553.899, or a
1054 statement in conspicuous type indicating that the required
1055 milestone inspection described in s. 553.899 has not been
1056 completed or that a milestone inspection is not required, as
1057 applicable ss. 553.899 and 718.301(4) (p).

1058 19. A copy of the ~~association's~~ most recent structural
1059 integrity reserve study, or a statement in conspicuous type
1060 indicating that the association has not completed a required
1061 structural integrity reserve study has not been completed or
1062 that a structural integrity reserve study is not required, as
1063 applicable.

1064 20. A copy of the turnover inspection report described in
1065 s. 718.301(4) (p) and (q) or a statement in conspicuous type
1066 indicating that a turnover inspection report has not been
1067 completed, as applicable.

1068 (d) Milestone inspection, turnover inspection report, or
1069 structural integrity reserve study.—If the association is
1070 required to have completed a milestone inspection as described
1071 in s. 553.899, a turnover inspection report for a turnover
1072 inspection performed on or after July 1, 2023, or a structural
1073 integrity reserve study, and the association has not completed

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1074 the milestone inspection, the turnover inspection report, or the
1075 structural integrity reserve study, each contract entered into
1076 after December 31, 2024, for the sale of a residential unit
1077 shall contain in conspicuous type a statement indicating that
1078 the association is required to have a milestone inspection, a
1079 turnover inspection report, or a structural integrity reserve
1080 study and has not completed such inspection, report, or study,
1081 as appropriate. If the association is not required to have a
1082 milestone inspection as described in s. 553.899 or a structural
1083 integrity reserve study, each contract entered into after
1084 December 31, 2024, for the sale of a residential unit shall
1085 contain in conspicuous type a statement indicating that the
1086 association is not required to have a milestone inspection or a
1087 structural integrity reserve study, as appropriate. If the
1088 association has completed a milestone inspection as described in
1089 s. 553.899, a turnover inspection report for a turnover
1090 inspection performed on or after July 1, 2023, or a structural
1091 integrity reserve study, each contract entered into after
1092 December 31, 2024, for the sale of a residential unit shall
1093 contain in conspicuous type:

1094 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
1095 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
1096 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1097 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF
1098 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION
1099 718.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A
1100 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1101 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
1102 718.112(2)(g), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 15

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1103 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO
1104 EXECUTION OF THIS CONTRACT; and

1105 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
1106 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
1107 CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
1108 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
1109 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
1110 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1111 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF
1112 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION
1113 718.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A
1114 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1115 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
1116 718.112(2)(g), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED
1117 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER
1118 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15
1119 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER
1120 THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED
1121 SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN
1122 SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER
1123 INSPECTION REPORT DESCRIBED IN SECTION 718.301(4)(p) AND (q),
1124 FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT
1125 STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS
1126 718.103(26) AND 718.112(2)(g), FLORIDA STATUTES, IF REQUESTED IN
1127 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT
1128 CLOSING.

1129
1130 A contract that does not conform to the requirements of this
1131 paragraph is voidable at the option of the purchaser prior to

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1132 closing.

1133 (2) NONDEVELOPER DISCLOSURE.—

1134 (a) Each unit owner who is not a developer as defined by
1135 this chapter must comply with this subsection before the sale of
1136 his or her unit. Each prospective purchaser who has entered into
1137 a contract for the purchase of a condominium unit is entitled,
1138 at the seller's expense, to a current copy of all of the
1139 following:

1140 1. The declaration of condominium.

1141 2. Articles of incorporation of the association.

1142 3. Bylaws and rules of the association.

1143 4. Financial information required by s. 718.111.

1144 5. A copy of the inspector-prepared summary of the
1145 milestone inspection report as described in s. 553.899 ~~ss.~~
1146 ~~553.899~~ and ~~718.301(4)(p)~~, if applicable.

1147 6. The association's most recent structural integrity
1148 reserve study or a statement that the association has not
1149 completed a structural integrity reserve study.

1150 7. A copy of the inspection report described in s.
1151 718.301(4)(p) and (q) for a turnover inspection performed on or
1152 after July 1, 2023.

1153 8. The document entitled "Frequently Asked Questions and
1154 Answers" required by s. 718.504.

1155 (e) If the association is required to have completed a
1156 milestone inspection as described in s. 553.899, a turnover
1157 inspection report for a turnover inspection performed on or
1158 after July 1, 2023, or a structural integrity reserve study, and
1159 the association has not completed the milestone inspection, the
1160 turnover inspection report, or the structural integrity reserve

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1161 study, each contract entered into after December 31, 2024, for
1162 the sale of a residential unit shall contain in conspicuous type
1163 a statement indicating that the association is required to have
1164 a milestone inspection, a turnover inspection report, or a
1165 structural integrity reserve study and has not completed such
1166 inspection, report, or study, as appropriate. If the association
1167 is not required to have a milestone inspection as described in
1168 s. 553.899 or a structural integrity reserve study, each
1169 contract entered into after December 31, 2024, for the sale of a
1170 residential unit shall contain in conspicuous type a statement
1171 indicating that the association is not required to have a
1172 milestone inspection or a structural integrity reserve study, as
1173 appropriate. If the association has completed a milestone
1174 inspection as described in s. 553.899, a turnover inspection
1175 report for a turnover inspection performed on or after July 1,
1176 2023, or a structural integrity reserve study, each contract
1177 entered into after December 31, 2024, for the resale of a
1178 residential unit shall contain in conspicuous type:

1179 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
1180 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
1181 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1182 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF
1183 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION
1184 718.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A
1185 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1186 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
1187 718.112(2)(g), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 3
1188 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO
1189 EXECUTION OF THIS CONTRACT; and

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1190 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
1191 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
1192 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
1193 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
1194 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
1195 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1196 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF
1197 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION
1198 718.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A
1199 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1200 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
1201 718.112(2) (g), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED
1202 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER
1203 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3
1204 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER
1205 THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED
1206 SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN
1207 SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER
1208 INSPECTION REPORT DESCRIBED IN SECTION 718.301(4) (p) AND (q),
1209 FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT
1210 STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS
1211 718.103(26) AND 718.112(2) (g), FLORIDA STATUTES, IF REQUESTED IN
1212 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT
1213 CLOSING.

1214
1215 A contract that does not conform to the requirements of this
1216 paragraph is voidable at the option of the purchaser prior to
1217 closing.

