

By Senator Hooper

21-00475-23

2023406__

1 A bill to be entitled
 2 An act relating to yacht and ship brokers; amending s.
 3 20.165, F.S.; renaming the Division of Florida
 4 Condominiums, Timeshares, and Mobile Homes within the
 5 Department of Business and Professional Regulation as
 6 the Division of Florida Condominiums, Timeshares,
 7 Yacht Brokers, and Mobile Homes; amending s. 326.002,
 8 F.S.; revising and defining terms; amending s.
 9 326.004, F.S.; exempting a visiting broker from
 10 licensure for specified transactions; requiring,
 11 rather than authorizing, the division to deny licenses
 12 for applicants who fail to meet certain requirements;
 13 revising requirements for licensure as a broker;
 14 removing a provision requiring the division to adopt
 15 rules relating to temporary licenses; amending ss.
 16 192.037, 213.053, 326.006, 455.116, 475.455, 509.512,
 17 559.935, 718.103, 718.105, 718.1255, 718.501,
 18 718.5011, 718.502, 718.503, 718.504, 718.508, 718.509,
 19 718.608, 719.103, 719.1255, 719.501, 719.502, 719.504,
 20 719.508, 719.608, 720.301, 721.05, 721.07, 721.08,
 21 721.26, 721.28, 721.301, 723.003, 723.006, 723.009,
 22 and 723.0611, F.S.; conforming provisions to changes
 23 made by the act; providing an effective date.

24
 25 Be It Enacted by the Legislature of the State of Florida:

26
 27 Section 1. Paragraph (e) of subsection (2) of section
 28 20.165, Florida Statutes, is amended to read:
 29 20.165 Department of Business and Professional Regulation.—

21-00475-23

2023406__

30 There is created a Department of Business and Professional
31 Regulation.

32 (2) The following divisions of the Department of Business
33 and Professional Regulation are established:

34 (e) Division of Florida Condominiums, Timeshares, Yacht
35 Brokers, and Mobile Homes.

36 Section 2. Present subsections (3), (4), and (5) of section
37 326.002, Florida Statutes, are redesignated as subsections (4),
38 (6), and (3), respectively, a new subsection (4) is added to
39 that section, and subsection (2) and present subsection (4) of
40 that section are amended, to read:

41 326.002 Definitions.—As used in ss. 326.001-326.006, the
42 term:

43 (2) "Division" means the Division of Florida Condominiums,
44 Timeshares, Yacht Brokers, and Mobile Homes of the Department of
45 Business and Professional Regulation.

46 (4) "Visiting broker" means a person who conducts business
47 as a broker or salesperson in another state as his or her
48 primary profession and engages in the purchase or sale of a
49 yacht under this act if the transaction is executed in its
50 entirety with a broker or salesperson licensed in this state.

51 ~~(6)(4)~~ "Yacht" means any vessel which is propelled by sail
52 or machinery in the water which exceeds 32 feet in length, and
53 is:

54 (a) Manufactured or operated primarily for pleasure; or

55 (b) Leased, rented, or chartered to a person other than the
56 owner for such person's pleasure ~~which weighs less than 300~~
57 ~~gross tons.~~

58 Section 3. Subsections (6), (8), and (15) of section

21-00475-23

2023406__

59 326.004, Florida Statutes, are amended, and paragraph (f) is
60 added to subsection (3) of that section, to read:

61 326.004 Licensing.—

62 (3) A license is not required for:

63 (f) A visiting broker who engages in the purchase or sale
64 of a yacht under this act if the transaction is executed in its
65 entirety with a broker or a salesperson licensed in this state.

66 (6) The division shall ~~may~~ deny a license to any applicant
67 who does not:

68 (a) Furnish proof satisfactory to the division that he or
69 she is of good moral character.

70 (b) Certify that he or she has never been convicted of a
71 felony.

72 (c) Post the bond required by the Yacht and Ship Brokers'
73 Act.

74 (d) Demonstrate that he or she is a resident of this state
75 or that he or she conducts business in this state.

76 (e) Furnish a full set of fingerprints taken within the 6
77 months immediately preceding the submission of the application.

78 (f) Have a current license and has operated as a broker or
79 salesperson without a license.

80 (8) A person may not be licensed as a broker unless he or
81 she:

82 (a) Has been a salesperson for at least 2 consecutive
83 years;~~7~~ and

84 (b)1. Can demonstrate that he or she has been directly
85 involved in at least four transactions that resulted in the sale
86 of a yacht; or

87 2. Can certify that he or she has obtained 20 continuing

21-00475-23

2023406__

88 ~~education credits approved by the division may not be licensed~~
89 ~~as a broker unless he or she has been licensed as a salesperson~~
90 ~~for at least 2 consecutive years.~~

91 ~~(15) The division shall provide by rule for the issuance of~~
92 ~~a temporary 90-day license to an applicant while the Florida~~
93 ~~Department of Law Enforcement conducts a national criminal~~
94 ~~history analysis of the applicant by means of fingerprint~~
95 ~~identification.~~

96 Section 4. Paragraph (e) of subsection (6) of section
97 192.037, Florida Statutes, is amended to read:

98 192.037 Fee timeshare real property; taxes and assessments;
99 escrow.—

100 (6)

101 (e) On or before May 1 of each year, a statement of
102 receipts and disbursements of the escrow account must be filed
103 with the Division of Florida Condominiums, Timeshares, Yacht
104 Brokers, and Mobile Homes of the Department of Business and
105 Professional Regulation, which may enforce this paragraph
106 pursuant to s. 721.26. This statement must appropriately show
107 the amount of principal and interest in such account.

108 Section 5. Paragraph (i) of subsection (8) of section
109 213.053, Florida Statutes, is amended to read:

110 213.053 Confidentiality and information sharing.—

111 (8) Notwithstanding any other provision of this section,
112 the department may provide:

113 (i) Information relative to chapters 212 and 326 to the
114 Division of Florida Condominiums, Timeshares, Yacht Brokers, and
115 Mobile Homes of the Department of Business and Professional
116 Regulation in the conduct of its official duties.

21-00475-23

2023406__

117

118 Disclosure of information under this subsection shall be
119 pursuant to a written agreement between the executive director
120 and the agency. Such agencies, governmental or nongovernmental,
121 shall be bound by the same requirements of confidentiality as
122 the Department of Revenue. Breach of confidentiality is a
123 misdemeanor of the first degree, punishable as provided by s.
124 775.082 or s. 775.083.

125 Section 6. Paragraph (d) of subsection (2) and subsection
126 (3) of section 326.006, Florida Statutes, are amended to read:

127 326.006 Powers and duties of division.—

128 (2) The division has the power to enforce and ensure
129 compliance with the provisions of this chapter and rules adopted
130 under this chapter relating to the sale and ownership of yachts
131 and ships. In performing its duties, the division has the
132 following powers and duties:

133 (d) Notwithstanding any remedies available to a yacht or
134 ship purchaser, if the division has reasonable cause to believe
135 that a violation of any provision of this chapter or rule
136 adopted under this chapter has occurred, the division may
137 institute enforcement proceedings in its own name against any
138 broker or salesperson or any of his or her assignees or agents,
139 or against any unlicensed person or any of his or her assignees
140 or agents, as follows:

141 1. The division may permit a person whose conduct or
142 actions are under investigation to waive formal proceedings and
143 enter into a consent proceeding whereby orders, rules, or
144 letters of censure or warning, whether formal or informal, may
145 be entered against the person.

21-00475-23

2023406__

146 2. The division may issue an order requiring the broker or
147 salesperson or any of his or her assignees or agents, or
148 requiring any unlicensed person or any of his or her assignees
149 or agents, to cease and desist from the unlawful practice and
150 take such affirmative action as in the judgment of the division
151 will carry out the purposes of this chapter.

152 3. The division may bring an action in circuit court on
153 behalf of a class of yacht or ship purchasers for declaratory
154 relief, injunctive relief, or restitution.

155 4. The division may impose a civil penalty against a broker
156 or salesperson or any of his or her assignees or agents, or
157 against an unlicensed person or any of his or her assignees or
158 agents, for any violation of this chapter or a rule adopted
159 under this chapter. A penalty may be imposed for each day of
160 continuing violation, but in no event may the penalty for any
161 offense exceed \$10,000. All amounts collected must be deposited
162 with the Chief Financial Officer to the credit of the Division
163 of Florida Condominiums, Timeshares, Yacht Brokers, and Mobile
164 Homes Trust Fund. If a broker, salesperson, or unlicensed person
165 working for a broker, fails to pay the civil penalty, the
166 division shall issue an order suspending the broker's license
167 until such time as the civil penalty is paid or may pursue
168 enforcement of the penalty in a court of competent jurisdiction.
169 The order imposing the civil penalty or the order of suspension
170 may not become effective until 20 days after the date of such
171 order. Any action commenced by the division must be brought in
172 the county in which the division has its executive offices or in
173 the county where the violation occurred.

174 (3) All fees must be deposited in the Division of Florida

21-00475-23

2023406__

175 Condominiums, Timeshares, Yacht Brokers, and Mobile Homes Trust
176 Fund as provided by law.

177 Section 7. Subsection (5) of section 455.116, Florida
178 Statutes, is amended to read:

179 455.116 Regulation trust funds.—The following trust funds
180 shall be placed in the department:

181 (5) Division of Florida Condominiums, Timeshares, Yacht
182 Brokers, and Mobile Homes Trust Fund.

183 Section 8. Section 475.455, Florida Statutes, is amended to
184 read:

185 475.455 Exchange of disciplinary information.—The
186 commission shall inform the Division of Florida Condominiums,
187 Timeshares, Yacht Brokers, and Mobile Homes of the Department of
188 Business and Professional Regulation of any disciplinary action
189 the commission has taken against any of its licensees. The
190 division shall inform the commission of any disciplinary action
191 the division has taken against any broker or sales associate
192 registered with the division.

193 Section 9. Section 509.512, Florida Statutes, is amended to
194 read:

195 509.512 Timeshare plan developer and exchange company
196 exemption.—Sections 509.501-509.511 do not apply to a developer
197 of a timeshare plan or an exchange company approved by the
198 Division of Florida Condominiums, Timeshares, Yacht Brokers, and
199 Mobile Homes pursuant to chapter 721, but only to the extent
200 that the developer or exchange company engages in conduct
201 regulated under chapter 721.

202 Section 10. Paragraph (h) of subsection (1) of section
203 559.935, Florida Statutes, is amended to read:

21-00475-23

2023406__

204 559.935 Exemptions.—

205 (1) This part does not apply to:

206 (h) A developer of a timeshare plan or an exchange company
207 approved by the Division of Florida Condominiums, Timeshares,
208 Yacht Brokers, and Mobile Homes pursuant to chapter 721, but
209 only to the extent that the developer or exchange company
210 engages in conduct regulated under chapter 721; or

211 Section 11. Subsection (17) of section 718.103, Florida
212 Statutes, is amended to read:

213 718.103 Definitions.—As used in this chapter, the term:

214 (17) "Division" means the Division of Florida Condominiums,
215 Timeshares, Yacht Brokers, and Mobile Homes of the Department of
216 Business and Professional Regulation.

217 Section 12. Paragraph (c) of subsection (4) of section
218 718.105, Florida Statutes, is amended to read:

219 718.105 Recording of declaration.—

220 (4)

221 (c) If the sum of money held by the clerk has not been paid
222 to the developer or association as provided in paragraph (b)
223 within 5 years after the date the declaration was originally
224 recorded, the clerk may notify, in writing, the registered agent
225 of the association that the sum is still available and the
226 purpose for which it was deposited. If the association does not
227 record the certificate within 90 days after the clerk has given
228 the notice, the clerk may disburse the money to the developer.
229 If the developer cannot be located, the clerk shall disburse the
230 money to the Division of Florida Condominiums, Timeshares, Yacht
231 Brokers, and Mobile Homes for deposit in the Division of Florida
232 Condominiums, Timeshares, Yacht Brokers, and Mobile Homes Trust

21-00475-23

2023406__

233 Fund.

234 Section 13. Subsection (4) of section 718.1255, Florida
235 Statutes, is amended to read:

236 718.1255 Alternative dispute resolution; mediation;
237 nonbinding arbitration; applicability.—

238 (4) NONBINDING ARBITRATION AND MEDIATION OF DISPUTES.—The
239 Division of Florida Condominiums, Timeshares, Yacht Brokers, and
240 Mobile Homes of the Department of Business and Professional
241 Regulation may employ full-time attorneys to act as arbitrators
242 to conduct the arbitration hearings provided by this chapter.
243 The division may also certify attorneys who are not employed by
244 the division to act as arbitrators to conduct the arbitration
245 hearings provided by this chapter. A person may not be employed
246 by the department as a full-time arbitrator unless he or she is
247 a member in good standing of The Florida Bar. A person may only
248 be certified by the division to act as an arbitrator if he or
249 she has been a member in good standing of The Florida Bar for at
250 least 5 years and has mediated or arbitrated at least 10
251 disputes involving condominiums in this state during the 3 years
252 immediately preceding the date of application, mediated or
253 arbitrated at least 30 disputes in any subject area in this
254 state during the 3 years immediately preceding the date of
255 application, or attained board certification in real estate law
256 or condominium and planned development law from The Florida Bar.
257 Arbitrator certification is valid for 1 year. An arbitrator who
258 does not maintain the minimum qualifications for initial
259 certification may not have his or her certification renewed. The
260 department may not enter into a legal services contract for an
261 arbitration hearing under this chapter with an attorney who is

21-00475-23

2023406__

262 not a certified arbitrator unless a certified arbitrator is not
263 available within 50 miles of the dispute. The department shall
264 adopt rules of procedure to govern such arbitration hearings
265 including mediation incident thereto. The decision of an
266 arbitrator is final; however, a decision is not deemed final
267 agency action. Nothing in this provision shall be construed to
268 foreclose parties from proceeding in a trial de novo unless the
269 parties have agreed that the arbitration is binding. If judicial
270 proceedings are initiated, the final decision of the arbitrator
271 is admissible in evidence in the trial de novo.

272 (a) Before the institution of court litigation, a party to
273 a dispute, other than an election or recall dispute, shall
274 either petition the division for nonbinding arbitration or
275 initiate presuit mediation as provided in subsection (5).
276 Arbitration is binding on the parties if all parties in
277 arbitration agree to be bound in a writing filed in arbitration.
278 The petition must be accompanied by a filing fee in the amount
279 of \$50. Filing fees collected under this section must be used to
280 defray the expenses of the alternative dispute resolution
281 program.

282 (b) The petition must recite, and have attached thereto,
283 supporting proof that the petitioner gave the respondents:

284 1. Advance written notice of the specific nature of the
285 dispute;

286 2. A demand for relief, and a reasonable opportunity to
287 comply or to provide the relief; and

288 3. Notice of the intention to file an arbitration petition
289 or other legal action in the absence of a resolution of the
290 dispute.

21-00475-23

2023406__

291
292 Failure to include the allegations or proof of compliance with
293 these prerequisites requires dismissal of the petition without
294 prejudice.

