

1 A bill to be entitled
2 An act relating to condominiums within a portion of a
3 building or within a multiple parcel building;
4 amending s. 718.103, F.S.; revising the definition of
5 "condominium property"; amending s. 718.202, F.S.;
6 conforming provisions to changes made by the act;
7 creating s. 718.407, F.S.; providing that a
8 condominium may be created within a portion of a
9 building or within a multiple parcel building;
10 providing for the common elements of such condominium;
11 providing requirements for the declaration of
12 condominium and other recorded instruments;
13 authorizing an association to inspect and copy certain
14 books and records and to receive an annual budget;
15 requiring a specified statement be included in a
16 contract for sale of a unit of the condominium;
17 requiring a seller of a unit of the condominium to
18 provide a specified disclosure summary to a purchaser;
19 providing that a multiple parcel building is not a
20 subdivision of land if the land is not subdivided;
21 amending s. 718.503, F.S.; requiring certain persons
22 to provide specified disclosures to purchasers under
23 certain circumstances; providing construction;
24 providing an effective date.

26 Be It Enacted by the Legislature of the State of Florida:

27

28 Section 1. Subsection (14) of section 718.103, Florida
 29 Statutes, is amended to read:

30 718.103 Definitions.—As used in this chapter, the term:

31 (14) "Condominium property" means the lands and,
 32 leaseholds, and all improvements thereon, and ~~personal property~~
 33 ~~that are subjected to condominium ownership, whether or not~~
 34 ~~contiguous, and all improvements thereon and all easements and~~
 35 ~~rights appurtenant thereto, whether or not contiguous, and~~
 36 personal property, if any, which is intended for use in
 37 connection with the condominium and which are subjected to
 38 condominium ownership.

39 Section 2. Subsection (3) of section 718.202, Florida
 40 Statutes, is amended to read:

41 718.202 Sales or reservation deposits prior to closing.—

42 (3) If the contract for sale of the condominium unit so
 43 provides, the developer may withdraw escrow funds in excess of
 44 10 percent of the purchase price from the special account
 45 required by subsection (2) when the construction of improvements
 46 has begun. He or she may use the funds for the actual costs
 47 incurred by the developer in the construction and development of
 48 the condominium property in which the unit to be sold is located
 49 or the easements and rights appurtenant thereto. For purposes of
 50 this subsection, the term "actual costs" includes, but is not

51 limited to, expenditures for demolition, site clearing, permit
 52 fees, impact fees, and utility reservation fees, as well as
 53 architectural, engineering, and surveying fees that directly
 54 relate to construction and development of the condominium
 55 property or the easements and rights appurtenant thereto.
 56 However, no part of these funds may be used for salaries,
 57 commissions, or expenses of salespersons; for advertising,
 58 marketing, or promotional purposes; or for loan fees and costs,
 59 principal and interest on loans, attorney fees, accounting fees,
 60 or insurance costs. A contract which permits use of the advance
 61 payments for these purposes shall include the following legend
 62 conspicuously printed or stamped in boldfaced type on the first
 63 page of the contract and immediately above the place for the
 64 signature of the buyer: ANY PAYMENT IN EXCESS OF 10 PERCENT OF
 65 THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT
 66 TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE
 67 DEVELOPER.

68 Section 3. Section 718.407, Florida Statutes, is created
 69 to read:

70 718.407 Condominiums created within a portion of a
 71 building or within a multiple parcel building.-

72 (1) Notwithstanding s. 718.103(12) or s. 718.108(1), a
 73 condominium may be created within a portion of a building or
 74 within a multiple parcel building, as defined in s. 193.0237(1),
 75 as provided in this section.

76 (2) The common elements of a condominium created within a
 77 portion of a building or a multiple parcel building are only the
 78 portions of the building submitted to the condominium form of
 79 ownership, excluding the units of such condominium.

80 (3) The declaration of condominium that creates a
 81 condominium within a portion of a building or within a multiple
 82 parcel building, the recorded instrument that creates the
 83 multiple parcel building, or any other recorded instrument
 84 applicable under this section must specify all of the following:

85 (a) The portions of the building that are included in the
 86 condominium and the portions of the building that are excluded.

87 (b) The party responsible for maintaining and operating
 88 those portions of the building that are shared facilities,
 89 including, but not limited to, the roof, exterior of the
 90 building, windows, balconies, elevators, building lobby,
 91 corridors, recreational amenities, and utilities.

92 (c)1. How the expenses for the maintenance and operation
 93 of the shared facilities will be apportioned among the portions
 94 of the building, including the specific initial apportionment of
 95 expenses. An owner of a portion of a building or the condominium
 96 association for the portion of the building submitted to
 97 condominium form of ownership must approve any increase in the
 98 expenses apportioned to a such portion of the building. The
 99 apportionment of the expenses for the maintenance and operation
 100 of the shared facilities is presumed appropriate if such

101 apportionment is based on any of the following criteria or any
102 combination thereof:

103 a. The area or volume of each portion of the building in
104 relation to the total area or volume of the entire building,
105 exclusive of the shared facilities.

106 b. The market value of each portion of the building in
107 comparison to the total market value of the entire building.