1218 Section 11. Paragraph (a) of subsection (7) and paragraph

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1219 (c) of subsection (21) of section 718.504, Florida Statutes, are
1220 amended to read:

1221 718.504 Prospectus or offering circular.—Every developer of
1222 a residential condominium which contains more than 20
1223 residential units, or which is part of a group of residential
1224 condominiums which will be served by property to be used in
1225 common by unit owners of more than 20 residential units, shall
1226 prepare a prospectus or offering circular and file it with the
1227 Division of Florida Condominiums, Timeshares, and Mobile Homes
1228 prior to entering into an enforceable contract of purchase and
1229 sale of any unit or lease of a unit for more than 5 years and
1230 shall furnish a copy of the prospectus or offering circular to
1231 each buyer. In addition to the prospectus or offering circular,
1232 each buyer shall be furnished a separate page entitled
1233 "Frequently Asked Questions and Answers," which shall be in
1234 accordance with a format approved by the division and a copy of
1235 the financial information required by s. 718.111. This page
1236 shall, in readable language, inform prospective purchasers
1237 regarding their voting rights and unit use restrictions,
1238 including restrictions on the leasing of a unit; shall indicate
1239 whether and in what amount the unit owners or the association is
1240 obligated to pay rent or land use fees for recreational or other
1241 commonly used facilities; shall contain a statement identifying
1242 that amount of assessment which, pursuant to the budget, would
1243 be levied upon each unit type, exclusive of any special
1244 assessments, and which shall further identify the basis upon
1245 which assessments are levied, whether monthly, quarterly, or
1246 otherwise; shall state and identify any court cases in which the
1247 association is currently a party of record in which the

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1248 association may face liability in excess of \$100,000; and which
1249 shall further state whether membership in a recreational
1250 facilities association is mandatory, and if so, shall identify
1251 the fees currently charged per unit type. The division shall by
1252 rule require such other disclosure as in its judgment will
1253 assist prospective purchasers. The prospectus or offering
1254 circular may include more than one condominium, although not all
1255 such units are being offered for sale as of the date of the
1256 prospectus or offering circular. The prospectus or offering
1257 circular must contain the following information:

1258 (7) A description of the recreational and other facilities
1259 that will be used in common with other condominiums, community
1260 associations, or planned developments which require the payment
1261 of the maintenance and expenses of such facilities, directly or
1262 indirectly, by the unit owners. The description shall include,
1263 but not be limited to, the following:

1264 (a) Each building and facility committed to be built and a
1265 summary description of the structural integrity of each building
1266 for which reserves are required pursuant to s. 718.112(2)(g).

1267
1268 Descriptions shall include location, areas, capacities, numbers,
1269 volumes, or sizes and may be stated as approximations or
1270 minimums.

1271 (21) An estimated operating budget for the condominium and
1272 the association, and a schedule of the unit owner's expenses
1273 shall be attached as an exhibit and shall contain the following
1274 information:

1275 (c) The estimated items of expenses of the condominium and
1276 the association, except as excluded under paragraph (b),

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1277 including, but not limited to, the following items, which shall
1278 be stated as an association expense collectible by assessments
1279 or as unit owners' expenses payable to persons other than the
1280 association:

- 1281 1. Expenses for the association and condominium:
- 1282 a. Administration of the association.
 - 1283 b. Management fees.
 - 1284 c. Maintenance.
 - 1285 d. Rent for recreational and other commonly used
1286 facilities.
 - 1287 e. Taxes upon association property.
 - 1288 f. Taxes upon leased areas.
 - 1289 g. Insurance.
 - 1290 h. Security provisions.
 - 1291 i. Other expenses.
 - 1292 j. Operating capital.
 - 1293 k. Reserves for all applicable items referenced in s.
1294 718.112(2)(g).
- 1295 1. Fees payable to the division.
- 1296 2. Expenses for a unit owner:
- 1297 a. Rent for the unit, if subject to a lease.
 - 1298 b. Rent payable by the unit owner directly to the lessor or
1299 agent under any recreational lease or lease for the use of
1300 commonly used facilities, which use and payment is a mandatory
1301 condition of ownership and is not included in the common expense
1302 or assessments for common maintenance paid by the unit owners to
1303 the association.
- 1304 Section 12. Subsection (24) of section 719.103, Florida
1305 Statutes, is amended to read:

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1306 719.103 Definitions.—As used in this chapter:

1307 (24) "Structural integrity reserve study" means a study of
1308 the reserve funds required for future major repairs and
1309 replacement of the cooperative property performed as required
1310 under s. 719.106(1)(k) common areas based on a visual inspection
1311 of the common areas. A structural integrity reserve study may be
1312 performed by any person qualified to perform such study.
1313 However, the visual inspection portion of the structural
1314 integrity reserve study must be performed by an engineer
1315 licensed under chapter 471 or an architect licensed under
1316 chapter 481. At a minimum, a structural integrity reserve study
1317 must identify the common areas being visually inspected, state
1318 the estimated remaining useful life and the estimated
1319 replacement cost or deferred maintenance expense of the common
1320 areas being visually inspected, and provide a recommended annual
1321 reserve amount that achieves the estimated replacement cost or
1322 deferred maintenance expense of each common area being visually
1323 inspected by the end of the estimated remaining useful life of
1324 each common area.

1325 Section 13. Present subsections (5) through (11) of section
1326 719.104, Florida Statutes, are redesignated as subsections (6)
1327 through (12), respectively, a new subsection (5) is added to
1328 that section, and paragraph (c) of subsection (2) of that
1329 section is amended, to read:

1330 719.104 Cooperatives; access to units; records; financial
1331 reports; assessments; purchase of leases.—

1332 (2) OFFICIAL RECORDS.—

1333 (c) The official records of the association are open to
1334 inspection by any association member and any person authorized

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1335 by an association member as a ~~or the authorized~~ representative
1336 of such member at all reasonable times. The right to inspect the
1337 records includes the right to make or obtain copies, at the
1338 reasonable expense, if any, of the association member and of the
1339 person authorized by the association member as a representative
1340 of such member. A renter of a unit has a right to inspect and
1341 copy only the association's bylaws and rules and the inspection
1342 reports described in ss. 553.899 and 719.301(4) (p). The
1343 association may adopt reasonable rules regarding the frequency,
1344 time, location, notice, and manner of record inspections and
1345 copying, but may not require a member to demonstrate any purpose
1346 or state any reason for the inspection. The failure of an
1347 association to provide the records within 10 working days after
1348 receipt of a written request creates a rebuttable presumption
1349 that the association willfully failed to comply with this
1350 paragraph. A member who is denied access to official records is
1351 entitled to the actual damages or minimum damages for the
1352 association's willful failure to comply. The minimum damages are
1353 \$50 per calendar day for up to 10 days, beginning on the 11th
1354 working day after receipt of the written request. The failure to
1355 permit inspection entitles any person prevailing in an
1356 enforcement action to recover reasonable attorney fees from the
1357 person in control of the records who, directly or indirectly,
1358 knowingly denied access to the records. Any person who knowingly
1359 or intentionally defaces or destroys accounting records that are
1360 required by this chapter to be maintained during the period for
1361 which such records are required to be maintained, or who
1362 knowingly or intentionally fails to create or maintain
1363 accounting records that are required to be created or