295 (c) Upon receipt, the petition shall be promptly reviewed
296 by the division to determine the existence of a dispute and
297 compliance with the requirements of paragraphs (a) and (b). If
298 emergency relief is required and is not available through
299 arbitration, a motion to stay the arbitration may be filed. The
300 motion must be accompanied by a verified petition alleging facts
301 that, if proven, would support entry of a temporary injunction,
302 and if an appropriate motion and supporting papers are filed,
303 the division may abate the arbitration pending a court hearing
304 and disposition of a motion for temporary injunction.

305 (d) Upon determination by the division that a dispute
306 exists and that the petition substantially meets the
307 requirements of paragraphs (a) and (b) and any other applicable
308 rules, the division shall assign or enter into a contract with
309 an arbitrator and serve a copy of the petition upon all
310 respondents. The arbitrator shall conduct a hearing within 30
311 days after being assigned or entering into a contract unless the
312 petition is withdrawn or a continuance is granted for good cause
313 shown.

314 (e) Before or after the filing of the respondents' answer
315 to the petition, any party may request that the arbitrator refer
316 the case to mediation under this section and any rules adopted
317 by the division. Upon receipt of a request for mediation, the
318 division shall promptly contact the parties to determine if
319 there is agreement that mediation would be appropriate. If all

21-00475-23

2023406__

320 parties agree, the dispute must be referred to mediation.
321 Notwithstanding a lack of an agreement by all parties, the
322 arbitrator may refer a dispute to mediation at any time.

323 (f) Upon referral of a case to mediation, the parties must
324 select a mutually acceptable mediator. To assist in the
325 selection, the arbitrator shall provide the parties with a list
326 of both volunteer and paid mediators that have been certified by
327 the division under s. 718.501. If the parties are unable to
328 agree on a mediator within the time allowed by the arbitrator,
329 the arbitrator shall appoint a mediator from the list of
330 certified mediators. If a case is referred to mediation, the
331 parties shall attend a mediation conference, as scheduled by the
332 parties and the mediator. If any party fails to attend a duly
333 noticed mediation conference, without the permission or approval
334 of the arbitrator or mediator, the arbitrator must impose
335 sanctions against the party, including the striking of any
336 pleadings filed, the entry of an order of dismissal or default
337 if appropriate, and the award of costs and attorney fees
338 incurred by the other parties. Unless otherwise agreed to by the
339 parties or as provided by order of the arbitrator, a party is
340 deemed to have appeared at a mediation conference by the
341 physical presence of the party or its representative having full
342 authority to settle without further consultation, provided that
343 an association may comply by having one or more representatives
344 present with full authority to negotiate a settlement and
345 recommend that the board of administration ratify and approve
346 such a settlement within 5 days from the date of the mediation
347 conference. The parties shall share equally the expense of
348 mediation, unless they agree otherwise.

21-00475-23

2023406__

349 (g) The purpose of mediation as provided for by this
350 section is to present the parties with an opportunity to resolve
351 the underlying dispute in good faith, and with a minimum
352 expenditure of time and resources.

353 (h) Mediation proceedings must generally be conducted in
354 accordance with the Florida Rules of Civil Procedure, and these
355 proceedings are privileged and confidential to the same extent
356 as court-ordered mediation. Persons who are not parties to the
357 dispute are not allowed to attend the mediation conference
358 without the consent of all parties, with the exception of
359 counsel for the parties and corporate representatives designated
360 to appear for a party. If the mediator declares an impasse after
361 a mediation conference has been held, the arbitration proceeding
362 terminates, unless all parties agree in writing to continue the
363 arbitration proceeding, in which case the arbitrator's decision
364 shall be binding or nonbinding, as agreed upon by the parties;
365 in the arbitration proceeding, the arbitrator shall not consider
366 any evidence relating to the unsuccessful mediation except in a
367 proceeding to impose sanctions for failure to appear at the
368 mediation conference. If the parties do not agree to continue
369 arbitration, the arbitrator shall enter an order of dismissal,
370 and either party may institute a suit in a court of competent
371 jurisdiction. The parties may seek to recover any costs and
372 attorney fees incurred in connection with arbitration and
373 mediation proceedings under this section as part of the costs
374 and fees that may be recovered by the prevailing party in any
375 subsequent litigation.

376 (i) Arbitration shall be conducted according to rules
377 adopted by the division. The filing of a petition for

21-00475-23

2023406__

378 arbitration shall toll the applicable statute of limitations.

379 (j) At the request of any party to the arbitration, the
380 arbitrator shall issue subpoenas for the attendance of witnesses
381 and the production of books, records, documents, and other
382 evidence and any party on whose behalf a subpoena is issued may
383 apply to the court for orders compelling such attendance and
384 production. Subpoenas shall be served and shall be enforceable
385 in the manner provided by the Florida Rules of Civil Procedure.
386 Discovery may, in the discretion of the arbitrator, be permitted
387 in the manner provided by the Florida Rules of Civil Procedure.
388 Rules adopted by the division may authorize any reasonable
389 sanctions except contempt for a violation of the arbitration
390 procedural rules of the division or for the failure of a party
391 to comply with a reasonable nonfinal order issued by an
392 arbitrator which is not under judicial review.

393 (k) The arbitration decision shall be rendered within 30
394 days after the hearing and presented to the parties in writing.
395 An arbitration decision is final in those disputes in which the
396 parties have agreed to be bound. An arbitration decision is also
397 final if a complaint for a trial de novo is not filed in a court
398 of competent jurisdiction in which the condominium is located
399 within 30 days. The right to file for a trial de novo entitles
400 the parties to file a complaint in the appropriate trial court
401 for a judicial resolution of the dispute. The prevailing party
402 in an arbitration proceeding shall be awarded the costs of the
403 arbitration and reasonable attorney fees in an amount determined
404 by the arbitrator. Such an award shall include the costs and
405 reasonable attorney fees incurred in the arbitration proceeding
406 as well as the costs and reasonable attorney fees incurred in

21-00475-23

2023406__

407 preparing for and attending any scheduled mediation. An
408 arbitrator's failure to render a written decision within 30 days
409 after the hearing may result in the cancellation of his or her
410 arbitration certification.

411 (1) The party who files a complaint for a trial de novo
412 shall be assessed the other party's arbitration costs, court
413 costs, and other reasonable costs, including attorney fees,
414 investigation expenses, and expenses for expert or other
415 testimony or evidence incurred after the arbitration hearing if
416 the judgment upon the trial de novo is not more favorable than
417 the arbitration decision. If the judgment is more favorable, the
418 party who filed a complaint for trial de novo shall be awarded
419 reasonable court costs and attorney fees.

420 (m) Any party to an arbitration proceeding may enforce an
421 arbitration award by filing a petition in a court of competent
422 jurisdiction in which the condominium is located. A petition may
423 not be granted unless the time for appeal by the filing of a
424 complaint for trial de novo has expired. If a complaint for a
425 trial de novo has been filed, a petition may not be granted with
426 respect to an arbitration award that has been stayed. If the
427 petition for enforcement is granted, the petitioner shall
428 recover reasonable attorney fees and costs incurred in enforcing
429 the arbitration award. A mediation settlement may also be
430 enforced through the county or circuit court, as applicable, and
431 any costs and fees incurred in the enforcement of a settlement
432 agreement reached at mediation must be awarded to the prevailing
433 party in any enforcement action.

434 Section 14. Paragraph (d) of subsection (1) and paragraph
435 (b) of subsection (2) of section 718.501, Florida Statutes, are

21-00475-23

2023406__

436 amended to read:

437 718.501 Authority, responsibility, and duties of Division
438 of Florida Condominiums, Timeshares, Yacht Brokers, and Mobile
439 Homes.—

440 (1) The division may enforce and ensure compliance with
441 this chapter and rules relating to the development,
442 construction, sale, lease, ownership, operation, and management
443 of residential condominium units and complaints related to the
444 procedural completion of milestone inspections under s. 553.899.
445 In performing its duties, the division has complete jurisdiction
446 to investigate complaints and enforce compliance with respect to
447 associations that are still under developer control or the
448 control of a bulk assignee or bulk buyer pursuant to part VII of
449 this chapter and complaints against developers, bulk assignees,
450 or bulk buyers involving improper turnover or failure to
451 turnover, pursuant to s. 718.301. However, after turnover has
452 occurred, the division has jurisdiction to investigate
453 complaints related only to financial issues, elections, and the
454 maintenance of and unit owner access to association records
455 under s. 718.111(12), and the procedural completion of
456 structural integrity reserve studies under s. 718.112(2)(g).

457 (d) Notwithstanding any remedies available to unit owners
458 and associations, if the division has reasonable cause to
459 believe that a violation of any provision of this chapter or
460 related rule has occurred, the division may institute
461 enforcement proceedings in its own name against any developer,
462 bulk assignee, bulk buyer, association, officer, or member of
463 the board of administration, or its assignees or agents, as
464 follows:

21-00475-23

2023406__

465 1. The division may permit a person whose conduct or
466 actions may be under investigation to waive formal proceedings
467 and enter into a consent proceeding whereby orders, rules, or
468 letters of censure or warning, whether formal or informal, may
469 be entered against the person.

470 2. The division may issue an order requiring the developer,
471 bulk assignee, bulk buyer, association, developer-designated
472 officer, or developer-designated member of the board of
473 administration, developer-designated assignees or agents, bulk
474 assignee-designated assignees or agents, bulk buyer-designated
475 assignees or agents, community association manager, or community
476 association management firm to cease and desist from the
477 unlawful practice and take such affirmative action as in the
478 judgment of the division carry out the purposes of this chapter.
479 If the division finds that a developer, bulk assignee, bulk
480 buyer, association, officer, or member of the board of
481 administration, or its assignees or agents, is violating or is
482 about to violate any provision of this chapter, any rule adopted
483 or order issued by the division, or any written agreement
484 entered into with the division, and presents an immediate danger
485 to the public requiring an immediate final order, it may issue
486 an emergency cease and desist order reciting with particularity
487 the facts underlying such findings. The emergency cease and
488 desist order is effective for 90 days. If the division begins
489 nonemergency cease and desist proceedings, the emergency cease
490 and desist order remains effective until the conclusion of the
491 proceedings under ss. 120.569 and 120.57.

492 3. If a developer, bulk assignee, or bulk buyer fails to
493 pay any restitution determined by the division to be owed, plus

21-00475-23

2023406__

494 any accrued interest at the highest rate permitted by law,
495 within 30 days after expiration of any appellate time period of
496 a final order requiring payment of restitution or the conclusion
497 of any appeal thereof, whichever is later, the division must
498 bring an action in circuit or county court on behalf of any
499 association, class of unit owners, lessees, or purchasers for
500 restitution, declaratory relief, injunctive relief, or any other
501 available remedy. The division may also temporarily revoke its
502 acceptance of the filing for the developer to which the
503 restitution relates until payment of restitution is made.

504 4. The division may petition the court for appointment of a
505 receiver or conservator. If appointed, the receiver or
506 conservator may take action to implement the court order to
507 ensure the performance of the order and to remedy any breach
508 thereof. In addition to all other means provided by law for the
509 enforcement of an injunction or temporary restraining order, the
510 circuit court may impound or sequester the property of a party
511 defendant, including books, papers, documents, and related
512 records, and allow the examination and use of the property by
513 the division and a court-appointed receiver or conservator.

514 5. The division may apply to the circuit court for an order
515 of restitution whereby the defendant in an action brought under
516 subparagraph 4. is ordered to make restitution of those sums
517 shown by the division to have been obtained by the defendant in
518 violation of this chapter. At the option of the court, such
519 restitution is payable to the conservator or receiver appointed
520 under subparagraph 4. or directly to the persons whose funds or
521 assets were obtained in violation of this chapter.

522 6. The division may impose a civil penalty against a

21-00475-23

2023406__

523 developer, bulk assignee, or bulk buyer, or association, or its
524 assignee or agent, for any violation of this chapter or related
525 rule. The division may impose a civil penalty individually
526 against an officer or board member who willfully and knowingly
527 violates this chapter, an adopted rule, or a final order of the
528 division; may order the removal of such individual as an officer
529 or from the board of administration or as an officer of the
530 association; and may prohibit such individual from serving as an
531 officer or on the board of a community association for a period
532 of time. The term "willfully and knowingly" means that the
533 division informed the officer or board member that his or her
534 action or intended action violates this chapter, a rule adopted
535 under this chapter, or a final order of the division and that
536 the officer or board member refused to comply with the
537 requirements of this chapter, a rule adopted under this chapter,
538 or a final order of the division. The division, before
539 initiating formal agency action under chapter 120, must afford
540 the officer or board member an opportunity to voluntarily
541 comply, and an officer or board member who complies within 10
542 days is not subject to a civil penalty. A penalty may be imposed
543 on the basis of each day of continuing violation, but the
544 penalty for any offense may not exceed \$5,000. The division
545 shall adopt, by rule, penalty guidelines applicable to possible
546 violations or to categories of violations of this chapter or
547 rules adopted by the division. The guidelines must specify a
548 meaningful range of civil penalties for each such violation of
549 the statute and rules and must be based upon the harm caused by
550 the violation, upon the repetition of the violation, and upon
551 such other factors deemed relevant by the division. For example,

21-00475-23

2023406__

552 the division may consider whether the violations were committed
553 by a developer, bulk assignee, or bulk buyer, or owner-
554 controlled association, the size of the association, and other
555 factors. The guidelines must designate the possible mitigating
556 or aggravating circumstances that justify a departure from the
557 range of penalties provided by the rules. It is the legislative
558 intent that minor violations be distinguished from those which
559 endanger the health, safety, or welfare of the condominium
560 residents or other persons and that such guidelines provide
561 reasonable and meaningful notice to the public of likely
562 penalties that may be imposed for proscribed conduct. This
563 subsection does not limit the ability of the division to
564 informally dispose of administrative actions or complaints by
565 stipulation, agreed settlement, or consent order. All amounts
566 collected shall be deposited with the Chief Financial Officer to
567 the credit of the Division of Florida Condominiums, Timeshares,
568 Yacht Brokers, and Mobile Homes Trust Fund. If a developer, bulk
569 assignee, or bulk buyer fails to pay the civil penalty and the
570 amount deemed to be owed to the association, the division shall
571 issue an order directing that such developer, bulk assignee, or
572 bulk buyer cease and desist from further operation until such
573 time as the civil penalty is paid or may pursue enforcement of
574 the penalty in a court of competent jurisdiction. If an
575 association fails to pay the civil penalty, the division shall
576 pursue enforcement in a court of competent jurisdiction, and the
577 order imposing the civil penalty or the cease and desist order
578 is not effective until 20 days after the date of such order. Any
579 action commenced by the division shall be brought in the county
580 in which the division has its executive offices or in the county

21-00475-23

2023406__

581 where the violation occurred.

582 7. If a unit owner presents the division with proof that
583 the unit owner has requested access to official records in
584 writing by certified mail, and that after 10 days the unit owner
585 again made the same request for access to official records in
586 writing by certified mail, and that more than 10 days has
587 elapsed since the second request and the association has still
588 failed or refused to provide access to official records as
589 required by this chapter, the division shall issue a subpoena
590 requiring production of the requested records where the records
591 are kept pursuant to s. 718.112.