108 c. The extent to which the unit owners are permitted to
109 use various components of the shared facilities.

110 2. This paragraph does not preclude the use of an
111 alternative method of apportionment of expenses provided the
112 method is stated in the declaration of condominium that creates
113 a condominium within a portion of a building or within a
114 multiple parcel building, the recorded instrument that creates
115 the multiple parcel building, or any other recorded instrument
116 applicable under this section.

117 (d) The party responsible for collecting shared expenses
118 from all owners.

119 (e) The rights and remedies that are available to enforce
120 payment from the other owners.

121 (4) The association of a condominium subject to this
122 section has the right to inspect and copy the books and records
123 upon which the costs for maintaining and operating the shared
124 facilities are based and to receive an annual budget with
125 respect to such costs.

126 (5) Each contract for the sale of a unit in a condominium
 127 subject to this section must contain in conspicuous type a
 128 clause that substantially states:

129
 130 THE CONDOMINIUM IN WHICH YOUR UNIT IS LOCATED IS
 131 CREATED WITHIN A PORTION OF A BUILDING. THE COMMON
 132 ELEMENTS OF THE CONDOMINIUM CONSIST ONLY OF THE
 133 PORTIONS OF THE BUILDING SUBMITTED TO THE CONDOMINIUM
 134 FORM OF OWNERSHIP, EXCLUDING THE UNITS. THE
 135 CONDOMINIUM MAY HAVE MINIMAL OR NO COMMON ELEMENTS.
 136 PORTIONS OF THE BUILDING THAT ARE NOT INCLUDED IN THE
 137 CONDOMINIUM ARE GOVERNED BY A SEPARATE RECORDED
 138 INSTRUMENT THAT CONTAINS IMPORTANT PROVISIONS AND
 139 RIGHTS.

140
 141 A CONTRACT THAT DOES NOT CONFORM TO THE REQUIREMENTS
 142 OF SECTION 718.407, FLORIDA STATUTES, IS VOIDABLE AT
 143 THE OPTION OF THE PURCHASER BEFORE CLOSING.

144
 145 (6) The seller of a unit in a condominium subject to this
 146 section must provide a separate disclosure summary that must be
 147 signed by the purchaser. The disclosure summary must contain the
 148 following statements in conspicuous type:

149
 150 DISCLOSURE SUMMARY

151 THE CONDOMINIUM IN WHICH YOUR UNIT IS LOCATED IS
 152 CREATED WITHIN A PORTION OF A BUILDING OR WITHIN A
 153 MULTIPLE PARCEL BUILDING. PORTIONS OF THE BUILDING
 154 THAT ARE NOT INCLUDED IN THE CONDOMINIUM ARE (OR WILL
 155 BE) GOVERNED BY A SEPARATE RECORDED INSTRUMENT THAT
 156 CONTAINS IMPORTANT PROVISIONS AND RIGHTS. THE
 157 ASSOCIATION AND UNIT OWNERS MAY HAVE LIMITED OR NO
 158 CONTROL OVER THE MAINTENANCE, OPERATION, AND COSTS OF
 159 THE PORTIONS OF THE BUILDING THAT ARE NOT SUBMITTED TO
 160 THE CONDOMINIUM FORM OF OWNERSHIP. A COPY OF SUCH
 161 INSTRUMENT IS ATTACHED HERETO. THE ALLOCATION BETWEEN
 162 THE OWNERS OF THE COSTS TO MAINTAIN AND OPERATE THE
 163 BUILDING ARE SET FORTH IN THE DECLARATION OF
 164 CONDOMINIUM OR OTHER RECORDED INSTRUMENT, WHICH IS
 165 ATTACHED HERETO. THE OWNER OF ANOTHER PORTION OF THE
 166 BUILDING CONTROLS THE MAINTENANCE AND OPERATION OF THE
 167 PORTIONS OF THE BUILDING THAT ARE NOT SUBMITTED TO THE
 168 CONDOMINIUM FORM OF OWNERSHIP AND DETERMINES THE
 169 BUDGET FOR SUCH OPERATION AND MAINTENANCE.

170
 171 (7) The creation of a multiple parcel building is not
 172 a subdivision of the land upon which such building is
 173 situated provided the land itself is not subdivided.

174 Section 4. Paragraph (c) is added to subsection (3) of
 175 section 718.503, Florida Statutes, to read:

176 718.503 Developer disclosure prior to sale; nondeveloper
177 unit owner disclosure prior to sale; voidability.—

178 (3) OTHER DISCLOSURES ~~DISCLOSURE~~.—

179 (c) If a unit is located within a condominium that is
180 created within a portion of a building or within a multiple
181 parcel building, the developer or nondeveloper unit owner must
182 provide the disclosures required by s. 718.407(5) and (6).

183 Section 5. The amendments made to s. 718.103, Florida
184 Statutes, and the creation of s. 718.407(1), (2), and (7),
185 Florida Statutes, by this act are intended to clarify existing
186 law and shall apply retroactively; however, such amendments do
187 not revive or reinstate any right or interest that has been
188 fully and finally adjudicated as invalid before July 1, 2024.

189 Section 6. This act shall take effect July 1, 2024.