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1364 maintained, with the intent of causing harm to the association
1365 or one or more of its members, is personally subject to a civil
1366 penalty under s. 719.501(1)(d). The association shall maintain
1367 an adequate number of copies of the declaration, articles of
1368 incorporation, bylaws, and rules, and all amendments to each of
1369 the foregoing, as well as the question and answer sheet as
1370 described in s. 719.504 and year-end financial information
1371 required by the department, on the cooperative property to
1372 ensure their availability to members and prospective purchasers,
1373 and may charge its actual costs for preparing and furnishing
1374 these documents to those requesting the same. An association
1375 shall allow a member or his or her authorized representative to
1376 use a portable device, including a smartphone, tablet, portable
1377 scanner, or any other technology capable of scanning or taking
1378 photographs, to make an electronic copy of the official records
1379 in lieu of the association providing the member or his or her
1380 authorized representative with a copy of such records. The
1381 association may not charge a member or his or her authorized
1382 representative for the use of a portable device. Notwithstanding
1383 this paragraph, the following records shall not be accessible to
1384 members:

1385 1. Any record protected by the lawyer-client privilege as
1386 described in s. 90.502 and any record protected by the work-
1387 product privilege, including any record prepared by an
1388 association attorney or prepared at the attorney's express
1389 direction which reflects a mental impression, conclusion,
1390 litigation strategy, or legal theory of the attorney or the
1391 association, and which was prepared exclusively for civil or
1392 criminal litigation or for adversarial administrative

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1393 proceedings, or which was prepared in anticipation of such
1394 litigation or proceedings until the conclusion of the litigation
1395 or proceedings.

1396 2. Information obtained by an association in connection
1397 with the approval of the lease, sale, or other transfer of a
1398 unit.

1399 3. Personnel records of association or management company
1400 employees, including, but not limited to, disciplinary, payroll,
1401 health, and insurance records. For purposes of this
1402 subparagraph, the term "personnel records" does not include
1403 written employment agreements with an association employee or
1404 management company, or budgetary or financial records that
1405 indicate the compensation paid to an association employee.

1406 4. Medical records of unit owners.

1407 5. Social security numbers, driver license numbers, credit
1408 card numbers, e-mail addresses, telephone numbers, facsimile
1409 numbers, emergency contact information, addresses of a unit
1410 owner other than as provided to fulfill the association's notice
1411 requirements, and other personal identifying information of any
1412 person, excluding the person's name, unit designation, mailing
1413 address, property address, and any address, e-mail address, or
1414 facsimile number provided to the association to fulfill the
1415 association's notice requirements. Notwithstanding the
1416 restrictions in this subparagraph, an association may print and
1417 distribute to unit owners a directory containing the name, unit
1418 address, and all telephone numbers of each unit owner. However,
1419 an owner may exclude his or her telephone numbers from the
1420 directory by so requesting in writing to the association. An
1421 owner may consent in writing to the disclosure of other contact

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1422 information described in this subparagraph. The association is
1423 not liable for the inadvertent disclosure of information that is
1424 protected under this subparagraph if the information is included
1425 in an official record of the association and is voluntarily
1426 provided by an owner and not requested by the association.

1427 6. Electronic security measures that are used by the
1428 association to safeguard data, including passwords.

1429 7. The software and operating system used by the
1430 association which allow the manipulation of data, even if the
1431 owner owns a copy of the same software used by the association.
1432 The data is part of the official records of the association.

1433 8. All affirmative acknowledgments made pursuant to s.
1434 719.108(3)(b)3.

1435 (5) MAINTENANCE.-Maintenance of the common elements is the
1436 responsibility of the association, except for any maintenance
1437 responsibility for limited common elements assigned to the unit
1438 owner by the declaration. The association shall provide for the
1439 maintenance, repair, and replacement of the cooperative property
1440 for which it bears responsibility pursuant to the declaration of
1441 cooperative. After turnover of control of the association to the
1442 unit owners, the association must perform any required
1443 maintenance identified by the developer pursuant to s.
1444 719.301(4)(p) and (q) until the association obtains new
1445 maintenance protocols from a licensed professional engineer or
1446 architect or a person certified as a reserve specialist or
1447 professional reserve analyst by the Community Associations
1448 Institute or the Association of Professional Reserve Analysts.
1449 The declaration may provide that certain limited common elements
1450 shall be maintained by those entitled to use the limited common

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1451 elements or that the association shall provide the maintenance,
1452 either as a common expense or with the cost shared only by those
1453 entitled to use the limited common elements. If the maintenance
1454 is to be by the association at the expense of only those
1455 entitled to use the limited common elements, the declaration
1456 shall describe in detail the method of apportioning such costs
1457 among those entitled to use the limited common elements, and the
1458 association may use the provisions of s. 719.108 to enforce
1459 payment of the shares of such costs by the unit owners entitled
1460 to use the limited common elements.

1461 Section 14. Paragraphs (e), (j), (k), and (l) of subsection
1462 (1) of section 719.106, Florida Statutes, are amended to read:

1463 719.106 Bylaws; cooperative ownership.—

1464 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative
1465 documents shall provide for the following, and if they do not,
1466 they shall be deemed to include the following:

1467 (e) *Budget procedures.*—

1468 1. The board of administration shall mail, hand deliver, or
1469 electronically transmit to each unit owner at the address last
1470 furnished to the association, a meeting notice and copies of the
1471 proposed annual budget of common expenses to the unit owners not
1472 less than 14 days prior to the meeting at which the budget will
1473 be considered. Evidence of compliance with this 14-day notice
1474 must be made by an affidavit executed by an officer of the
1475 association or the manager or other person providing notice of
1476 the meeting and filed among the official records of the
1477 association. The meeting must be open to the unit owners.

1478 2. If an adopted budget requires assessment against the
1479 unit owners in any fiscal or calendar year which exceeds 115

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1480 percent of the assessments for the preceding year, the board
1481 upon written application of 10 percent of the voting interests
1482 to the board, shall call a special meeting of the unit owners
1483 within 30 days, upon not less than 10 days' written notice to
1484 each unit owner. At the special meeting, unit owners shall
1485 consider and enact a budget. Unless the bylaws require a larger
1486 vote, the adoption of the budget requires a vote of not less
1487 than a majority of all the voting interests.

1488 3. The board of administration may, in any event, propose a
1489 budget to the unit owners at a meeting of members or by writing,
1490 and if the budget or proposed budget is approved by the unit
1491 owners at the meeting or by a majority of all voting interests
1492 in writing, the budget is adopted. If a meeting of the unit
1493 owners has been called and a quorum is not attained or a
1494 substitute budget is not adopted by the unit owners, the budget
1495 adopted by the board of directors goes into effect as scheduled.

1496 4. In determining whether assessments exceed 115 percent of
1497 similar assessments for prior years, any authorized provisions
1498 for reasonable reserves for repair or replacement of cooperative
1499 property, anticipated expenses by the association which are not
1500 anticipated to be incurred on a regular or annual basis,
1501 insurance premiums, or assessments for betterments to the
1502 cooperative property must be excluded from computation. However,
1503 as long as the developer is in control of the board of
1504 administration, the board may not impose an assessment for any
1505 year greater than 115 percent of the prior fiscal or calendar
1506 year's assessment without approval of a majority of all voting
1507 interests.