592 8. In addition to subparagraph 6., the division may seek
593 the imposition of a civil penalty through the circuit court for
594 any violation for which the division may issue a notice to show
595 cause under paragraph (r). The civil penalty shall be at least
596 \$500 but no more than \$5,000 for each violation. The court may
597 also award to the prevailing party court costs and reasonable
598 attorney fees and, if the division prevails, may also award
599 reasonable costs of investigation.

600 (2)

601 (b) All fees shall be deposited in the Division of Florida
602 Condominiums, Timeshares, Yacht Brokers, and Mobile Homes Trust
603 Fund as provided by law.

604 Section 15. Subsection (1) of section 718.5011, Florida
605 Statutes, is amended to read:

606 718.5011 Ombudsman; appointment; administration.—

607 (1) There is created an Office of the Condominium
608 Ombudsman, to be located for administrative purposes within the
609 Division of Florida Condominiums, Timeshares, Yacht Brokers, and

21-00475-23

2023406__

610 Mobile Homes. The functions of the office shall be funded by the
611 Division of Florida Condominiums, Timeshares, Yacht Brokers, and
612 Mobile Homes Trust Fund. The ombudsman shall be a bureau chief
613 of the division, and the office shall be set within the division
614 in the same manner as any other bureau is staffed and funded.

615 Section 16. Paragraph (a) of subsection (2) of section
616 718.502, Florida Statutes, is amended to read:

617 718.502 Filing prior to sale or lease.-

618 (2) (a) Prior to filing as required by subsection (1), and
619 prior to acquiring an ownership, leasehold, or contractual
620 interest in the land upon which the condominium is to be
621 developed, a developer shall not offer a contract for purchase
622 of a unit or lease of a unit for more than 5 years. However, the
623 developer may accept deposits for reservations upon the approval
624 of a fully executed escrow agreement and reservation agreement
625 form properly filed with the Division of Florida Condominiums,
626 Timeshares, Yacht Brokers, and Mobile Homes. Each filing of a
627 proposed reservation program shall be accompanied by a filing
628 fee of \$250. Reservations shall not be taken on a proposed
629 condominium unless the developer has an ownership, leasehold, or
630 contractual interest in the land upon which the condominium is
631 to be developed. The division shall notify the developer within
632 20 days of receipt of the reservation filing of any deficiencies
633 contained therein. Such notification shall not preclude the
634 determination of reservation filing deficiencies at a later
635 date, nor shall it relieve the developer of any responsibility
636 under the law. The escrow agreement and the reservation
637 agreement form shall include a statement of the right of the
638 prospective purchaser to an immediate unqualified refund of the

21-00475-23

2023406__

639 reservation deposit moneys upon written request to the escrow
640 agent by the prospective purchaser or the developer.

641 Section 17. Paragraph (b) of subsection (2) of section
642 718.503, Florida Statutes, is amended to read:

643 718.503 Developer disclosure prior to sale; nondeveloper
644 unit owner disclosure prior to sale; voidability.—

645 (2) NONDEVELOPER DISCLOSURE.—

646 (b) The prospective purchaser is also entitled to receive
647 from the seller a copy of a governance form. Such form shall be
648 provided by the division summarizing governance of condominium
649 associations. In addition to such other information as the
650 division considers helpful to a prospective purchaser in
651 understanding association governance, the governance form shall
652 address the following subjects:

653 1. The role of the board in conducting the day-to-day
654 affairs of the association on behalf of, and in the best
655 interests of, the owners.

656 2. The board's responsibility to provide advance notice of
657 board and membership meetings.

658 3. The rights of owners to attend and speak at board and
659 membership meetings.

660 4. The responsibility of the board and of owners with
661 respect to maintenance of the condominium property.

662 5. The responsibility of the board and owners to abide by
663 the condominium documents, this chapter, rules adopted by the
664 division, and reasonable rules adopted by the board.

665 6. Owners' rights to inspect and copy association records
666 and the limitations on such rights.

667 7. Remedies available to owners with respect to actions by

21-00475-23

2023406__

668 the board which may be abusive or beyond the board's power and
669 authority.

670 8. The right of the board to hire a property management
671 firm, subject to its own primary responsibility for such
672 management.

673 9. The responsibility of owners with regard to payment of
674 regular or special assessments necessary for the operation of
675 the property and the potential consequences of failure to pay
676 such assessments.

677 10. The voting rights of owners.

678 11. Rights and obligations of the board in enforcement of
679 rules in the condominium documents and rules adopted by the
680 board.

681
682 The governance form shall also include the following statement
683 in conspicuous type: "This publication is intended as an
684 informal educational overview of condominium governance. In the
685 event of a conflict, the provisions of chapter 718, Florida
686 Statutes, rules adopted by the Division of Florida Condominiums,
687 Timeshares, Yacht Brokers, and Mobile Homes of the Department of
688 Business and Professional Regulation, the provisions of the
689 condominium documents, and reasonable rules adopted by the
690 condominium association's board of administration prevail over
691 the contents of this publication."

692 Section 18. Section 718.504, Florida Statutes, is amended
693 to read:

694 718.504 Prospectus or offering circular.—Every developer of
695 a residential condominium which contains more than 20
696 residential units, or which is part of a group of residential

21-00475-23

2023406__

697 condominiums which will be served by property to be used in
698 common by unit owners of more than 20 residential units, shall
699 prepare a prospectus or offering circular and file it with the
700 Division of Florida Condominiums, Timeshares, Yacht Brokers, and
701 Mobile Homes prior to entering into an enforceable contract of
702 purchase and sale of any unit or lease of a unit for more than 5
703 years and shall furnish a copy of the prospectus or offering
704 circular to each buyer. In addition to the prospectus or
705 offering circular, each buyer shall be furnished a separate page
706 entitled "Frequently Asked Questions and Answers," which shall
707 be in accordance with a format approved by the division and a
708 copy of the financial information required by s. 718.111. This
709 page shall, in readable language, inform prospective purchasers
710 regarding their voting rights and unit use restrictions,
711 including restrictions on the leasing of a unit; shall indicate
712 whether and in what amount the unit owners or the association is
713 obligated to pay rent or land use fees for recreational or other
714 commonly used facilities; shall contain a statement identifying
715 that amount of assessment which, pursuant to the budget, would
716 be levied upon each unit type, exclusive of any special
717 assessments, and which shall further identify the basis upon
718 which assessments are levied, whether monthly, quarterly, or
719 otherwise; shall state and identify any court cases in which the
720 association is currently a party of record in which the
721 association may face liability in excess of \$100,000; and which
722 shall further state whether membership in a recreational
723 facilities association is mandatory, and if so, shall identify
724 the fees currently charged per unit type. The division shall by
725 rule require such other disclosure as in its judgment will

21-00475-23

2023406__

726 assist prospective purchasers. The prospectus or offering
727 circular may include more than one condominium, although not all
728 such units are being offered for sale as of the date of the
729 prospectus or offering circular. The prospectus or offering
730 circular must contain the following information:

731 (1) The front cover or the first page must contain only:

732 (a) The name of the condominium.

733 (b) The following statements in conspicuous type:

734 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT
735 MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.

736 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN
737 NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES,
738 ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES
739 MATERIALS.

740 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY
741 STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS
742 PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT
743 REPRESENTATIONS.

744 (2) Summary: The next page must contain all statements
745 required to be in conspicuous type in the prospectus or offering
746 circular.

747 (3) A separate index of the contents and exhibits of the
748 prospectus.

749 (4) Beginning on the first page of the text (not including
750 the summary and index), a description of the condominium,
751 including, but not limited to, the following information:

752 (a) Its name and location.

753 (b) A description of the condominium property, including,
754 without limitation:

21-00475-23

2023406__

755 1. The number of buildings, the number of units in each
756 building, the number of bathrooms and bedrooms in each unit, and
757 the total number of units, if the condominium is not a phase
758 condominium, or the maximum number of buildings that may be
759 contained within the condominium, the minimum and maximum
760 numbers of units in each building, the minimum and maximum
761 numbers of bathrooms and bedrooms that may be contained in each
762 unit, and the maximum number of units that may be contained
763 within the condominium, if the condominium is a phase
764 condominium.

765 2. The page in the condominium documents where a copy of
766 the plot plan and survey of the condominium is located.

767 3. The estimated latest date of completion of constructing,
768 finishing, and equipping. In lieu of a date, the description
769 shall include a statement that the estimated date of completion
770 of the condominium is in the purchase agreement and a reference
771 to the article or paragraph containing that information.

772 (c) The maximum number of units that will use facilities in
773 common with the condominium. If the maximum number of units will
774 vary, a description of the basis for variation and the minimum
775 amount of dollars per unit to be spent for additional
776 recreational facilities or enlargement of such facilities. If
777 the addition or enlargement of facilities will result in a
778 material increase of a unit owner's maintenance expense or
779 rental expense, if any, the maximum increase and limitations
780 thereon shall be stated.

781 (5) (a) A statement in conspicuous type describing whether
782 the condominium is created and being sold as fee simple
783 interests or as leasehold interests. If the condominium is

21-00475-23

2023406__

784 created or being sold on a leasehold, the location of the lease
785 in the disclosure materials shall be stated.

786 (b) If timeshare estates are or may be created with respect
787 to any unit in the condominium, a statement in conspicuous type
788 stating that timeshare estates are created and being sold in
789 units in the condominium.

790 (6) A description of the recreational and other commonly
791 used facilities that will be used only by unit owners of the
792 condominium, including, but not limited to, the following:

793 (a) Each room and its intended purposes, location,
794 approximate floor area, and capacity in numbers of people.

795 (b) Each swimming pool, as to its general location,
796 approximate size and depths, approximate deck size and capacity,
797 and whether heated.

798 (c) Additional facilities, as to the number of each
799 facility, its approximate location, approximate size, and
800 approximate capacity.

801 (d) A general description of the items of personal property
802 and the approximate number of each item of personal property
803 that the developer is committing to furnish for each room or
804 other facility or, in the alternative, a representation as to
805 the minimum amount of expenditure that will be made to purchase
806 the personal property for the facility.

807 (e) The estimated date when each room or other facility
808 will be available for use by the unit owners.

809 (f)1. An identification of each room or other facility to
810 be used by unit owners that will not be owned by the unit owners
811 or the association;

812 2. A reference to the location in the disclosure materials

21-00475-23

2023406__

813 of the lease or other agreements providing for the use of those
814 facilities; and

815 3. A description of the terms of the lease or other
816 agreements, including the length of the term; the rent payable,
817 directly or indirectly, by each unit owner, and the total rent
818 payable to the lessor, stated in monthly and annual amounts for
819 the entire term of the lease; and a description of any option to
820 purchase the property leased under any such lease, including the
821 time the option may be exercised, the purchase price or how it
822 is to be determined, the manner of payment, and whether the
823 option may be exercised for a unit owner's share or only as to
824 the entire leased property.

825 (g) A statement as to whether the developer may provide
826 additional facilities not described above; their general
827 locations and types; improvements or changes that may be made;
828 the approximate dollar amount to be expended; and the maximum
829 additional common expense or cost to the individual unit owners
830 that may be charged during the first annual period of operation
831 of the modified or added facilities.

832
833 Descriptions as to locations, areas, capacities, numbers,
834 volumes, or sizes may be stated as approximations or minimums.

835 (7) A description of the recreational and other facilities
836 that will be used in common with other condominiums, community
837 associations, or planned developments which require the payment
838 of the maintenance and expenses of such facilities, directly or
839 indirectly, by the unit owners. The description shall include,
840 but not be limited to, the following:

841 (a) Each building and facility committed to be built.

21-00475-23

2023406__

842 (b) Facilities not committed to be built except under
843 certain conditions, and a statement of those conditions or
844 contingencies.

845 (c) As to each facility committed to be built, or which
846 will be committed to be built upon the happening of one of the
847 conditions in paragraph (b), a statement of whether it will be
848 owned by the unit owners having the use thereof or by an
849 association or other entity which will be controlled by them, or
850 others, and the location in the exhibits of the lease or other
851 document providing for use of those facilities.

852 (d) The year in which each facility will be available for
853 use by the unit owners or, in the alternative, the maximum
854 number of unit owners in the project at the time each of all of
855 the facilities is committed to be completed.

856 (e) A general description of the items of personal
857 property, and the approximate number of each item of personal
858 property, that the developer is committing to furnish for each
859 room or other facility or, in the alternative, a representation
860 as to the minimum amount of expenditure that will be made to
861 purchase the personal property for the facility.

862 (f) If there are leases, a description thereof, including
863 the length of the term, the rent payable, and a description of
864 any option to purchase.

865
866 Descriptions shall include location, areas, capacities, numbers,
867 volumes, or sizes and may be stated as approximations or
868 minimums.

869 (8) Recreation lease or associated club membership:

870 (a) If any recreational facilities or other facilities

21-00475-23

2023406__

871 offered by the developer and available to, or to be used by,
872 unit owners are to be leased or have club membership associated,
873 the following statement in conspicuous type shall be included:
874 THERE IS A RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS
875 CONDOMINIUM; or, THERE IS A CLUB MEMBERSHIP ASSOCIATED WITH THIS
876 CONDOMINIUM. There shall be a reference to the location in the
877 disclosure materials where the recreation lease or club
878 membership is described in detail.

879 (b) If it is mandatory that unit owners pay a fee, rent,
880 dues, or other charges under a recreational facilities lease or
881 club membership for the use of facilities, there shall be in
882 conspicuous type the applicable statement:

883 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS
884 MANDATORY FOR UNIT OWNERS; or

885 2. UNIT OWNERS ARE REQUIRED, AS A CONDITION OF OWNERSHIP,
886 TO BE LESSEES UNDER THE RECREATIONAL FACILITIES LEASE; or

887 3. UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE COSTS
888 AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP, REPLACEMENT,
889 RENT, AND FEES UNDER THE RECREATIONAL FACILITIES LEASE (OR THE
890 OTHER INSTRUMENTS PROVIDING THE FACILITIES); or

891 4. A similar statement of the nature of the organization or
892 the manner in which the use rights are created, and that unit
893 owners are required to pay.

894
895 Immediately following the applicable statement, the location in
896 the disclosure materials where the development is described in
897 detail shall be stated.

898 (c) If the developer, or any other person other than the
899 unit owners and other persons having use rights in the

21-00475-23

2023406__

900 facilities, reserves, or is entitled to receive, any rent, fee,
901 or other payment for the use of the facilities, then there shall
902 be the following statement in conspicuous type: THE UNIT OWNERS
903 OR THE ASSOCIATION(S) MUST PAY RENT OR LAND USE FEES FOR
904 RECREATIONAL OR OTHER COMMONLY USED FACILITIES. Immediately
905 following this statement, the location in the disclosure
906 materials where the rent or land use fees are described in
907 detail shall be stated.