1508 (j) *Annual budget.*—

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1509 1. The proposed annual budget of common expenses must be
1510 detailed and must show the amounts budgeted by accounts and
1511 expense classifications, including, if applicable, but not
1512 limited to, those expenses listed in s. 719.504(20). The board
1513 of administration shall adopt the annual budget at least 14 days
1514 before the start of the association's fiscal year. In the event
1515 that the board fails to timely adopt the annual budget a second
1516 time, it is deemed a minor violation and the prior year's budget
1517 shall continue in effect until a new budget is adopted.

1518 2. In addition to annual operating expenses, the budget
1519 must include reserve accounts for capital expenditures and
1520 deferred maintenance. These accounts must include, but not be
1521 limited to, roof replacement, building painting, and pavement
1522 resurfacing, regardless of the amount of deferred maintenance
1523 expense or replacement cost, and for any other items for which
1524 the deferred maintenance expense or replacement cost exceeds
1525 \$10,000. ~~The amount to be reserved for an item is determined by~~
1526 ~~the association's most recent structural integrity reserve study~~
1527 ~~that must be completed by December 31, 2024. If the amount to be~~
1528 ~~reserved for an item is not in the association's initial or most~~
1529 ~~recent structural integrity reserve study or the association has~~
1530 ~~not completed a structural integrity reserve study, the amount~~
1531 must be computed by means of a formula which is based upon
1532 estimated remaining useful life and estimated replacement cost
1533 or deferred maintenance expense of the reserve item. In a budget
1534 adopted by an association that is required to obtain a
1535 structural integrity reserve study, reserves must be maintained
1536 for the items identified in paragraph (k) for which the
1537 association is responsible pursuant to the declaration, and the

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1538 reserve amount for such items must be based on the findings and
1539 recommendations of the association's most recent structural
1540 integrity reserve study. With respect to items for which an
1541 estimate of useful life is not readily ascertainable or with an
1542 estimated remaining useful life of greater than 25 years, an
1543 association is not required to reserve replacement costs for
1544 such items, but an association must reserve the amount of
1545 deferred maintenance expense, if any, which is recommended by
1546 the structural integrity reserve study for such items. The
1547 association may adjust replacement reserve assessments annually
1548 to take into account an inflation adjustment and any changes in
1549 estimates or extension of the useful life of a reserve item
1550 caused by deferred maintenance. The members of a unit-owner-
1551 controlled association may determine, by a majority vote of the
1552 total voting interests ~~at a duly called meeting~~ of the
1553 association, for a fiscal year to provide no reserves or
1554 reserves less adequate than required by this subsection. Before
1555 turnover of control of an association by a developer to unit
1556 owners other than a developer under s. 719.301, the developer-
1557 controlled association may not vote to waive the reserves or
1558 reduce funding of the reserves. For a budget adopted on or after
1559 ~~Effective~~ December 31, 2024, a unit-owner-controlled association
1560 that must obtain a structural integrity reserve study may not
1561 determine to provide no reserves or reserves less adequate than
1562 required by this paragraph for items listed in paragraph (k). If
1563 a meeting of the unit owners has been called to determine to
1564 provide no reserves, or reserves less adequate than required,
1565 and such result is not attained or a quorum is not attained, the
1566 reserves as included in the budget shall go into effect.

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1567 3. Reserve funds and any interest accruing thereon shall
1568 remain in the reserve account or accounts, and shall be used
1569 only for authorized reserve expenditures unless their use for
1570 other purposes is approved in advance by a vote of the majority
1571 of the total voting interests, ~~voting in person or by limited~~
1572 ~~proxy at a duly called meeting~~ of the association. Before
1573 turnover of control of an association by a developer to unit
1574 owners other than the developer under s. 719.301, the developer
1575 may not vote to use reserves for purposes other than that for
1576 which they were intended. For a budget adopted on or after
1577 ~~Effective~~ December 31, 2024, members of a unit-owner-controlled
1578 association that must obtain a structural integrity reserve
1579 study may not vote to use reserve funds, or any interest
1580 accruing thereon, ~~that are reserved for items listed in~~
1581 ~~paragraph (k)~~ for purposes other than the replacement or
1582 deferred maintenance costs of the components listed in paragraph
1583 (k) their intended purpose.

1584 (k) *Structural integrity reserve study.*—

1585 1. A residential cooperative ~~An~~ association must have a
1586 structural integrity reserve study completed at least every 10
1587 years for each building on the cooperative property that is
1588 three stories or higher in height as determined by the Florida
1589 Building Code that includes, at a minimum, a study of the
1590 following items as related to the structural integrity and
1591 safety of the building:

1592 a. Roof.

1593 b. Structure, including load-bearing walls and ~~or~~ other
1594 primary structural members and primary structural systems as
1595 those terms are defined in s. 627.706.

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1596 c. ~~Floor.~~
1597 d. ~~Foundation.~~
1598 e. Fireproofing and fire protection systems.
1599 ~~d.f.~~ Plumbing.
1600 ~~e.g.~~ Electrical systems.
1601 ~~f.h.~~ Waterproofing and exterior painting.
1602 ~~g.i.~~ Windows and exterior doors.
1603 ~~h.j.~~ Any other item that has a deferred maintenance expense
1604 or replacement cost that exceeds \$10,000 and the failure to
1605 replace or maintain such item negatively affects the items
1606 listed in sub-subparagraphs a.-g. ~~sub-subparagraphs a.-i.~~, as
1607 determined by the ~~licensed engineer or architect performing the~~
1608 visual inspection portion of the structural integrity reserve
1609 study.

1610 2. A structural integrity reserve study is based on a
1611 visual inspection of the cooperative property. A structural
1612 integrity reserve study may be performed by any person qualified
1613 to perform such study. However, the visual inspection portion of
1614 the structural integrity reserve study must be performed or
1615 verified by an engineer licensed under chapter 471, an architect
1616 licensed under chapter 481, or a person certified as a reserve
1617 specialist or professional reserve analyst by the Community
1618 Associations Institute or the Association of Professional
1619 Reserve Analysts.

1620 3. At a minimum, a structural integrity reserve study must
1621 identify each item of the cooperative property being visually
1622 inspected, state the estimated remaining useful life and the
1623 estimated replacement cost or deferred maintenance expense of
1624 each item of the cooperative property being visually inspected,

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1625 and provide a reserve funding schedule with a recommended annual
1626 reserve amount that achieves the estimated replacement cost or
1627 deferred maintenance expense of each item of cooperative
1628 property being visually inspected by the end of the estimated
1629 remaining useful life of the item. The structural integrity
1630 reserve study may recommend that reserves do not need to be
1631 maintained for any item for which an estimate of useful life and
1632 an estimate of replacement cost cannot be determined, or the
1633 study may recommend a deferred maintenance expense amount for
1634 such item. The structural integrity reserve study may recommend
1635 that reserves for replacement costs do not need to be maintained
1636 for any item with an estimated remaining useful life of greater
1637 than 25 years, but the study may recommend a deferred
1638 maintenance expense amount for such item.