908 (d) If, in any recreation format, whether leasehold, club,
909 or other, any person other than the association has the right to
910 a lien on the units to secure the payment of assessments, rent,
911 or other exactions, there shall appear a statement in
912 conspicuous type in substantially the following form:

913 1. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO
914 SECURE THE PAYMENT OF RENT AND OTHER EXACTIONS UNDER THE
915 RECREATION LEASE. THE UNIT OWNER'S FAILURE TO MAKE THESE
916 PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN; or

917 2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO
918 SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE
919 FOR THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE RECREATIONAL
920 OR COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE
921 THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

922
923 Immediately following the applicable statement, the location in
924 the disclosure materials where the lien or lien right is
925 described in detail shall be stated.

926 (9) If the developer or any other person has the right to
927 increase or add to the recreational facilities at any time after
928 the establishment of the condominium whose unit owners have use

21-00475-23

2023406__

929 rights therein, without the consent of the unit owners or
930 associations being required, there shall appear a statement in
931 conspicuous type in substantially the following form:

932 RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT
933 OF UNIT OWNERS OR THE ASSOCIATION(S). Immediately following this
934 statement, the location in the disclosure materials where such
935 reserved rights are described shall be stated.

936 (10) A statement of whether the developer's plan includes a
937 program of leasing units rather than selling them, or leasing
938 units and selling them subject to such leases. If so, there
939 shall be a description of the plan, including the number and
940 identification of the units and the provisions and term of the
941 proposed leases, and a statement in boldfaced type that: THE
942 UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

943 (11) The arrangements for management of the association and
944 maintenance and operation of the condominium property and of
945 other property that will serve the unit owners of the
946 condominium property, and a description of the management
947 contract and all other contracts for these purposes having a
948 term in excess of 1 year, including the following:

949 (a) The names of contracting parties.

950 (b) The term of the contract.

951 (c) The nature of the services included.

952 (d) The compensation, stated on a monthly and annual basis,
953 and provisions for increases in the compensation.

954 (e) A reference to the volumes and pages of the condominium
955 documents and of the exhibits containing copies of such
956 contracts.

957

21-00475-23

2023406__

958 Copies of all described contracts shall be attached as exhibits.
959 If there is a contract for the management of the condominium
960 property, then a statement in conspicuous type in substantially
961 the following form shall appear, identifying the proposed or
962 existing contract manager: THERE IS (IS TO BE) A CONTRACT FOR
963 THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH (NAME OF THE
964 CONTRACT MANAGER). Immediately following this statement, the
965 location in the disclosure materials of the contract for
966 management of the condominium property shall be stated.

967 (12) If the developer or any other person or persons other
968 than the unit owners has the right to retain control of the
969 board of administration of the association for a period of time
970 which can exceed 1 year after the closing of the sale of a
971 majority of the units in that condominium to persons other than
972 successors or alternate developers, then a statement in
973 conspicuous type in substantially the following form shall be
974 included: THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO
975 RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS
976 HAVE BEEN SOLD. Immediately following this statement, the
977 location in the disclosure materials where this right to control
978 is described in detail shall be stated.

979 (13) If there are any restrictions upon the sale, transfer,
980 conveyance, or leasing of a unit, then a statement in
981 conspicuous type in substantially the following form shall be
982 included: THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR
983 CONTROLLED. Immediately following this statement, the location
984 in the disclosure materials where the restriction, limitation,
985 or control on the sale, lease, or transfer of units is described
986 in detail shall be stated.

21-00475-23

2023406__

987 (14) If the condominium is part of a phase project, the
988 following information shall be stated:

989 (a) A statement in conspicuous type in substantially the
990 following form: THIS IS A PHASE CONDOMINIUM. ADDITIONAL LAND AND
991 UNITS MAY BE ADDED TO THIS CONDOMINIUM. Immediately following
992 this statement, the location in the disclosure materials where
993 the phasing is described shall be stated.

994 (b) A summary of the provisions of the declaration which
995 provide for the phasing.

996 (c) A statement as to whether or not residential buildings
997 and units which are added to the condominium may be
998 substantially different from the residential buildings and units
999 originally in the condominium. If the added residential
1000 buildings and units may be substantially different, there shall
1001 be a general description of the extent to which such added
1002 residential buildings and units may differ, and a statement in
1003 conspicuous type in substantially the following form shall be
1004 included: BUILDINGS AND UNITS WHICH ARE ADDED TO THE CONDOMINIUM
1005 MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS AND
1006 UNITS IN THE CONDOMINIUM. Immediately following this statement,
1007 the location in the disclosure materials where the extent to
1008 which added residential buildings and units may substantially
1009 differ is described shall be stated.

1010 (d) A statement of the maximum number of buildings
1011 containing units, the maximum and minimum numbers of units in
1012 each building, the maximum number of units, and the minimum and
1013 maximum square footage of the units that may be contained within
1014 each parcel of land which may be added to the condominium.

1015 (15) If a condominium created on or after July 1, 2000, is

21-00475-23

2023406__

1016 or may become part of a multicondominium, the following
1017 information must be provided:

1018 (a) A statement in conspicuous type in substantially the
1019 following form: THIS CONDOMINIUM IS (MAY BE) PART OF A
1020 MULTICONDOMINIUM DEVELOPMENT IN WHICH OTHER CONDOMINIUMS WILL
1021 (MAY) BE OPERATED BY THE SAME ASSOCIATION. Immediately following
1022 this statement, the location in the prospectus or offering
1023 circular and its exhibits where the multicondominium aspects of
1024 the offering are described must be stated.

1025 (b) A summary of the provisions in the declaration,
1026 articles of incorporation, and bylaws which establish and
1027 provide for the operation of the multicondominium, including a
1028 statement as to whether unit owners in the condominium will have
1029 the right to use recreational or other facilities located or
1030 planned to be located in other condominiums operated by the same
1031 association, and the manner of sharing the common expenses
1032 related to such facilities.

1033 (c) A statement of the minimum and maximum number of
1034 condominiums, and the minimum and maximum number of units in
1035 each of those condominiums, which will or may be operated by the
1036 association, and the latest date by which the exact number will
1037 be finally determined.

1038 (d) A statement as to whether any of the condominiums in
1039 the multicondominium may include units intended to be used for
1040 nonresidential purposes and the purpose or purposes permitted
1041 for such use.

1042 (e) A general description of the location and approximate
1043 acreage of any land on which any additional condominiums to be
1044 operated by the association may be located.

21-00475-23

2023406__

1045 (16) If the condominium is created by conversion of
1046 existing improvements, the following information shall be
1047 stated:

1048 (a) The information required by s. 718.616.

1049 (b) A caveat that there are no express warranties unless
1050 they are stated in writing by the developer.

1051 (17) A summary of the restrictions, if any, to be imposed
1052 on units concerning the use of any of the condominium property,
1053 including statements as to whether there are restrictions upon
1054 children and pets, and reference to the volumes and pages of the
1055 condominium documents where such restrictions are found, or if
1056 such restrictions are contained elsewhere, then a copy of the
1057 documents containing the restrictions shall be attached as an
1058 exhibit.

1059 (18) If there is any land that is offered by the developer
1060 for use by the unit owners and that is neither owned by them nor
1061 leased to them, the association, or any entity controlled by
1062 unit owners and other persons having the use rights to such
1063 land, a statement shall be made as to how such land will serve
1064 the condominium. If any part of such land will serve the
1065 condominium, the statement shall describe the land and the
1066 nature and term of service, and the declaration or other
1067 instrument creating such servitude shall be included as an
1068 exhibit.

1069 (19) The manner in which utility and other services,
1070 including, but not limited to, sewage and waste disposal, water
1071 supply, and storm drainage, will be provided and the person or
1072 entity furnishing them.

1073 (20) An explanation of the manner in which the

21-00475-23

2023406__

1074 apportionment of common expenses and ownership of the common
1075 elements has been determined.

1076 (21) An estimated operating budget for the condominium and
1077 the association, and a schedule of the unit owner's expenses
1078 shall be attached as an exhibit and shall contain the following
1079 information:

1080 (a) The estimated monthly and annual expenses of the
1081 condominium and the association that are collected from unit
1082 owners by assessments.

1083 (b) The estimated monthly and annual expenses of each unit
1084 owner for a unit, other than common expenses paid by all unit
1085 owners, payable by the unit owner to persons or entities other
1086 than the association, as well as to the association, including
1087 fees assessed pursuant to s. 718.113(1) for maintenance of
1088 limited common elements where such costs are shared only by
1089 those entitled to use the limited common element, and the total
1090 estimated monthly and annual expense. There may be excluded from
1091 this estimate expenses which are not provided for or
1092 contemplated by the condominium documents, including, but not
1093 limited to, the costs of private telephone; maintenance of the
1094 interior of condominium units, which is not the obligation of
1095 the association; maid or janitorial services privately
1096 contracted for by the unit owners; utility bills billed directly
1097 to each unit owner for utility services to his or her unit;
1098 insurance premiums other than those incurred for policies
1099 obtained by the condominium; and similar personal expenses of
1100 the unit owner. A unit owner's estimated payments for
1101 assessments shall also be stated in the estimated amounts for
1102 the times when they will be due.

21-00475-23

2023406__

1103 (c) The estimated items of expenses of the condominium and
 1104 the association, except as excluded under paragraph (b),
 1105 including, but not limited to, the following items, which shall
 1106 be stated as an association expense collectible by assessments
 1107 or as unit owners' expenses payable to persons other than the
 1108 association:

- 1109 1. Expenses for the association and condominium:
- 1110 a. Administration of the association.
- 1111 b. Management fees.
- 1112 c. Maintenance.
- 1113 d. Rent for recreational and other commonly used
- 1114 facilities.
- 1115 e. Taxes upon association property.
- 1116 f. Taxes upon leased areas.
- 1117 g. Insurance.
- 1118 h. Security provisions.
- 1119 i. Other expenses.
- 1120 j. Operating capital.
- 1121 k. Reserves.
- 1122 1. Fees payable to the division.
- 1123 2. Expenses for a unit owner:
- 1124 a. Rent for the unit, if subject to a lease.
- 1125 b. Rent payable by the unit owner directly to the lessor or
- 1126 agent under any recreational lease or lease for the use of
- 1127 commonly used facilities, which use and payment is a mandatory
- 1128 condition of ownership and is not included in the common expense
- 1129 or assessments for common maintenance paid by the unit owners to
- 1130 the association.

1131 (d) The following statement in conspicuous type: THE BUDGET

21-00475-23

2023406__

1132 CONTAINED IN THIS OFFERING CIRCULAR HAS BEEN PREPARED IN
1133 ACCORDANCE WITH THE CONDOMINIUM ACT AND IS A GOOD FAITH ESTIMATE
1134 ONLY AND REPRESENTS AN APPROXIMATION OF FUTURE EXPENSES BASED ON
1135 FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION.
1136 ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH
1137 CHANGES IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN
1138 THE OFFERING.

1139 (e) Each budget for an association prepared by a developer
1140 consistent with this subsection shall be prepared in good faith
1141 and shall reflect accurate estimated amounts for the required
1142 items in paragraph (c) at the time of the filing of the offering
1143 circular with the division, and subsequent increased amounts of
1144 any item included in the association's estimated budget that are
1145 beyond the control of the developer shall not be considered an
1146 amendment that would give rise to rescission rights set forth in
1147 s. 718.503(1)(a) or (b), nor shall such increases modify, void,
1148 or otherwise affect any guarantee of the developer contained in
1149 the offering circular or any purchase contract. It is the intent
1150 of this paragraph to clarify existing law.

1151 (f) The estimated amounts shall be stated for a period of
1152 at least 12 months and may distinguish between the period prior
1153 to the time unit owners other than the developer elect a
1154 majority of the board of administration and the period after
1155 that date.

1156 (22) A schedule of estimated closing expenses to be paid by
1157 a buyer or lessee of a unit and a statement of whether title
1158 opinion or title insurance policy is available to the buyer and,
1159 if so, at whose expense.

1160 (23) The identity of the developer and the chief operating

21-00475-23

2023406__

1161 officer or principal directing the creation and sale of the
1162 condominium and a statement of its and his or her experience in
1163 this field.

1164 (24) Copies of the following, to the extent they are
1165 applicable, shall be included as exhibits:

1166 (a) The declaration of condominium, or the proposed
1167 declaration if the declaration has not been recorded.

1168 (b) The articles of incorporation creating the association.

1169 (c) The bylaws of the association.

1170 (d) The ground lease or other underlying lease of the
1171 condominium.

1172 (e) The management agreement and all maintenance and other
1173 contracts for management of the association and operation of the
1174 condominium and facilities used by the unit owners having a
1175 service term in excess of 1 year.

1176 (f) The estimated operating budget for the condominium, the
1177 required schedule of unit owners' expenses, and the
1178 association's most recent structural integrity reserve study or
1179 a statement that the association has not completed a structural
1180 integrity reserve study.

1181 (g) A copy of the floor plan of the unit and the plot plan
1182 showing the location of the residential buildings and the
1183 recreation and other common areas.

1184 (h) The lease of recreational and other facilities that
1185 will be used only by unit owners of the subject condominium.

1186 (i) The lease of facilities used by owners and others.

1187 (j) The form of unit lease, if the offer is of a leasehold.

1188 (k) A declaration of servitude of properties serving the
1189 condominium but not owned by unit owners or leased to them or

21-00475-23

2023406__

1190 the association.

1191 (l) The statement of condition of the existing building or
1192 buildings, if the offering is of units in an operation being
1193 converted to condominium ownership.

1194 (m) The statement of inspection for termite damage and
1195 treatment of the existing improvements, if the condominium is a
1196 conversion.

1197 (n) The form of agreement for sale or lease of units.

1198 (o) A copy of the agreement for escrow of payments made to
1199 the developer prior to closing.

1200 (p) A copy of the documents containing any restrictions on
1201 use of the property required by subsection (17).

1202 (q) A copy of the inspector-prepared summary of the
1203 milestone inspection report as described in ss. 553.899 and
1204 718.301(4)(p), as applicable.

1205 (25) Any prospectus or offering circular complying, prior
1206 to the effective date of this act, with the provisions of former
1207 ss. 711.69 and 711.802 may continue to be used without amendment
1208 or may be amended to comply with this chapter.

1209 (26) A brief narrative description of the location and
1210 effect of all existing and intended easements located or to be
1211 located on the condominium property other than those described
1212 in the declaration.

1213 (27) If the developer is required by state or local
1214 authorities to obtain acceptance or approval of any dock or
1215 marina facilities intended to serve the condominium, a copy of
1216 any such acceptance or approval acquired by the time of filing
1217 with the division under s. 718.502(1) or a statement that such
1218 acceptance or approval has not been acquired or received.

21-00475-23

2023406__

1219 (28) Evidence demonstrating that the developer has an
1220 ownership, leasehold, or contractual interest in the land upon
1221 which the condominium is to be developed.

1222 Section 19. Section 718.508, Florida Statutes, is amended
1223 to read:

1224 718.508 Regulation by Division of Hotels and Restaurants.—
1225 In addition to the authority, regulation, or control exercised
1226 by the Division of Florida Condominiums, Timeshares, Yacht
1227 Brokers, and Mobile Homes pursuant to this act with respect to
1228 condominiums, buildings included in a condominium property are
1229 subject to the authority, regulation, or control of the Division
1230 of Hotels and Restaurants of the Department of Business and
1231 Professional Regulation, to the extent provided in chapter 399.

1232 Section 20. Section 718.509, Florida Statutes, is amended
1233 to read:

1234 718.509 Division of Florida Condominiums, Timeshares, Yacht
1235 Brokers, and Mobile Homes Trust Fund.—

1236 (1) There is created within the State Treasury the Division
1237 of Florida Condominiums, Timeshares, Yacht Brokers, and Mobile
1238 Homes Trust Fund to be used for the administration and operation
1239 of this chapter and chapters 718, 719, 721, and 723 by the
1240 division.

1241 (2) All moneys collected by the division from fees, fines,
1242 or penalties or from costs awarded to the division by a court or
1243 administrative final order shall be paid into the Division of
1244 Florida Condominiums, Timeshares, Yacht Brokers, and Mobile
1245 Homes Trust Fund. The Legislature shall appropriate funds from
1246 this trust fund sufficient to carry out the provisions of this
1247 chapter and the provisions of law with respect to each category

21-00475-23

2023406__

1248 of business covered by the trust fund. The division shall
1249 maintain separate revenue accounts in the trust fund for each of
1250 the businesses regulated by the division. The division shall
1251 provide for the proportionate allocation among the accounts of
1252 expenses incurred by the division in the performance of its
1253 duties with respect to each of these businesses. As part of its
1254 normal budgetary process, the division shall prepare an annual
1255 report of revenue and allocated expenses related to the
1256 operation of each of these businesses which may be used to
1257 determine fees charged by the division. This subsection shall
1258 operate pursuant to the provisions of s. 215.20.

1259 Section 21. Paragraph (a) of subsection (2) of section
1260 718.608, Florida Statutes, is amended to read:

1261 718.608 Notice of intended conversion; time of delivery;
1262 content.—

1263 (2) (a) Each notice of intended conversion shall be dated
1264 and in writing. The notice shall contain the following
1265 statement, with the phrases of the following statement which
1266 appear in upper case printed in conspicuous type:

1267 These apartments are being converted to condominium by
1268 ... (name of developer) ..., the developer.

1269 1. YOU MAY REMAIN AS A RESIDENT UNTIL THE EXPIRATION OF
1270 YOUR RENTAL AGREEMENT. FURTHER, YOU MAY EXTEND YOUR RENTAL
1271 AGREEMENT AS FOLLOWS:

1272 a. If you have continuously been a resident of these
1273 apartments during the last 180 days and your rental agreement
1274 expires during the next 270 days, you may extend your rental
1275 agreement for up to 270 days after the date of this notice.

1276 b. If you have not been a continuous resident of these

21-00475-23

2023406__

1277 apartments for the last 180 days and your rental agreement
1278 expires during the next 180 days, you may extend your rental
1279 agreement for up to 180 days after the date of this notice.

1280 c. IN ORDER FOR YOU TO EXTEND YOUR RENTAL AGREEMENT, YOU
1281 MUST GIVE THE DEVELOPER WRITTEN NOTICE WITHIN 45 DAYS AFTER THE
1282 DATE OF THIS NOTICE.

1283 2. IF YOUR RENTAL AGREEMENT EXPIRES IN THE NEXT 45 DAYS,
1284 you may extend your rental agreement for up to 45 days after the
1285 date of this notice while you decide whether to extend your
1286 rental agreement as explained above. To do so, you must notify
1287 the developer in writing. You will then have the full 45 days to
1288 decide whether to extend your rental agreement as explained
1289 above.

1290 3. During the extension of your rental agreement you will
1291 be charged the same rent that you are now paying.

1292 4. YOU MAY CANCEL YOUR RENTAL AGREEMENT AND ANY EXTENSION
1293 OF THE RENTAL AGREEMENT AS FOLLOWS:

1294 a. If your rental agreement began or was extended or
1295 renewed after May 1, 1980, and your rental agreement, including
1296 extensions and renewals, has an unexpired term of 180 days or
1297 less, you may cancel your rental agreement upon 30 days' written
1298 notice and move. Also, upon 30 days' written notice, you may
1299 cancel any extension of the rental agreement.

1300 b. If your rental agreement was not begun or was not
1301 extended or renewed after May 1, 1980, you may not cancel the
1302 rental agreement without the consent of the developer. If your
1303 rental agreement, including extensions and renewals, has an
1304 unexpired term of 180 days or less, you may, however, upon 30
1305 days' written notice cancel any extension of the rental

21-00475-23

2023406__

1306 agreement.

1307 5. All notices must be given in writing and sent by mail,
1308 return receipt requested, or delivered in person to the
1309 developer at this address: ...(name and address of
1310 developer)....

1311 6. If you have continuously been a resident of these
1312 apartments during the last 180 days:

1313 a. You have the right to purchase your apartment and will
1314 have 45 days to decide whether to purchase. If you do not buy
1315 the unit at that price and the unit is later offered at a lower
1316 price, you will have the opportunity to buy the unit at the
1317 lower price. However, in all events your right to purchase the
1318 unit ends when the rental agreement or any extension of the
1319 rental agreement ends or when you waive this right in writing.

1320 b. Within 90 days you will be provided purchase information
1321 relating to your apartment, including the price of your unit and
1322 the condition of the building. If you do not receive this
1323 information within 90 days, your rental agreement and any
1324 extension will be extended 1 day for each day over 90 days until
1325 you are given the purchase information. If you do not want this
1326 rental agreement extension, you must notify the developer in
1327 writing.

1328 7. If you have any questions regarding this conversion or
1329 the Condominium Act, you may contact the developer or the state
1330 agency which regulates condominiums: The Division of Florida
1331 Condominiums, Timeshares, Yacht Brokers, and Mobile Homes,
1332 ...(Tallahassee address and telephone number of division)....

1333 Section 22. Subsection (17) of section 719.103, Florida
1334 Statutes, is amended to read:

21-00475-23

2023406__

1335 719.103 Definitions.—As used in this chapter:

1336 (17) "Division" means the Division of Florida Condominiums,
1337 Timeshares, Yacht Brokers, and Mobile Homes of the Department of
1338 Business and Professional Regulation.

1339 Section 23. Section 719.1255, Florida Statutes, is amended
1340 to read:

1341 719.1255 Alternative resolution of disputes.—The Division
1342 of Florida Condominiums, Timeshares, Yacht Brokers, and Mobile
1343 Homes of the Department of Business and Professional Regulation
1344 shall provide for alternative dispute resolution in accordance
1345 with s. 718.1255.

1346 Section 24. Subsection (1) and paragraph (b) of subsection
1347 (2) of section 719.501, Florida Statutes, are amended to read:

1348 719.501 Powers and duties of Division of Florida
1349 Condominiums, Timeshares, Yacht Brokers, and Mobile Homes.—

1350 (1) The Division of Florida Condominiums, Timeshares, Yacht
1351 Brokers, and Mobile Homes of the Department of Business and
1352 Professional Regulation, referred to as the "division" in this
1353 part, in addition to other powers and duties prescribed by
1354 chapter 718, has the power to enforce and ensure compliance with
1355 this chapter and adopted rules relating to the development,
1356 construction, sale, lease, ownership, operation, and management
1357 of residential cooperative units; complaints related to the
1358 procedural completion of the structural integrity reserve
1359 studies under s. 719.106(1)(k); and complaints related to the
1360 procedural completion of milestone inspections under s. 553.899.
1361 In performing its duties, the division shall have the following
1362 powers and duties:

1363 (a) The division may make necessary public or private

21-00475-23

2023406__

1364 investigations within or outside this state to determine whether
1365 any person has violated this chapter or any rule or order
1366 hereunder, to aid in the enforcement of this chapter, or to aid
1367 in the adoption of rules or forms hereunder.

1368 (b) The division may require or permit any person to file a
1369 statement in writing, under oath or otherwise, as the division
1370 determines, as to the facts and circumstances concerning a
1371 matter to be investigated.

1372 (c) For the purpose of any investigation under this
1373 chapter, the division director or any officer or employee
1374 designated by the division director may administer oaths or
1375 affirmations, subpoena witnesses and compel their attendance,
1376 take evidence, and require the production of any matter which is
1377 relevant to the investigation, including the existence,
1378 description, nature, custody, condition, and location of any
1379 books, documents, or other tangible things and the identity and
1380 location of persons having knowledge of relevant facts or any
1381 other matter reasonably calculated to lead to the discovery of
1382 material evidence. Upon failure by a person to obey a subpoena
1383 or to answer questions propounded by the investigating officer
1384 and upon reasonable notice to all persons affected thereby, the
1385 division may apply to the circuit court for an order compelling
1386 compliance.

1387 (d) Notwithstanding any remedies available to unit owners
1388 and associations, if the division has reasonable cause to
1389 believe that a violation of any provision of this chapter or
1390 related rule has occurred, the division may institute
1391 enforcement proceedings in its own name against a developer,
1392 association, officer, or member of the board, or its assignees

21-00475-23

2023406__

1393 or agents, as follows:

1394 1. The division may permit a person whose conduct or
1395 actions may be under investigation to waive formal proceedings
1396 and enter into a consent proceeding whereby orders, rules, or
1397 letters of censure or warning, whether formal or informal, may
1398 be entered against the person.

1399 2. The division may issue an order requiring the developer,
1400 association, officer, or member of the board, or its assignees
1401 or agents, to cease and desist from the unlawful practice and
1402 take such affirmative action as in the judgment of the division
1403 will carry out the purposes of this chapter. Such affirmative
1404 action may include, but is not limited to, an order requiring a
1405 developer to pay moneys determined to be owed to a condominium
1406 association.

1407 3. The division may bring an action in circuit court on
1408 behalf of a class of unit owners, lessees, or purchasers for
1409 declaratory relief, injunctive relief, or restitution.

1410 4. The division may impose a civil penalty against a
1411 developer or association, or its assignees or agents, for any
1412 violation of this chapter or related rule. The division may
1413 impose a civil penalty individually against any officer or board
1414 member who willfully and knowingly violates a provision of this
1415 chapter, a rule adopted pursuant to this chapter, or a final
1416 order of the division. The term "willfully and knowingly" means
1417 that the division informed the officer or board member that his
1418 or her action or intended action violates this chapter, a rule
1419 adopted under this chapter, or a final order of the division,
1420 and that the officer or board member refused to comply with the
1421 requirements of this chapter, a rule adopted under this chapter,

21-00475-23

2023406__

1422 or a final order of the division. The division, prior to
1423 initiating formal agency action under chapter 120, shall afford
1424 the officer or board member an opportunity to voluntarily comply
1425 with this chapter, a rule adopted under this chapter, or a final
1426 order of the division. An officer or board member who complies
1427 within 10 days is not subject to a civil penalty. A penalty may
1428 be imposed on the basis of each day of continuing violation, but
1429 in no event shall the penalty for any offense exceed \$5,000. By
1430 January 1, 1998, the division shall adopt, by rule, penalty
1431 guidelines applicable to possible violations or to categories of
1432 violations of this chapter or rules adopted by the division. The
1433 guidelines must specify a meaningful range of civil penalties
1434 for each such violation of the statute and rules and must be
1435 based upon the harm caused by the violation, upon the repetition
1436 of the violation, and upon such other factors deemed relevant by
1437 the division. For example, the division may consider whether the
1438 violations were committed by a developer or owner-controlled
1439 association, the size of the association, and other factors. The
1440 guidelines must designate the possible mitigating or aggravating
1441 circumstances that justify a departure from the range of
1442 penalties provided by the rules. It is the legislative intent
1443 that minor violations be distinguished from those which endanger
1444 the health, safety, or welfare of the cooperative residents or
1445 other persons and that such guidelines provide reasonable and
1446 meaningful notice to the public of likely penalties that may be
1447 imposed for proscribed conduct. This subsection does not limit
1448 the ability of the division to informally dispose of
1449 administrative actions or complaints by stipulation, agreed
1450 settlement, or consent order. All amounts collected shall be

21-00475-23

2023406__

1451 deposited with the Chief Financial Officer to the credit of the
1452 Division of Florida Condominiums, Timeshares, Yacht Brokers, and
1453 Mobile Homes Trust Fund. If a developer fails to pay the civil
1454 penalty, the division shall thereupon issue an order directing
1455 that such developer cease and desist from further operation
1456 until such time as the civil penalty is paid or may pursue
1457 enforcement of the penalty in a court of competent jurisdiction.
1458 If an association fails to pay the civil penalty, the division
1459 shall thereupon pursue enforcement in a court of competent
1460 jurisdiction, and the order imposing the civil penalty or the
1461 cease and desist order shall not become effective until 20 days
1462 after the date of such order. Any action commenced by the
1463 division shall be brought in the county in which the division
1464 has its executive offices or in the county where the violation
1465 occurred.

1466 (e) The division may prepare and disseminate a prospectus
1467 and other information to assist prospective owners, purchasers,
1468 lessees, and developers of residential cooperatives in assessing
1469 the rights, privileges, and duties pertaining thereto.

1470 (f) The division has authority to adopt rules pursuant to
1471 ss. 120.536(1) and 120.54 to implement and enforce the
1472 provisions of this chapter.

1473 (g) The division shall establish procedures for providing
1474 notice to an association when the division is considering the
1475 issuance of a declaratory statement with respect to the
1476 cooperative documents governing such cooperative community.

1477 (h) The division shall furnish each association which pays
1478 the fees required by paragraph (2) (a) a copy of this act,
1479 subsequent changes to this act on an annual basis, an amended

21-00475-23

2023406__

1480 version of this act as it becomes available from the Secretary
1481 of State's office on a biennial basis, and the rules adopted
1482 thereto on an annual basis.

1483 (i) The division shall annually provide each association
1484 with a summary of declaratory statements and formal legal
1485 opinions relating to the operations of cooperatives which were
1486 rendered by the division during the previous year.

1487 (j) The division shall adopt uniform accounting principles,
1488 policies, and standards to be used by all associations in the
1489 preparation and presentation of all financial statements
1490 required by this chapter. The principles, policies, and
1491 standards shall take into consideration the size of the
1492 association and the total revenue collected by the association.

1493 (k) The division shall provide training and educational
1494 programs for cooperative association board members and unit
1495 owners. The training may, in the division's discretion, include
1496 web-based electronic media and live training and seminars in
1497 various locations throughout the state. The division may review
1498 and approve education and training programs for board members
1499 and unit owners offered by providers and shall maintain a
1500 current list of approved programs and providers and make such
1501 list available to board members and unit owners in a reasonable
1502 and cost-effective manner.

1503 (l) The division shall maintain a toll-free telephone
1504 number accessible to cooperative unit owners.