1639 4. This paragraph does not apply to buildings less than
1640 three stories in height; single-family, two-family, or three-
1641 family dwellings with three or fewer habitable stories above
1642 ground; any portion or component of a building that has not been
1643 submitted to the cooperative form of ownership; or any portion
1644 or component of a building that is maintained by a party other
1645 than the association.

1646 5. Before a developer turns over control of an association
1647 to unit owners other than the developer, the developer must have
1648 a turnover inspection report in compliance with s. 719.301(4)(p)
1649 and (q) structural integrity reserve study completed for each
1650 building on the cooperative property that is three stories or
1651 higher in height.

1652 6.3. Associations existing on or before July 1, 2022, which
1653 are controlled by unit owners other than the developer, must

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1654 have a structural integrity reserve study completed by December
1655 31, 2024, for each building on the cooperative property that is
1656 three stories or higher in height. An association that is
1657 required to complete a milestone inspection on or before
1658 December 31, 2026, in accordance with s. 553.899 may complete
1659 the structural integrity reserve study simultaneously with the
1660 milestone inspection. In no event may the structural integrity
1661 reserve study be completed after December 31, 2026.

1662 7. If the milestone inspection required by s. 553.899, or
1663 an inspection completed for a similar local requirement, was
1664 performed within the past 5 years and meets the requirements of
1665 this paragraph, such inspection may be used in place of the
1666 visual inspection portion of the structural integrity reserve
1667 study.

1668 8.4. If the officers or directors of an association
1669 willfully and knowingly fail ~~fails~~ to complete a structural
1670 integrity reserve study pursuant to this paragraph, such failure
1671 is a breach of an officer's and director's fiduciary
1672 relationship to the unit owners under s. 719.104(9) ~~or~~
1673 719.104(8).

1674 (1) *Mandatory milestone inspections.*—If an association is
1675 required to have a milestone inspection performed pursuant to s.
1676 553.899, the association must arrange for the milestone
1677 inspection to be performed and is responsible for ensuring
1678 compliance with the requirements of s. 553.899. The association
1679 is responsible for all costs associated with the milestone
1680 inspection attributable to the portions of the building which
1681 the association is responsible for maintaining under the
1682 governing documents of the association. If the officers or

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1683 directors of an association willfully and knowingly fail to have
1684 a milestone inspection performed pursuant to s. 553.899, such
1685 failure is a breach of the officers' and directors' fiduciary
1686 relationship to the unit owners under s. 719.104(9) (a) ~~s.~~
1687 ~~719.104(8) (a)~~. Within 14 days after receipt of a written notice
1688 from the local enforcement agency that a milestone inspection is
1689 required, the association must notify the unit owners of the
1690 required milestone inspection and provide the date by which the
1691 milestone inspection must be completed. Such notice may be given
1692 by electronic submission to unit owners who consent to receive
1693 notice by electronic submission or by posting on the
1694 association's website. Within 45 days after receiving ~~Upon~~
1695 ~~completion of a phase one or phase two milestone inspection and~~
1696 ~~receipt of the inspector-prepared summary of the inspection~~
1697 ~~report from the architect or engineer who performed the~~
1698 ~~inspection, the association must distribute a copy of the~~
1699 ~~inspector-prepared summary of the inspection report to each unit~~
1700 ~~owner, regardless of the findings or recommendations in the~~
1701 ~~report, by United States mail or personal delivery~~ at the
1702 mailing address, property address, or any other address of the
1703 owner provided to fulfill the association's notice requirements
1704 under this chapter and by electronic transmission to the e-mail
1705 address or facsimile number provided to fulfill the
1706 association's notice requirements to unit owners who previously
1707 consented to receive notice by electronic transmission; must
1708 post a copy of the inspector-prepared summary in a conspicuous
1709 place on the cooperative property; and must publish the full
1710 report and inspector-prepared summary on the association's
1711 website, if the association is required to have a website.

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1712 Section 15. Present paragraph (q) of subsection (4) of
1713 section 719.301, Florida Statutes, is redesignated as paragraph
1714 (r), a new paragraph (q) is added to that subsection, and
1715 paragraph (p) of that subsection is amended, to read:

1716 719.301 Transfer of association control.—

1717 (4) When unit owners other than the developer elect a
1718 majority of the members of the board of administration of an
1719 association, the developer shall relinquish control of the
1720 association, and the unit owners shall accept control.

1721 Simultaneously, or for the purpose of paragraph (c) not more
1722 than 90 days thereafter, the developer shall deliver to the
1723 association, at the developer's expense, all property of the
1724 unit owners and of the association held or controlled by the
1725 developer, including, but not limited to, the following items,
1726 if applicable, as to each cooperative operated by the
1727 association:

1728 (p) Notwithstanding when the certificate of occupancy was
1729 issued or the height of the building, a turnover inspection
1730 report ~~milestone inspection report in compliance with s. 553.899~~
1731 included in the official records, under seal of an architect or
1732 engineer authorized to practice in this state or a person
1733 certified as a reserve specialist or professional reserve
1734 analyst by the Community Associations Institute or the
1735 Association of Professional Reserve Analysts, attesting to
1736 required maintenance, condition, useful life, and replacement
1737 costs of the following applicable cooperative property
1738 ~~comprising a turnover inspection report:~~

- 1739 1. Roof.
- 1740 2. Structure, including load-bearing walls and primary

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1741 structural members and primary structural systems as those terms
1742 are defined in s. 627.706.

- 1743 3. Fireproofing and fire protection systems.
- 1744 4. Plumbing Elevators.
- 1745 5. Electrical systems ~~Heating and cooling systems.~~
- 1746 6. Waterproofing and exterior painting ~~Plumbing.~~
- 1747 7. Windows and exterior doors ~~Electrical systems.~~
- 1748 8. ~~Swimming pool or spa and equipment.~~
- 1749 9. ~~Seawalls.~~
- 1750 10. ~~Pavement and parking areas.~~
- 1751 11. ~~Drainage systems.~~
- 1752 12. ~~Painting.~~
- 1753 13. ~~Irrigation systems.~~
- 1754 14. ~~Waterproofing.~~

1755 (q) Notwithstanding when the certificate of occupancy was
1756 issued or the height of the building, a turnover inspection
1757 report included in the official records, under seal of an
1758 architect or engineer authorized to practice in this state or a
1759 person certified as a reserve specialist or professional reserve
1760 analyst by the Community Associations Institute or the
1761 Association of Professional Reserve Analysts, and attesting to
1762 required maintenance, condition, useful life, and replacement
1763 costs of the following applicable cooperative property
1764 comprising a turnover inspection report:

- 1765 1. Elevators.
- 1766 2. Heating and cooling systems.
- 1767 3. Swimming pool or spa and equipment.
- 1768 4. Seawalls.
- 1769 5. Pavement and parking areas.