1505 (m) When a complaint is made to the division, the division
1506 shall conduct its inquiry with reasonable dispatch and with due
1507 regard to the interests of the affected parties. Within 30 days
1508 after receipt of a complaint, the division shall acknowledge the

21-00475-23

2023406__

1509 complaint in writing and notify the complainant whether the
1510 complaint is within the jurisdiction of the division and whether
1511 additional information is needed by the division from the
1512 complainant. The division shall conduct its investigation and
1513 shall, within 90 days after receipt of the original complaint or
1514 timely requested additional information, take action upon the
1515 complaint. However, the failure to complete the investigation
1516 within 90 days does not prevent the division from continuing the
1517 investigation, accepting or considering evidence obtained or
1518 received after 90 days, or taking administrative action if
1519 reasonable cause exists to believe that a violation of this
1520 chapter or a rule of the division has occurred. If an
1521 investigation is not completed within the time limits
1522 established in this paragraph, the division shall, on a monthly
1523 basis, notify the complainant in writing of the status of the
1524 investigation. When reporting its action to the complainant, the
1525 division shall inform the complainant of any right to a hearing
1526 pursuant to ss. 120.569 and 120.57.

1527 (n) The division shall develop a program to certify both
1528 volunteer and paid mediators to provide mediation of cooperative
1529 disputes. The division shall provide, upon request, a list of
1530 such mediators to any association, unit owner, or other
1531 participant in arbitration proceedings under s. 718.1255
1532 requesting a copy of the list. The division shall include on the
1533 list of voluntary mediators only persons who have received at
1534 least 20 hours of training in mediation techniques or have
1535 mediated at least 20 disputes. In order to become initially
1536 certified by the division, paid mediators must be certified by
1537 the Supreme Court to mediate court cases in county or circuit

21-00475-23

2023406__

1538 courts. However, the division may adopt, by rule, additional
1539 factors for the certification of paid mediators, which factors
1540 must be related to experience, education, or background. Any
1541 person initially certified as a paid mediator by the division
1542 must, in order to continue to be certified, comply with the
1543 factors or requirements imposed by rules adopted by the
1544 division.

1545 (2)

1546 (b) All fees shall be deposited in the Division of Florida
1547 Condominiums, Timeshares, Yacht Brokers, and Mobile Homes Trust
1548 Fund as provided by law.

1549 Section 25. Paragraph (a) of subsection (2) of section
1550 719.502, Florida Statutes, is amended to read:

1551 719.502 Filing prior to sale or lease.—

1552 (2) (a) Prior to filing as required by subsection (1), and
1553 prior to acquiring an ownership, leasehold, or contractual
1554 interest in the land upon which the cooperative is to be
1555 developed, a developer shall not offer a contract for purchase
1556 or lease of a unit for more than 5 years. However, the developer
1557 may accept deposits for reservations upon the approval of a
1558 fully executed escrow agreement and reservation agreement form
1559 properly filed with the Division of Florida Condominiums,
1560 Timeshares, Yacht Brokers, and Mobile Homes. Each filing of a
1561 proposed reservation program shall be accompanied by a filing
1562 fee of \$250. Reservations shall not be taken on a proposed
1563 cooperative unless the developer has an ownership, leasehold, or
1564 contractual interest in the land upon which the cooperative is
1565 to be developed. The division shall notify the developer within
1566 20 days of receipt of the reservation filing of any deficiencies

21-00475-23

2023406__

1567 contained therein. Such notification shall not preclude the
1568 determination of reservation filing deficiencies at a later
1569 date, nor shall it relieve the developer of any responsibility
1570 under the law. The escrow agreement and the reservation
1571 agreement form shall include a statement of the right of the
1572 prospective purchaser to an immediate unqualified refund of the
1573 reservation deposit moneys upon written request to the escrow
1574 agent by the prospective purchaser or the developer.

1575 Section 26. Section 719.504, Florida Statutes, is amended
1576 to read:

1577 719.504 Prospectus or offering circular.—Every developer of
1578 a residential cooperative which contains more than 20
1579 residential units, or which is part of a group of residential
1580 cooperatives which will be served by property to be used in
1581 common by unit owners of more than 20 residential units, shall
1582 prepare a prospectus or offering circular and file it with the
1583 Division of Florida Condominiums, Timeshares, Yacht Brokers, and
1584 Mobile Homes prior to entering into an enforceable contract of
1585 purchase and sale of any unit or lease of a unit for more than 5
1586 years and shall furnish a copy of the prospectus or offering
1587 circular to each buyer. In addition to the prospectus or
1588 offering circular, each buyer shall be furnished a separate page
1589 entitled "Frequently Asked Questions and Answers," which must be
1590 in accordance with a format approved by the division. This page
1591 must, in readable language: inform prospective purchasers
1592 regarding their voting rights and unit use restrictions,
1593 including restrictions on the leasing of a unit; indicate
1594 whether and in what amount the unit owners or the association is
1595 obligated to pay rent or land use fees for recreational or other

21-00475-23

2023406__

1596 commonly used facilities; contain a statement identifying that
1597 amount of assessment which, pursuant to the budget, would be
1598 levied upon each unit type, exclusive of any special
1599 assessments, and which identifies the basis upon which
1600 assessments are levied, whether monthly, quarterly, or
1601 otherwise; state and identify any court cases in which the
1602 association is currently a party of record in which the
1603 association may face liability in excess of \$100,000; and state
1604 whether membership in a recreational facilities association is
1605 mandatory and, if so, identify the fees currently charged per
1606 unit type. The division shall by rule require such other
1607 disclosure as in its judgment will assist prospective
1608 purchasers. The prospectus or offering circular may include more
1609 than one cooperative, although not all such units are being
1610 offered for sale as of the date of the prospectus or offering
1611 circular. The prospectus or offering circular must contain the
1612 following information:

1613 (1) The front cover or the first page must contain only:

1614 (a) The name of the cooperative.

1615 (b) The following statements in conspicuous type:

1616 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT
1617 MATTERS TO BE CONSIDERED IN ACQUIRING A COOPERATIVE UNIT.

1618 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN
1619 NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES,
1620 ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES
1621 MATERIALS.

1622 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY
1623 STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS
1624 PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT

21-00475-23

2023406__

1625 REPRESENTATIONS.

1626 (2) Summary: The next page must contain all statements
1627 required to be in conspicuous type in the prospectus or offering
1628 circular.

1629 (3) A separate index of the contents and exhibits of the
1630 prospectus.

1631 (4) Beginning on the first page of the text (not including
1632 the summary and index), a description of the cooperative,
1633 including, but not limited to, the following information:

1634 (a) Its name and location.

1635 (b) A description of the cooperative property, including,
1636 without limitation:

1637 1. The number of buildings, the number of units in each
1638 building, the number of bathrooms and bedrooms in each unit, and
1639 the total number of units, if the cooperative is not a phase
1640 cooperative; or, if the cooperative is a phase cooperative, the
1641 maximum number of buildings that may be contained within the
1642 cooperative, the minimum and maximum number of units in each
1643 building, the minimum and maximum number of bathrooms and
1644 bedrooms that may be contained in each unit, and the maximum
1645 number of units that may be contained within the cooperative.

1646 2. The page in the cooperative documents where a copy of
1647 the survey and plot plan of the cooperative is located.

1648 3. The estimated latest date of completion of constructing,
1649 finishing, and equipping. In lieu of a date, a statement that
1650 the estimated date of completion of the cooperative is in the
1651 purchase agreement and a reference to the article or paragraph
1652 containing that information.

1653 (c) The maximum number of units that will use facilities in

21-00475-23

2023406__

1654 common with the cooperative. If the maximum number of units will
1655 vary, a description of the basis for variation and the minimum
1656 amount of dollars per unit to be spent for additional
1657 recreational facilities or enlargement of such facilities. If
1658 the addition or enlargement of facilities will result in a
1659 material increase of a unit owner's maintenance expense or
1660 rental expense, if any, the maximum increase and limitations
1661 thereon shall be stated.

1662 (5) (a) A statement in conspicuous type describing whether
1663 the cooperative is created and being sold as fee simple
1664 interests or as leasehold interests. If the cooperative is
1665 created or being sold on a leasehold, the location of the lease
1666 in the disclosure materials shall be stated.

1667 (b) If timeshare estates are or may be created with respect
1668 to any unit in the cooperative, a statement in conspicuous type
1669 stating that timeshare estates are created and being sold in
1670 such specified units in the cooperative.

1671 (6) A description of the recreational and other common
1672 areas that will be used only by unit owners of the cooperative,
1673 including, but not limited to, the following:

1674 (a) Each room and its intended purposes, location,
1675 approximate floor area, and capacity in numbers of people.

1676 (b) Each swimming pool, as to its general location,
1677 approximate size and depths, approximate deck size and capacity,
1678 and whether heated.

1679 (c) Additional facilities, as to the number of each
1680 facility, its approximate location, approximate size, and
1681 approximate capacity.

1682 (d) A general description of the items of personal property

21-00475-23

2023406__

1683 and the approximate number of each item of personal property
1684 that the developer is committing to furnish for each room or
1685 other facility or, in the alternative, a representation as to
1686 the minimum amount of expenditure that will be made to purchase
1687 the personal property for the facility.

1688 (e) The estimated date when each room or other facility
1689 will be available for use by the unit owners.

1690 (f)1. An identification of each room or other facility to
1691 be used by unit owners that will not be owned by the unit owners
1692 or the association;

1693 2. A reference to the location in the disclosure materials
1694 of the lease or other agreements providing for the use of those
1695 facilities; and

1696 3. A description of the terms of the lease or other
1697 agreements, including the length of the term; the rent payable,
1698 directly or indirectly, by each unit owner, and the total rent
1699 payable to the lessor, stated in monthly and annual amounts for
1700 the entire term of the lease; and a description of any option to
1701 purchase the property leased under any such lease, including the
1702 time the option may be exercised, the purchase price or how it
1703 is to be determined, the manner of payment, and whether the
1704 option may be exercised for a unit owner's share or only as to
1705 the entire leased property.

1706 (g) A statement as to whether the developer may provide
1707 additional facilities not described above, their general
1708 locations and types, improvements or changes that may be made,
1709 the approximate dollar amount to be expended, and the maximum
1710 additional common expense or cost to the individual unit owners
1711 that may be charged during the first annual period of operation

21-00475-23

2023406__

1712 of the modified or added facilities.

1713
1714 Descriptions as to locations, areas, capacities, numbers,
1715 volumes, or sizes may be stated as approximations or minimums.

1716 (7) A description of the recreational and other facilities
1717 that will be used in common with other cooperatives, community
1718 associations, or planned developments which require the payment
1719 of the maintenance and expenses of such facilities, directly or
1720 indirectly, by the unit owners. The description shall include,
1721 but not be limited to, the following:

1722 (a) Each building and facility committed to be built.

1723 (b) Facilities not committed to be built except under
1724 certain conditions, and a statement of those conditions or
1725 contingencies.

1726 (c) As to each facility committed to be built, or which
1727 will be committed to be built upon the happening of one of the
1728 conditions in paragraph (b), a statement of whether it will be
1729 owned by the unit owners having the use thereof or by an
1730 association or other entity which will be controlled by them, or
1731 others, and the location in the exhibits of the lease or other
1732 document providing for use of those facilities.

1733 (d) The year in which each facility will be available for
1734 use by the unit owners or, in the alternative, the maximum
1735 number of unit owners in the project at the time each of all of
1736 the facilities is committed to be completed.

1737 (e) A general description of the items of personal
1738 property, and the approximate number of each item of personal
1739 property, that the developer is committing to furnish for each
1740 room or other facility or, in the alternative, a representation

21-00475-23

2023406__

1741 as to the minimum amount of expenditure that will be made to
1742 purchase the personal property for the facility.

1743 (f) If there are leases, a description thereof, including
1744 the length of the term, the rent payable, and a description of
1745 any option to purchase.

1746
1747 Descriptions shall include location, areas, capacities, numbers,
1748 volumes, or sizes and may be stated as approximations or
1749 minimums.

1750 (8) Recreation lease or associated club membership:

1751 (a) If any recreational facilities or other common areas
1752 offered by the developer and available to, or to be used by,
1753 unit owners are to be leased or have club membership associated,
1754 the following statement in conspicuous type shall be included:
1755 THERE IS A RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS
1756 COOPERATIVE; or, THERE IS A CLUB MEMBERSHIP ASSOCIATED WITH THIS
1757 COOPERATIVE. There shall be a reference to the location in the
1758 disclosure materials where the recreation lease or club
1759 membership is described in detail.

1760 (b) If it is mandatory that unit owners pay a fee, rent,
1761 dues, or other charges under a recreational facilities lease or
1762 club membership for the use of facilities, there shall be in
1763 conspicuous type the applicable statement:

1764 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS
1765 MANDATORY FOR UNIT OWNERS; or

1766 2. UNIT OWNERS ARE REQUIRED, AS A CONDITION OF OWNERSHIP,
1767 TO BE LESSEES UNDER THE RECREATIONAL FACILITIES LEASE; or

1768 3. UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE COSTS
1769 AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP, REPLACEMENT,

21-00475-23

2023406__

1770 RENT, AND FEES UNDER THE RECREATIONAL FACILITIES LEASE (OR THE
 1771 OTHER INSTRUMENTS PROVIDING THE FACILITIES); or

1772 4. A similar statement of the nature of the organization or
 1773 manner in which the use rights are created, and that unit owners
 1774 are required to pay.

1775
 1776 Immediately following the applicable statement, the location in
 1777 the disclosure materials where the development is described in
 1778 detail shall be stated.

1779 (c) If the developer, or any other person other than the
 1780 unit owners and other persons having use rights in the
 1781 facilities, reserves, or is entitled to receive, any rent, fee,
 1782 or other payment for the use of the facilities, then there shall
 1783 be the following statement in conspicuous type: THE UNIT OWNERS
 1784 OR THE ASSOCIATION(S) MUST PAY RENT OR LAND USE FEES FOR
 1785 RECREATIONAL OR OTHER COMMON AREAS. Immediately following this
 1786 statement, the location in the disclosure materials where the
 1787 rent or land use fees are described in detail shall be stated.

1788 (d) If, in any recreation format, whether leasehold, club,
 1789 or other, any person other than the association has the right to
 1790 a lien on the units to secure the payment of assessments, rent,
 1791 or other exactions, there shall appear a statement in
 1792 conspicuous type in substantially the following form:

1793 1. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO
 1794 SECURE THE PAYMENT OF RENT AND OTHER EXACTIONS UNDER THE
 1795 RECREATION LEASE. THE UNIT OWNER'S FAILURE TO MAKE THESE
 1796 PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN; or

1797 2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO
 1798 SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE

21-00475-23

2023406__

1799 FOR THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE RECREATIONAL
1800 OR COMMONLY USED AREAS. THE UNIT OWNER'S FAILURE TO MAKE THESE
1801 PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

1802
1803 Immediately following the applicable statement, the location in
1804 the disclosure materials where the lien or lien right is
1805 described in detail shall be stated.

1806 (9) If the developer or any other person has the right to
1807 increase or add to the recreational facilities at any time after
1808 the establishment of the cooperative whose unit owners have use
1809 rights therein, without the consent of the unit owners or
1810 associations being required, there shall appear a statement in
1811 conspicuous type in substantially the following form:

1812 RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT
1813 OF UNIT OWNERS OR THE ASSOCIATION(S). Immediately following this
1814 statement, the location in the disclosure materials where such
1815 reserved rights are described shall be stated.

1816 (10) A statement of whether the developer's plan includes a
1817 program of leasing units rather than selling them, or leasing
1818 units and selling them subject to such leases. If so, there
1819 shall be a description of the plan, including the number and
1820 identification of the units and the provisions and term of the
1821 proposed leases, and a statement in boldfaced type that: THE
1822 UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

1823 (11) The arrangements for management of the association and
1824 maintenance and operation of the cooperative property and of
1825 other property that will serve the unit owners of the
1826 cooperative property, and a description of the management
1827 contract and all other contracts for these purposes having a

21-00475-23

2023406__

1828 term in excess of 1 year, including the following:

1829 (a) The names of contracting parties.

1830 (b) The term of the contract.

1831 (c) The nature of the services included.

1832 (d) The compensation, stated on a monthly and annual basis,
1833 and provisions for increases in the compensation.

1834 (e) A reference to the volumes and pages of the cooperative
1835 documents and of the exhibits containing copies of such
1836 contracts.

1837

1838 Copies of all described contracts shall be attached as exhibits.

1839 If there is a contract for the management of the cooperative
1840 property, then a statement in conspicuous type in substantially
1841 the following form shall appear, identifying the proposed or
1842 existing contract manager: THERE IS (IS TO BE) A CONTRACT FOR
1843 THE MANAGEMENT OF THE COOPERATIVE PROPERTY WITH (NAME OF THE
1844 CONTRACT MANAGER). Immediately following this statement, the
1845 location in the disclosure materials of the contract for
1846 management of the cooperative property shall be stated.

1847 (12) If the developer or any other person or persons other
1848 than the unit owners has the right to retain control of the
1849 board of administration of the association for a period of time
1850 which can exceed 1 year after the closing of the sale of a
1851 majority of the units in that cooperative to persons other than
1852 successors or alternate developers, then a statement in
1853 conspicuous type in substantially the following form shall be
1854 included: THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO
1855 RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS
1856 HAVE BEEN SOLD. Immediately following this statement, the

21-00475-23

2023406__

1857 location in the disclosure materials where this right to control
1858 is described in detail shall be stated.

1859 (13) If there are any restrictions upon the sale, transfer,
1860 conveyance, or leasing of a unit, then a statement in
1861 conspicuous type in substantially the following form shall be
1862 included: THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR
1863 CONTROLLED. Immediately following this statement, the location
1864 in the disclosure materials where the restriction, limitation,
1865 or control on the sale, lease, or transfer of units is described
1866 in detail shall be stated.

1867 (14) If the cooperative is part of a phase project, the
1868 following shall be stated:

1869 (a) A statement in conspicuous type in substantially the
1870 following form shall be included: THIS IS A PHASE COOPERATIVE.
1871 ADDITIONAL LAND AND UNITS MAY BE ADDED TO THIS COOPERATIVE.
1872 Immediately following this statement, the location in the
1873 disclosure materials where the phasing is described shall be
1874 stated.

1875 (b) A summary of the provisions of the declaration
1876 providing for the phasing.

1877 (c) A statement as to whether or not residential buildings
1878 and units which are added to the cooperative may be
1879 substantially different from the residential buildings and units
1880 originally in the cooperative, and, if the added residential
1881 buildings and units may be substantially different, there shall
1882 be a general description of the extent to which such added
1883 residential buildings and units may differ, and a statement in
1884 conspicuous type in substantially the following form shall be
1885 included: BUILDINGS AND UNITS WHICH ARE ADDED TO THE COOPERATIVE

21-00475-23

2023406__

1886 MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS AND
1887 UNITS IN THE COOPERATIVE. Immediately following this statement,
1888 the location in the disclosure materials where the extent to
1889 which added residential buildings and units may substantially
1890 differ is described shall be stated.

1891 (d) A statement of the maximum number of buildings
1892 containing units, the maximum and minimum number of units in
1893 each building, the maximum number of units, and the minimum and
1894 maximum square footage of the units that may be contained within
1895 each parcel of land which may be added to the cooperative.

1896 (15) If the cooperative is created by conversion of
1897 existing improvements, the following information shall be
1898 stated:

1899 (a) The information required by s. 719.616.

1900 (b) A caveat that there are no express warranties unless
1901 they are stated in writing by the developer.

1902 (16) A summary of the restrictions, if any, to be imposed
1903 on units concerning the use of any of the cooperative property,
1904 including statements as to whether there are restrictions upon
1905 children and pets, and reference to the volumes and pages of the
1906 cooperative documents where such restrictions are found, or if
1907 such restrictions are contained elsewhere, then a copy of the
1908 documents containing the restrictions shall be attached as an
1909 exhibit.

1910 (17) If there is any land that is offered by the developer
1911 for use by the unit owners and that is neither owned by them nor
1912 leased to them, the association, or any entity controlled by
1913 unit owners and other persons having the use rights to such
1914 land, a statement shall be made as to how such land will serve

21-00475-23

2023406__

1915 the cooperative. If any part of such land will serve the
1916 cooperative, the statement shall describe the land and the
1917 nature and term of service, and the cooperative documents or
1918 other instrument creating such servitude shall be included as an
1919 exhibit.

1920 (18) The manner in which utility and other services,
1921 including, but not limited to, sewage and waste disposal, water
1922 supply, and storm drainage, will be provided and the person or
1923 entity furnishing them.

1924 (19) An explanation of the manner in which the
1925 apportionment of common expenses and ownership of the common
1926 areas have been determined.

1927 (20) An estimated operating budget for the cooperative and
1928 the association, and a schedule of the unit owner's expenses
1929 shall be attached as an exhibit and shall contain the following
1930 information:

1931 (a) The estimated monthly and annual expenses of the
1932 cooperative and the association that are collected from unit
1933 owners by assessments.

1934 (b) The estimated monthly and annual expenses of each unit
1935 owner for a unit, other than assessments payable to the
1936 association, payable by the unit owner to persons or entities
1937 other than the association, and the total estimated monthly and
1938 annual expense. There may be excluded from this estimate
1939 expenses that are personal to unit owners, which are not
1940 uniformly incurred by all unit owners, or which are not provided
1941 for or contemplated by the cooperative documents, including, but
1942 not limited to, the costs of private telephone; maintenance of
1943 the interior of cooperative units, which is not the obligation

21-00475-23

2023406__

1944 of the association; maid or janitorial services privately
 1945 contracted for by the unit owners; utility bills billed directly
 1946 to each unit owner for utility services to his or her unit;
 1947 insurance premiums other than those incurred for policies
 1948 obtained by the cooperative; and similar personal expenses of
 1949 the unit owner. A unit owner's estimated payments for
 1950 assessments shall also be stated in the estimated amounts for
 1951 the times when they will be due.

1952 (c) The estimated items of expenses of the cooperative and
 1953 the association, except as excluded under paragraph (b),
 1954 including, but not limited to, the following items, which shall
 1955 be stated as an association expense collectible by assessments
 1956 or as unit owners' expenses payable to persons other than the
 1957 association:

- 1958 1. Expenses for the association and cooperative:
 - 1959 a. Administration of the association.
 - 1960 b. Management fees.
 - 1961 c. Maintenance.
 - 1962 d. Rent for recreational and other commonly used areas.
 - 1963 e. Taxes upon association property.
 - 1964 f. Taxes upon leased areas.
 - 1965 g. Insurance.
 - 1966 h. Security provisions.
 - 1967 i. Other expenses.
 - 1968 j. Operating capital.
 - 1969 k. Reserves.
- 1970 1. Fee payable to the division.
- 1971 2. Expenses for a unit owner:
 - 1972 a. Rent for the unit, if subject to a lease.

21-00475-23

2023406__

1973 b. Rent payable by the unit owner directly to the lessor or
1974 agent under any recreational lease or lease for the use of
1975 commonly used areas, which use and payment are a mandatory
1976 condition of ownership and are not included in the common
1977 expense or assessments for common maintenance paid by the unit
1978 owners to the association.

1979 (d) The following statement in conspicuous type: THE BUDGET
1980 CONTAINED IN THIS OFFERING CIRCULAR HAS BEEN PREPARED IN
1981 ACCORDANCE WITH THE COOPERATIVE ACT AND IS A GOOD FAITH ESTIMATE
1982 ONLY AND REPRESENTS AN APPROXIMATION OF FUTURE EXPENSES BASED ON
1983 FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION.
1984 ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH
1985 CHANGES IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN
1986 THE OFFERING.

1987 (e) Each budget for an association prepared by a developer
1988 consistent with this subsection shall be prepared in good faith
1989 and shall reflect accurate estimated amounts for the required
1990 items in paragraph (c) at the time of the filing of the offering
1991 circular with the division, and subsequent increased amounts of
1992 any item included in the association's estimated budget that are
1993 beyond the control of the developer shall not be considered an
1994 amendment that would give rise to rescission rights set forth in
1995 s. 719.503(1) (a) or (b), nor shall such increases modify, void,
1996 or otherwise affect any guarantee of the developer contained in
1997 the offering circular or any purchase contract. It is the intent
1998 of this paragraph to clarify existing law.

1999 (f) The estimated amounts shall be stated for a period of
2000 at least 12 months and may distinguish between the period prior
2001 to the time unit owners other than the developer elect a

21-00475-23

2023406__

majority of the board of administration and the period after that date.

(21) A schedule of estimated closing expenses to be paid by a buyer or lessee of a unit and a statement of whether title opinion or title insurance policy is available to the buyer and, if so, at whose expense.

(22) The identity of the developer and the chief operating officer or principal directing the creation and sale of the cooperative and a statement of its and his or her experience in this field.

(23) Copies of the following, to the extent they are applicable, shall be included as exhibits:

(a) The cooperative documents, or the proposed cooperative documents if the documents have not been recorded.

(b) The articles of incorporation creating the association.

(c) The bylaws of the association.

(d) The ground lease or other underlying lease of the cooperative.

(e) The management agreement and all maintenance and other contracts for management of the association and operation of the cooperative and facilities used by the unit owners having a service term in excess of 1 year.

(f) The estimated operating budget for the cooperative and the required schedule of unit owners' expenses.

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

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

21-00475-23

2023406__

- 2031 (i) The lease of facilities used by owners and others.
- 2032 (j) The form of unit lease, if the offer is of a leasehold.
- 2033 (k) A declaration of servitude of properties serving the
2034 cooperative but not owned by unit owners or leased to them or
2035 the association.
- 2036 (l) The statement of condition of the existing building or
2037 buildings, if the offering is of units in an operation being
2038 converted to cooperative ownership.
- 2039 (m) The statement of inspection for termite damage and
2040 treatment of the existing improvements, if the cooperative is a
2041 conversion.
- 2042 (n) The form of agreement for sale or lease of units.
- 2043 (o) A copy of the agreement for escrow of payments made to
2044 the developer prior to closing.
- 2045 (p) A copy of the documents containing any restrictions on
2046 use of the property required by subsection (16).
- 2047 (q) A copy of the inspector-prepared summary of the
2048 milestone inspection report as described in ss. 553.899 and
2049 719.301(4)(p), if applicable.
- 2050 (r) The association's most recent structural integrity
2051 reserve study or a statement that the association has not
2052 completed a structural integrity reserve study.
- 2053 (24) Any prospectus or offering circular complying with the
2054 provisions of former ss. 711.69 and 711.802 may continue to be
2055 used without amendment, or may be amended to comply with this
2056 chapter.
- 2057 (25) A brief narrative description of the location and
2058 effect of all existing and intended easements located or to be
2059 located on the cooperative property other than those in the

21-00475-23

2023406__

2060 declaration.

2061 (26) If the developer is required by state or local
2062 authorities to obtain acceptance or approval of any dock or
2063 marina facility intended to serve the cooperative, a copy of
2064 such acceptance or approval acquired by the time of filing with
2065 the division pursuant to s. 719.502 or a statement that such
2066 acceptance has not been acquired or received.

2067 (27) Evidence demonstrating that the developer has an
2068 ownership, leasehold, or contractual interest in the land upon
2069 which the cooperative is to be developed.

2070 Section 27. Section 719.508, Florida Statutes, is amended
2071 to read:

2072 719.508 Regulation by Division of Hotels and Restaurants.—
2073 In addition to the authority, regulation, or control exercised
2074 by the Division of Florida Condominiums, Timeshares, Yacht
2075 Brokers, and Mobile Homes pursuant to this act with respect to
2076 cooperatives, buildings included in a cooperative property shall
2077 be subject to the authority, regulation, or control of the
2078 Division of Hotels and Restaurants of the Department of Business
2079 and Professional Regulation, to the extent provided in chapters
2080 399 and 509.

2081 Section 28. Paragraph (a) of subsection (2) of section
2082 719.608, Florida Statutes, is amended to read:

2083 719.608 Notice of intended conversion; time of delivery;
2084 content.—

2085 (2) (a) Each notice of intended conversion shall be dated
2086 and in writing. The notice shall contain the following
2087 statement, with the phrases of the following statement which
2088 appear in upper case printed in conspicuous type:

21-00475-23

2023406__

2089 These apartments are being converted to cooperative by
2090 ...(name of developer)..., the developer.

2091 1. YOU MAY REMAIN AS A RESIDENT UNTIL THE EXPIRATION OF
2092 YOUR RENTAL AGREEMENT. FURTHER, YOU MAY EXTEND YOUR RENTAL
2093 AGREEMENT AS FOLLOWS:

2094 a. If you have continuously been a resident of these
2095 apartments during the last 180 days and your rental agreement
2096 expires during the next 270 days, you may extend your rental
2097 agreement for up to 270 days after the date of this notice.

2098 b. If you have not been a continuous resident of these
2099 apartments for the last 180 days and your rental agreement
2100 expires during the next 180 days, you may extend your rental
2101 agreement for up to 180 days after the date of this notice.

2102 c. IN ORDER FOR YOU TO EXTEND YOUR RENTAL AGREEMENT, YOU
2103 MUST GIVE THE DEVELOPER WRITTEN NOTICE WITHIN 45 DAYS AFTER THE
2104 DATE OF THIS NOTICE.

2105 2. IF YOUR RENTAL AGREEMENT EXPIRES IN THE NEXT 45 DAYS,
2106 you may extend your rental agreement for up to 45 days after the
2107 date of this notice while you decide whether to extend your
2108 rental agreement as explained above. To do so, you must notify
2109 the developer in writing. You will then have the full 45 days to
2110 decide whether to extend your rental agreement as explained
2111 above.

2112 3. During the extension of your rental agreement you will
2113 be charged the same rent that you are now paying.

2114 4. YOU MAY CANCEL YOUR RENTAL AGREEMENT AND ANY EXTENSION
2115 OF THE RENTAL AGREEMENT AS FOLLOWS:

2116 a. If your rental agreement began or was extended or
2117 renewed after May 1, 1980, and your rental agreement, including

21-00475-23

2023406__

2118 extensions and renewals, has an unexpired term of 180 days or
2119 less, you may cancel your rental agreement upon 30 days' written
2120 notice and move. Also, upon 30 days' written notice, you may
2121 cancel any extension of the rental agreement.