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1770 6. Drainage systems.

1771 7. Irrigation systems.

1772 Section 16. Paragraph (b) of subsection (1) and paragraph
1773 (a) of subsection (2) of section 719.503, Florida Statutes, are
1774 amended, and paragraph (d) is added to subsection (1) and
1775 paragraph (d) is added to subsection (2) of that section, to
1776 read:

1777 719.503 Disclosure prior to sale.—

1778 (1) DEVELOPER DISCLOSURE.—

1779 (b) *Copies of documents to be furnished to prospective*
1780 *buyer or lessee.*—Until such time as the developer has furnished
1781 the documents listed below to a person who has entered into a
1782 contract to purchase a unit or lease it for more than 5 years,
1783 the contract may be voided by that person, entitling the person
1784 to a refund of any deposit together with interest thereon as
1785 provided in s. 719.202. The contract may be terminated by
1786 written notice from the proposed buyer or lessee delivered to
1787 the developer within 15 days after the buyer or lessee receives
1788 all of the documents required by this section. The developer may
1789 not close for 15 days after the execution of the agreement and
1790 delivery of the documents to the buyer as evidenced by a receipt
1791 for documents signed by the buyer unless the buyer is informed
1792 in the 15-day voidability period and agrees to close before the
1793 expiration of the 15 days. The developer shall retain in his or
1794 her records a separate signed agreement as proof of the buyer's
1795 agreement to close before the expiration of the voidability
1796 period. The developer must retain such proof for a period of 5
1797 years after the date of the closing transaction. The documents
1798 to be delivered to the prospective buyer are the prospectus or

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1799 disclosure statement with all exhibits, if the development is
1800 subject to s. 719.504, or, if not, then copies of the following
1801 which are applicable:

1802 1. The question and answer sheet described in s. 719.504,
1803 and cooperative documents, or the proposed cooperative documents
1804 if the documents have not been recorded, which shall include the
1805 certificate of a surveyor approximately representing the
1806 locations required by s. 719.104.

1807 2. The documents creating the association.

1808 3. The bylaws.

1809 4. The ground lease or other underlying lease of the
1810 cooperative.

1811 5. The management contract, maintenance contract, and other
1812 contracts for management of the association and operation of the
1813 cooperative and facilities used by the unit owners having a
1814 service term in excess of 1 year, and any management contracts
1815 that are renewable.

1816 6. The estimated operating budget for the cooperative and a
1817 schedule of expenses for each type of unit, including fees
1818 assessed to a shareholder who has exclusive use of limited
1819 common areas, where such costs are shared only by those entitled
1820 to use such limited common areas.

1821 7. The lease of recreational and other facilities that will
1822 be used only by unit owners of the subject cooperative.

1823 8. The lease of recreational and other common areas that
1824 will be used by unit owners in common with unit owners of other
1825 cooperatives.

1826 9. The form of unit lease if the offer is of a leasehold.

1827 10. Any declaration of servitude of properties serving the

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1828 cooperative but not owned by unit owners or leased to them or
1829 the association.

1830 11. If the development is to be built in phases or if the
1831 association is to manage more than one cooperative, a
1832 description of the plan of phase development or the arrangements
1833 for the association to manage two or more cooperatives.

1834 12. If the cooperative is a conversion of existing
1835 improvements, the statements and disclosure required by s.
1836 719.616.

1837 13. The form of agreement for sale or lease of units.

1838 14. A copy of the floor plan of the unit and the plot plan
1839 showing the location of the residential buildings and the
1840 recreation and other common areas.

1841 15. A copy of all covenants and restrictions that will
1842 affect the use of the property and are not contained in the
1843 foregoing.

1844 16. If the developer is required by state or local
1845 authorities to obtain acceptance or approval of any dock or
1846 marina facilities intended to serve the cooperative, a copy of
1847 any such acceptance or approval acquired by the time of filing
1848 with the division pursuant to s. 719.502(1) or a statement that
1849 such acceptance or approval has not been acquired or received.

1850 17. Evidence demonstrating that the developer has an
1851 ownership, leasehold, or contractual interest in the land upon
1852 which the cooperative is to be developed.

1853 18. A copy of the inspector-prepared summary of the
1854 milestone inspection report as described in s. 553.899 ~~ss-~~
1855 ~~553.899 and 719.301(4)(p)~~, or a statement in conspicuous type
1856 indicating that the required milestone inspection described in

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1857 s. 553.899 has not been completed or that a milestone inspection
1858 is not required, as if applicable.

1859 19. A copy of the ~~association's~~ most recent structural
1860 integrity reserve study or a statement in conspicuous type
1861 indicating that ~~the association has not completed~~ a required
1862 structural integrity reserve study has not been completed or
1863 that a structural integrity reserve study is not required, as
1864 applicable.

1865 20. A copy of the turnover inspection report described in
1866 s. 719.301(4) (p) and (q) or a statement in conspicuous type
1867 indicating that a turnover inspection report has not been
1868 completed, as applicable.

1869 (d) Milestone inspection, turnover inspection report, or
1870 structural integrity reserve study.—If the association is
1871 required to have completed a milestone inspection as described
1872 in s. 553.899, a turnover inspection report for a turnover
1873 inspection performed on or after July 1, 2023, or a structural
1874 integrity reserve study, and the association has not completed
1875 the milestone inspection, the turnover inspection report, or the
1876 structural integrity reserve study, each contract entered into
1877 after December 31, 2024, for the sale of a residential unit
1878 shall contain in conspicuous type a statement indicating that
1879 the association is required to have a milestone inspection, a
1880 turnover inspection report, or a structural integrity reserve
1881 study and has not completed such inspection, report, or study,
1882 as appropriate. If the association is not required to have a
1883 milestone inspection as described in s. 553.899 or a structural
1884 integrity reserve study, each contract entered into after
1885 December 31, 2024, for the sale of a residential unit shall

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1886 contain in conspicuous type a statement indicating that the
1887 association is not required to have a milestone inspection or a
1888 structural integrity reserve study, as appropriate. If the
1889 association has completed a milestone inspection as described in
1890 s. 553.899, a turnover inspection report for a turnover
1891 inspection performed on or after July 1, 2023, or a structural
1892 integrity reserve study, each contract entered into after
1893 December 31, 2024, for the sale of a residential unit shall
1894 contain in conspicuous type:

1895 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
1896 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
1897 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1898 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF
1899 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION
1900 719.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A
1901 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1902 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
1903 719.106(1) (k), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 15
1904 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO
1905 EXECUTION OF THIS CONTRACT; and

1906 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
1907 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
1908 CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
1909 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
1910 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
1911 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1912 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF
1913 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION
1914 719.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A

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1915 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1916 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
1917 719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED
1918 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER
1919 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15
1920 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER
1921 THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED
1922 SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN
1923 SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER
1924 INSPECTION REPORT DESCRIBED IN SECTION 719.301(4)(p) AND (q),
1925 FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT
1926 STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS
1927 719.103(24) AND 719.106(1)(k), FLORIDA STATUTES, IF REQUESTED IN
1928 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT
1929 CLOSING.