2122 b. If your rental agreement was not begun or was not
2123 extended or renewed after May 1, 1980, you may not cancel the
2124 rental agreement without the consent of the developer. If your
2125 rental agreement, including extensions and renewals, has an
2126 unexpired term of 180 days or less, you may, however, upon 30
2127 days' written notice cancel any extension of the rental
2128 agreement.

2129 5. All notices must be given in writing and sent by mail,
2130 return receipt requested, or delivered in person to the
2131 developer at this address: ...(name and address of
2132 developer)....

2133 6. If you have continuously been a resident of these
2134 apartments during the last 180 days:

2135 a. You have the right to purchase your apartment and will
2136 have 45 days to decide whether to purchase. If you do not buy
2137 the unit at that price and the unit is later offered at a lower
2138 price, you will have the opportunity to buy the unit at the
2139 lower price. However, in all events your right to purchase the
2140 unit ends when the rental agreement or any extension of the
2141 rental agreement ends or when you waive this right in writing.

2142 b. Within 90 days you will be provided purchase information
2143 relating to your apartment, including the price of your unit and
2144 the condition of the building. If you do not receive this
2145 information within 90 days, your rental agreement and any
2146 extension will be extended 1 day for each day over 90 days until

21-00475-23

2023406__

2147 you are given the purchase information. If you do not want this
2148 rental agreement extension, you must notify the developer in
2149 writing.

2150 7. If you have any questions regarding this conversion or
2151 the Cooperative Act, you may contact the developer or the state
2152 agency which regulates cooperatives: The Division of Florida
2153 Condominiums, Timeshares, Yacht Brokers, and Mobile Homes,
2154 ... (Tallahassee address and telephone number of division)....

2155 Section 29. Subsection (7) of section 720.301, Florida
2156 Statutes, is amended to read:

2157 720.301 Definitions.—As used in this chapter, the term:

2158 (7) "Division" means the Division of Florida Condominiums,
2159 Timeshares, Yacht Brokers, and Mobile Homes in the Department of
2160 Business and Professional Regulation.

2161 Section 30. Subsection (11) of section 721.05, Florida
2162 Statutes, is amended to read:

2163 721.05 Definitions.—As used in this chapter, the term:

2164 (11) "Division" means the Division of Florida Condominiums,
2165 Timeshares, Yacht Brokers, and Mobile Homes of the Department of
2166 Business and Professional Regulation.

2167 Section 31. Paragraph (d) of subsection (2) of section
2168 721.07, Florida Statutes, is amended to read:

2169 721.07 Public offering statement.—Prior to offering any
2170 timeshare plan, the developer must submit a filed public
2171 offering statement to the division for approval as prescribed by
2172 s. 721.03, s. 721.55, or this section. Until the division
2173 approves such filing, any contract regarding the sale of that
2174 timeshare plan is subject to cancellation by the purchaser
2175 pursuant to s. 721.10.

21-00475-23

2023406__

2176
2177
2178
2179
2180
2181
2182
2183
2184
2185
2186
2187
2188
2189
2190
2191
2192
2193
2194
2195
2196
2197
2198
2199
2200
2201
2202
2203
2204

(2)

(d) A developer shall have the authority to deliver to purchasers any purchaser public offering statement that is not yet approved by the division, provided that the following shall apply:

1. At the time the developer delivers an unapproved purchaser public offering statement to a purchaser pursuant to this paragraph, the developer shall deliver a fully completed and executed copy of the purchase contract required by s. 721.06 that contains the following statement in conspicuous type in substantially the following form which shall replace the statements required by s. 721.06(1)(g):

The developer is delivering to you a public offering statement that has been filed with but not yet approved by the Division of Florida Condominiums, Timeshares, Yacht Brokers, and Mobile Homes. Any revisions to the unapproved public offering statement you have received must be delivered to you, but only if the revisions materially alter or modify the offering in a manner adverse to you. After the division approves the public offering statement, you will receive notice of the approval from the developer and the required revisions, if any.

Your statutory right to cancel this transaction without any penalty or obligation expires 10 calendar days after the date you signed your purchase contract or the date on which you receive the last of all documents required to be given to you pursuant to section 721.07(6), Florida Statutes, or 10 calendar days after you receive revisions required to be delivered to

21-00475-23

2023406__

2205 you, if any, whichever is later. If you decide to cancel this
2206 contract, you must notify the seller in writing of your intent
2207 to cancel. Your notice of cancellation shall be effective upon
2208 the date sent and shall be sent to ... (Name of Seller)... at
2209 ... (Address of Seller)... Any attempt to obtain a waiver of
2210 your cancellation right is void and of no effect. While you may
2211 execute all closing documents in advance, the closing, as
2212 evidenced by delivery of the deed or other document, before
2213 expiration of your 10-day cancellation period, is prohibited.

2214

2215 2. After receipt of approval from the division and prior to
2216 closing, if any revisions made to the documents contained in the
2217 purchaser public offering statement materially alter or modify
2218 the offering in a manner adverse to a purchaser, the developer
2219 shall send the purchaser such revisions, together with a notice
2220 containing a statement in conspicuous type in substantially the
2221 following form:

2222

2223 *The unapproved public offering statement previously delivered to*
2224 *you, together with the enclosed revisions, has been approved by*
2225 *the Division of Florida Condominiums, Timeshares, Yacht Brokers,*
2226 *and Mobile Homes. Accordingly, your cancellation right expires*
2227 *10 calendar days after you sign your purchase contract or 10*
2228 *calendar days after you receive these revisions, whichever is*
2229 *later. If you have any questions regarding your cancellation*
2230 *rights, you may contact the division at [insert division's*
2231 *current address].*

2232

2233 3. After receipt of approval from the division and prior to

21-00475-23

2023406__

2234 closing, if no revisions have been made to the documents
2235 contained in the unapproved purchaser public offering statement,
2236 or if such revisions do not materially alter or modify the
2237 offering in a manner adverse to a purchaser, the developer shall
2238 send the purchaser a notice containing a statement in
2239 conspicuous type in substantially the following form:

2240

2241 *The unapproved public offering statement previously delivered to*
2242 *you has been approved by the Division of Florida Condominiums,*
2243 *Timeshares, Yacht Brokers, and Mobile Homes. Revisions made to*
2244 *the unapproved public offering statement, if any, are not*
2245 *required to be delivered to you or are not deemed by the*
2246 *developer, in its opinion, to materially alter or modify the*
2247 *offering in a manner that is adverse to you. Accordingly, your*
2248 *cancellation right expired 10 days after you signed your*
2249 *purchase contract. A complete copy of the approved public*
2250 *offering statement is available through the managing entity for*
2251 *inspection as part of the books and records of the plan. If you*
2252 *have any questions regarding your cancellation rights, you may*
2253 *contact the division at [insert division's current address].*

2254 Section 32. Subsection (8) of section 721.08, Florida
2255 Statutes, is amended to read:

2256 721.08 Escrow accounts; nondisturbance instruments;
2257 alternate security arrangements; transfer of legal title.—

2258 (8) An escrow agent holding escrowed funds pursuant to this
2259 chapter that have not been claimed for a period of 5 years after
2260 the date of deposit shall make at least one reasonable attempt
2261 to deliver such unclaimed funds to the purchaser who submitted
2262 such funds to escrow. In making such attempt, an escrow agent is

21-00475-23

2023406__

2263 entitled to rely on a purchaser's last known address as set
2264 forth in the books and records of the escrow agent and is not
2265 required to conduct any further search for the purchaser. If an
2266 escrow agent's attempt to deliver unclaimed funds to any
2267 purchaser is unsuccessful, the escrow agent may deliver such
2268 unclaimed funds to the division and the division shall deposit
2269 such unclaimed funds in the Division of Florida Condominiums,
2270 Timeshares, Yacht Brokers, and Mobile Homes Trust Fund, 30 days
2271 after giving notice in a publication of general circulation in
2272 the county in which the timeshare property containing the
2273 purchaser's timeshare interest is located. The purchaser may
2274 claim the same at any time prior to the delivery of such funds
2275 to the division. After delivery of such funds to the division,
2276 the purchaser shall have no more rights to the unclaimed funds.
2277 The escrow agent shall not be liable for any claims from any
2278 party arising out of the escrow agent's delivery of the
2279 unclaimed funds to the division pursuant to this section.

2280 Section 33. Paragraph (e) of subsection (5) of section
2281 721.26, Florida Statutes, is amended to read:

2282 721.26 Regulation by division.—The division has the power
2283 to enforce and ensure compliance with this chapter, except for
2284 parts III and IV, using the powers provided in this chapter, as
2285 well as the powers prescribed in chapters 718 and 719. In
2286 performing its duties, the division shall have the following
2287 powers and duties:

2288 (5) Notwithstanding any remedies available to purchasers,
2289 if the division has reasonable cause to believe that a violation
2290 of this chapter, or of any division rule adopted or order issued
2291 pursuant to this chapter, has occurred, the division may

21-00475-23

2023406__

2292 institute enforcement proceedings in its own name against any
2293 regulated party, as such term is defined in this subsection:

2294 (e)1. The division may impose a penalty against any
2295 regulated party for a violation of this chapter or any rule
2296 adopted thereunder. A penalty may be imposed on the basis of
2297 each day of continuing violation, but in no event may the
2298 penalty for any offense exceed \$10,000. All accounts collected
2299 shall be deposited with the Chief Financial Officer to the
2300 credit of the Division of Florida Condominiums, Timeshares,
2301 Yacht Brokers, and Mobile Homes Trust Fund.

2302 2.a. If a regulated party fails to pay a penalty, the
2303 division shall thereupon issue an order directing that such
2304 regulated party cease and desist from further operation until
2305 such time as the penalty is paid; or the division may pursue
2306 enforcement of the penalty in a court of competent jurisdiction.

2307 b. If an owners' association or managing entity fails to
2308 pay a civil penalty, the division may pursue enforcement in a
2309 court of competent jurisdiction.

2310 Section 34. Section 721.28, Florida Statutes, is amended to
2311 read:

2312 721.28 Division of Florida Condominiums, Timeshares, Yacht
2313 Brokers, and Mobile Homes Trust Fund.—All funds collected by the
2314 division and any amounts paid as fees or penalties under this
2315 chapter shall be deposited in the State Treasury to the credit
2316 of the Division of Florida Condominiums, Timeshares, Yacht
2317 Brokers, and Mobile Homes Trust Fund created by s. 718.509.

2318 Section 35. Paragraph (c) of subsection (1) of section
2319 721.301, Florida Statutes, is amended to read:

2320 721.301 Florida Timesharing, Vacation Club, and Hospitality

21-00475-23

2023406__

2321 Program.—

2322 (1)

2323 (c) The director may designate funds from the Division of
2324 Florida Condominiums, Timeshares, Yacht Brokers, and Mobile
2325 Homes Trust Fund, not to exceed \$50,000 annually, to support the
2326 projects and proposals undertaken pursuant to paragraph (b). All
2327 state trust funds to be expended pursuant to this section must
2328 be matched equally with private moneys and shall comprise no
2329 more than half of the total moneys expended annually.

2330 Section 36. Subsection (2) and paragraph (a) of subsection
2331 (7) of section 723.003, Florida Statutes, are amended to read:

2332 723.003 Definitions.—As used in this chapter, the term:

2333 (2) "Division" means the Division of Florida Condominiums,
2334 Timeshares, Yacht Brokers, and Mobile Homes of the Department of
2335 Business and Professional Regulation.

2336 (7) (a) "Mediation" means a process whereby a mediator
2337 appointed by the Division of Florida Condominiums, Timeshares,
2338 Yacht Brokers, and Mobile Homes, or mutually selected by the
2339 parties, acts to encourage and facilitate the resolution of a
2340 dispute. It is an informal and nonadversarial process with the
2341 objective of helping the disputing parties reach a mutually
2342 acceptable agreement.

2343 Section 37. Paragraph (e) of subsection (5) of section
2344 723.006, Florida Statutes, is amended to read:

2345 723.006 Powers and duties of division.—In performing its
2346 duties, the division has the following powers and duties:

2347 (5) Notwithstanding any remedies available to mobile home
2348 owners, mobile home park owners, and homeowners' associations,
2349 if the division has reasonable cause to believe that a violation

21-00475-23

2023406__

2350 of any provision of this chapter or related rule has occurred,
2351 the division may institute enforcement proceedings in its own
2352 name against a developer, mobile home park owner, or homeowners'
2353 association, or its assignee or agent, as follows:

2354 (e)1. The division may impose a civil penalty against a
2355 mobile home park owner or homeowners' association, or its
2356 assignee or agent, for any violation of this chapter, a properly
2357 adopted park rule or regulation, or a rule adopted pursuant
2358 hereto. A penalty may be imposed on the basis of each separate
2359 violation and, if the violation is a continuing one, for each
2360 day of continuing violation, but in no event may the penalty for
2361 each separate violation or for each day of continuing violation
2362 exceed \$5,000. All amounts collected shall be deposited with the
2363 Chief Financial Officer to the credit of the Division of Florida
2364 Condominiums, Timeshares, Yacht Brokers, and Mobile Homes Trust
2365 Fund.

2366 2. If a violator fails to pay the civil penalty, the
2367 division shall thereupon issue an order directing that such
2368 violator cease and desist from further violation until such time
2369 as the civil penalty is paid or may pursue enforcement of the
2370 penalty in a court of competent jurisdiction. If a homeowners'
2371 association fails to pay the civil penalty, the division shall
2372 thereupon pursue enforcement in a court of competent
2373 jurisdiction, and the order imposing the civil penalty or the
2374 cease and desist order shall not become effective until 20 days
2375 after the date of such order. Any action commenced by the
2376 division shall be brought in the county in which the division
2377 has its executive offices or in which the violation occurred.

2378 Section 38. Section 723.009, Florida Statutes, is amended

21-00475-23

2023406__

2379 to read:

2380 723.009 Division of Florida Condominiums, Timeshares, Yacht
2381 Brokers, and Mobile Homes Trust Fund.—All proceeds from the
2382 fees, penalties, and fines imposed pursuant to this chapter
2383 shall be deposited into the Division of Florida Condominiums,
2384 Timeshares, Yacht Brokers, and Mobile Homes Trust Fund created
2385 by s. 718.509. Moneys in this fund, as appropriated by the
2386 Legislature pursuant to chapter 216, may be used to defray the
2387 expenses incurred by the division in administering the
2388 provisions of this chapter.

2389 Section 39. Paragraph (c) of subsection (2) of section
2390 723.0611, Florida Statutes, is amended to read:

2391 723.0611 Florida Mobile Home Relocation Corporation.—

2392 (2)

2393 (c) The corporation shall, for purposes of s. 768.28, be
2394 considered an agency of the state. Agents or employees of the
2395 corporation, members of the board of directors of the
2396 corporation, or representatives of the Division of Florida
2397 Condominiums, Timeshares, Yacht Brokers, and Mobile Homes shall
2398 be considered officers, employees, or agents of the state, and
2399 actions against them and the corporation shall be governed by s.
2400 768.28.

2401 Section 40. This act shall take effect July 1, 2023.