1930
1931 A contract that does not conform to the requirements of this
1932 paragraph is voidable at the option of the purchaser prior to
1933 closing.

1934 (2) NONDEVELOPER DISCLOSURE.—

1935 (a) Each unit owner who is not a developer as defined by
1936 this chapter must comply with this subsection before the sale of
1937 his or her interest in the association. Each prospective
1938 purchaser who has entered into a contract for the purchase of an
1939 interest in a cooperative is entitled, at the seller's expense,
1940 to a current copy of all of the following:

- 1941 1. The articles of incorporation of the association.
- 1942 2. The bylaws and rules of the association.
- 1943 3. A copy of the question and answer sheet as provided in

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1944 s. 719.504.

1945 4. A copy of the inspector-prepared summary of the
1946 milestone inspection report as described in s. 553.899 ~~ss.~~
1947 ~~553.899 and 719.301(4)(p)~~, if applicable.

1948 5. A copy of the association's most recent structural
1949 integrity reserve study or a statement that the association has
1950 not completed a structural integrity reserve study.

1951 6. A copy of the inspection report described in s.
1952 719.301(4)(p) and (q) for a turnover inspection performed on or
1953 after July 1, 2023.

1954 (d) If the association is required to have completed a
1955 milestone inspection as described in s. 553.899, a turnover
1956 inspection report for a turnover inspection performed on or
1957 after July 1, 2023, or a structural integrity reserve study, and
1958 the association has not completed the milestone inspection, the
1959 turnover inspection report, or the structural integrity reserve
1960 study, each contract entered into after December 31, 2024, for
1961 the sale of a residential unit shall contain in conspicuous type
1962 a statement indicating that the association is required to have
1963 a milestone inspection, a turnover inspection report, or a
1964 structural integrity reserve study and has not completed such
1965 inspection, report, or study, as appropriate. If the association
1966 is not required to have a milestone inspection as described in
1967 s. 553.899 or a structural integrity reserve study, each
1968 contract entered into after December 31, 2024, for the sale of a
1969 residential unit shall contain in conspicuous type a statement
1970 indicating that the association is not required to have a
1971 milestone inspection or a structural integrity reserve study, as
1972 appropriate. If the association has completed a milestone

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1973 inspection as described in s. 553.899, a turnover inspection
1974 report for a turnover inspection performed on or after July 1,
1975 2023, or a structural integrity reserve study, each contract
1976 entered into after December 31, 2024, for the resale of a
1977 residential unit shall contain in conspicuous type:

1978 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
1979 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
1980 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1981 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF
1982 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION
1983 719.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A
1984 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1985 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
1986 719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 3
1987 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO
1988 EXECUTION OF THIS CONTRACT; and

1989 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
1990 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
1991 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
1992 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
1993 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
1994 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1995 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF
1996 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION
1997 719.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A
1998 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1999 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
2000 719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED
2001 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER

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2002 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3
2003 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER
2004 THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED
2005 SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN
2006 SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER
2007 INSPECTION REPORT DESCRIBED IN SECTION 719.301(4) (p) AND (q),
2008 FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT
2009 STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS
2010 719.103(24) AND 719.106(1) (k), FLORIDA STATUTES, IF REQUESTED IN
2011 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT
2012 CLOSING.

2013
2014 A contract that does not conform to the requirements of this
2015 paragraph is voidable at the option of the purchaser prior to
2016 closing.

2017 Section 17. Paragraph (a) of subsection (7) and paragraph
2018 (c) of subsection (20) of section 719.504, Florida Statutes, are
2019 amended to read:

2020 719.504 Prospectus or offering circular.—Every developer of
2021 a residential cooperative which contains more than 20
2022 residential units, or which is part of a group of residential
2023 cooperatives which will be served by property to be used in
2024 common by unit owners of more than 20 residential units, shall
2025 prepare a prospectus or offering circular and file it with the
2026 Division of Florida Condominiums, Timeshares, and Mobile Homes
2027 prior to entering into an enforceable contract of purchase and
2028 sale of any unit or lease of a unit for more than 5 years and
2029 shall furnish a copy of the prospectus or offering circular to
2030 each buyer. In addition to the prospectus or offering circular,

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2031 each buyer shall be furnished a separate page entitled
2032 "Frequently Asked Questions and Answers," which must be in
2033 accordance with a format approved by the division. This page
2034 must, in readable language: inform prospective purchasers
2035 regarding their voting rights and unit use restrictions,
2036 including restrictions on the leasing of a unit; indicate
2037 whether and in what amount the unit owners or the association is
2038 obligated to pay rent or land use fees for recreational or other
2039 commonly used facilities; contain a statement identifying that
2040 amount of assessment which, pursuant to the budget, would be
2041 levied upon each unit type, exclusive of any special
2042 assessments, and which identifies the basis upon which
2043 assessments are levied, whether monthly, quarterly, or
2044 otherwise; state and identify any court cases in which the
2045 association is currently a party of record in which the
2046 association may face liability in excess of \$100,000; and state
2047 whether membership in a recreational facilities association is
2048 mandatory and, if so, identify the fees currently charged per
2049 unit type. The division shall by rule require such other
2050 disclosure as in its judgment will assist prospective
2051 purchasers. The prospectus or offering circular may include more
2052 than one cooperative, although not all such units are being
2053 offered for sale as of the date of the prospectus or offering
2054 circular. The prospectus or offering circular must contain the
2055 following information:

2056 (7) A description of the recreational and other facilities
2057 that will be used in common with other cooperatives, community
2058 associations, or planned developments which require the payment
2059 of the maintenance and expenses of such facilities, directly or

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2060 indirectly, by the unit owners. The description shall include,
2061 but not be limited to, the following:

2062 (a) Each building and facility committed to be built and a
2063 summary description of the structural integrity of each building
2064 for which reserves are required pursuant to s. 719.106(1)(k).

2065
2066 Descriptions shall include location, areas, capacities, numbers,
2067 volumes, or sizes and may be stated as approximations or
2068 minimums.

2069 (20) An estimated operating budget for the cooperative and
2070 the association, and a schedule of the unit owner's expenses
2071 shall be attached as an exhibit and shall contain the following
2072 information:

2073 (c) The estimated items of expenses of the cooperative and
2074 the association, except as excluded under paragraph (b),
2075 including, but not limited to, the following items, which shall
2076 be stated as an association expense collectible by assessments
2077 or as unit owners' expenses payable to persons other than the
2078 association:

- 2079 1. Expenses for the association and cooperative:
- 2080 a. Administration of the association.
 - 2081 b. Management fees.
 - 2082 c. Maintenance.
 - 2083 d. Rent for recreational and other commonly used areas.
 - 2084 e. Taxes upon association property.
 - 2085 f. Taxes upon leased areas.
 - 2086 g. Insurance.
 - 2087 h. Security provisions.
 - 2088 i. Other expenses.

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2089 j. Operating capital.

2090 k. Reserves for all applicable items referenced in s.

2091 719.106(1) (k).

2092 1. Fee payable to the division.

2093 2. Expenses for a unit owner:

2094 a. Rent for the unit, if subject to a lease.

2095 b. Rent payable by the unit owner directly to the lessor or

2096 agent under any recreational lease or lease for the use of

2097 commonly used areas, which use and payment are a mandatory

2098 condition of ownership and are not included in the common

2099 expense or assessments for common maintenance paid by the unit

2100 owners to the association.

2101 Section 18. Subsection (2) of section 558.002, Florida

2102 Statutes, is amended to read:

2103 558.002 Definitions.—As used in this chapter, the term:

2104 (2) "Association" has the same meaning as in s. 718.103 ~~s.~~

2105 ~~718.103(2)~~, s. 719.103(2), s. 720.301(9), or s. 723.075.

2106 Section 19. Paragraph (b) of subsection (1) of section

2107 718.116, Florida Statutes, is amended to read:

2108 718.116 Assessments; liability; lien and priority;

2109 interest; collection.—

2110 (1)

2111 (b)1. The liability of a first mortgagee or its successor

2112 or assignees who acquire title to a unit by foreclosure or by

2113 deed in lieu of foreclosure for the unpaid assessments that

2114 became due before the mortgagee's acquisition of title is

2115 limited to the lesser of:

2116 a. The unit's unpaid common expenses and regular periodic

2117 assessments which accrued or came due during the 12 months

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2118 immediately preceding the acquisition of title and for which
2119 payment in full has not been received by the association; or
2120 b. One percent of the original mortgage debt. The
2121 provisions of this paragraph apply only if the first mortgagee
2122 joined the association as a defendant in the foreclosure action.
2123 Joinder of the association is not required if, on the date the
2124 complaint is filed, the association was dissolved or did not
2125 maintain an office or agent for service of process at a location
2126 which was known to or reasonably discoverable by the mortgagee.

2127 2. An association, or its successor or assignee, that
2128 acquires title to a unit through the foreclosure of its lien for
2129 assessments is not liable for any unpaid assessments, late fees,
2130 interest, or reasonable attorney's fees and costs that came due
2131 before the association's acquisition of title in favor of any
2132 other association, as defined in s. 718.103 ~~s. 718.103(2)~~ or s.
2133 720.301(9), which holds a superior lien interest on the unit.
2134 This subparagraph is intended to clarify existing law.

2135 Section 20. Paragraph (d) of subsection (2) of section
2136 720.3085, Florida Statutes, is amended to read:

2137 720.3085 Payment for assessments; lien claims.—

2138 (2)

2139 (d) An association, or its successor or assignee, that
2140 acquires title to a parcel through the foreclosure of its lien
2141 for assessments is not liable for any unpaid assessments, late
2142 fees, interest, or reasonable attorney's fees and costs that
2143 came due before the association's acquisition of title in favor
2144 of any other association, as defined in s. 718.103 ~~s. 718.103(2)~~
2145 or s. 720.301(9), which holds a superior lien interest on the
2146 parcel. This paragraph is intended to clarify existing law.

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2147 Section 21. Effective July 1, 2027, for the purpose of
2148 incorporating the amendments made by this act to section
2149 718.1255, Florida Statutes, in a reference thereto, section
2150 719.1255, Florida Statutes, is reenacted to read:

2151 719.1255 Alternative resolution of disputes.—The Division
2152 of Florida Condominiums, Timeshares, and Mobile Homes of the
2153 Department of Business and Professional Regulation shall provide
2154 for alternative dispute resolution in accordance with s.
2155 718.1255.

2156 Section 22. Paragraph (f) of subsection (1) of section
2157 718.501, Florida Statutes, is reenacted to read:

2158 718.501 Authority, responsibility, and duties of Division
2159 of Florida Condominiums, Timeshares, and Mobile Homes.—

2160 (1) The division may enforce and ensure compliance with
2161 this chapter and rules relating to the development,
2162 construction, sale, lease, ownership, operation, and management
2163 of residential condominium units and complaints related to the
2164 procedural completion of milestone inspections under s. 553.899.
2165 In performing its duties, the division has complete jurisdiction
2166 to investigate complaints and enforce compliance with respect to
2167 associations that are still under developer control or the
2168 control of a bulk assignee or bulk buyer pursuant to part VII of
2169 this chapter and complaints against developers, bulk assignees,
2170 or bulk buyers involving improper turnover or failure to
2171 turnover, pursuant to s. 718.301. However, after turnover has
2172 occurred, the division has jurisdiction to investigate
2173 complaints related only to financial issues, elections, and the
2174 maintenance of and unit owner access to association records
2175 under s. 718.111(12), and the procedural completion of

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2176 structural integrity reserve studies under s. 718.112(2)(g).

2177 (f) The division may adopt rules to administer and enforce
2178 this chapter.

2179 Section 23. Paragraph (f) of subsection (1) of section
2180 719.501, Florida Statutes, is reenacted to read:

2181 719.501 Powers and duties of Division of Florida
2182 Condominiums, Timeshares, and Mobile Homes.—

2183 (1) The Division of Florida Condominiums, Timeshares, and
2184 Mobile Homes of the Department of Business and Professional
2185 Regulation, referred to as the "division" in this part, in
2186 addition to other powers and duties prescribed by chapter 718,
2187 has the power to enforce and ensure compliance with this chapter
2188 and adopted rules relating to the development, construction,
2189 sale, lease, ownership, operation, and management of residential
2190 cooperative units; complaints related to the procedural
2191 completion of the structural integrity reserve studies under s.
2192 719.106(1)(k); and complaints related to the procedural
2193 completion of milestone inspections under s. 553.899. In
2194 performing its duties, the division shall have the following
2195 powers and duties:

2196 (f) The division has authority to adopt rules pursuant to
2197 ss. 120.536(1) and 120.54 to implement and enforce the
2198 provisions of this chapter.

2199 Section 24. For the 2023-2024 fiscal year, the sums of
2200 \$1,301,928 in recurring funds and \$67,193 in nonrecurring funds
2201 from the Division of Florida Condominiums, Timeshares, and
2202 Mobile Homes Trust Fund are appropriated to the Department of
2203 Business and Professional Regulation, and 10 full-time
2204 equivalent positions with associated salary rate of 487,264 are

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2205 authorized for the purpose of implementing this act.

2206 Section 25. Except as otherwise expressly provided in this
2207 act, this act shall take effect upon becoming a law.