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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/05/2024	.	
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The Committee on Regulated Industries (Yarborough) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

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

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

(14) "Condominium property" means the lands, leaseholds,
improvements, any ~~and~~ personal property, and all easements and
rights appurtenant thereto, regardless of whether contiguous,



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11 ~~which that~~ are subjected to condominium ownership, ~~whether or~~
12 ~~not contiguous, and all improvements thereon and all easements~~
13 ~~and rights appurtenant thereto intended for use in connection~~
14 ~~with the condominium.~~

15 Section 2. Subsections (1) and (3) of section 718.202,
16 Florida Statutes, are amended to read:

17 718.202 Sales or reservation deposits prior to closing.—

18 (1) If a developer contracts to sell a condominium parcel
19 and the construction, furnishing, and landscaping of the
20 property submitted or proposed to be submitted to condominium
21 ownership has not been substantially completed in accordance
22 with the plans and specifications and representations made by
23 the developer in the disclosures required by this chapter, the
24 developer shall pay into an escrow account all payments up to 10
25 percent of the sale price received by the developer from the
26 buyer towards the sale price. The escrow agent shall give to the
27 purchaser a receipt for the deposit, upon request. In lieu of
28 the foregoing concerning residential condominiums, the division
29 director has the discretion to accept other assurances,
30 including, but not limited to, a surety bond or an irrevocable
31 letter of credit in an amount equal to the escrow requirements
32 of this section. With respect to nonresidential condominiums,
33 the developer shall have the option of delivering to the escrow
34 agent a surety bond or an irrevocable letter of credit in an
35 amount equivalent to the aggregate of some or all of all
36 payments up to 10 percent of the sale price received by the
37 developer from all buyers towards the sale price, in all cases
38 the aggregate of initial 10 percent deposits monies being
39 released secured by a surety bond or irrevocable letter of



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40 credit in an equivalent amount. Default determinations and
41 refund of deposits shall be governed by the escrow release
42 provision of this subsection. Funds shall be released from
43 escrow as follows:

44 (a) If a buyer properly terminates the contract pursuant to
45 its terms or pursuant to this chapter, the funds shall be paid
46 to the buyer together with any interest earned.

47 (b) If the buyer defaults in the performance of his or her
48 obligations under the contract of purchase and sale, the funds
49 shall be paid to the developer together with any interest
50 earned.

51 (c) If the contract does not provide for the payment of any
52 interest earned on the escrowed funds, interest shall be paid to
53 the developer at the closing of the transaction.

54 (d) If the funds of a buyer have not been previously
55 disbursed in accordance with the provisions of this subsection,
56 they may be disbursed to the developer by the escrow agent at
57 the closing of the transaction, unless prior to the disbursement
58 the escrow agent receives from the buyer written notice of a
59 dispute between the buyer and developer.

60 (3) If the contract for sale of the condominium unit so
61 provides, the developer may withdraw escrow funds in excess of
62 10 percent of the purchase price from the special account
63 required by subsection (2) when the construction of improvements
64 has begun. He or she may use the funds for the actual costs
65 incurred by the developer in the construction and development of
66 the condominium property in which the unit to be sold is located
67 or the easements and rights appurtenant thereto. For purposes of
68 this subsection, the term "actual costs" includes, but is not



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69 limited to, expenditures for demolition, site clearing, permit
70 fees, impact fees, and utility reservation fees, as well as
71 architectural, engineering, and surveying fees that directly
72 relate to construction and development of the condominium
73 property or the easements and rights appurtenant thereto.
74 However, no part of these funds may be used for salaries,
75 commissions, or expenses of salespersons; for advertising,
76 marketing, or promotional purposes; or for loan fees and costs,
77 principal and interest on loans, attorney fees, accounting fees,
78 or insurance costs. A contract that ~~which~~ permits use of the
79 advance payments for these purposes must ~~shall~~ include the
80 following legend conspicuously printed or stamped in boldfaced
81 type on the first page of the contract and immediately above the
82 place for the signature of the buyer: "ANY PAYMENT IN EXCESS OF
83 10 PERCENT OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO
84 CLOSING PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION
85 PURPOSES BY THE DEVELOPER."

86 Section 3. Section 718.407, Florida Statutes, is created to
87 read:

88 718.407 Condominiums created within a portion of a building
89 or within a multiple parcel building.-

90 (1) Notwithstanding s. 718.103(12) or s. 718.108(1), a
91 condominium may be created within a portion of a building or
92 within a multiple parcel building, as defined in s. 193.0237(1),
93 as provided in this section.

94 (2) Notwithstanding s. 718.103(12) or s. 718.108(1), the
95 common elements of a condominium created within a portion of a
96 building or a multiple parcel building are only those portions
97 of the building submitted to the condominium form of ownership,



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98 excluding the units of such condominium.

99 (3) The declaration of condominium that creates a
100 condominium within a portion of a building or within a multiple
101 parcel building, the recorded instrument that creates the
102 multiple parcel building, or any other recorded instrument
103 applicable under this section must specify all of the following:

104 (a) The portions of the building which are included in the
105 condominium and the portions of the building which are excluded.

106 (b) The party responsible for maintaining and operating
107 those portions of the building which are shared facilities, and
108 which may include, among other things, the roof, the exterior of
109 the building, windows, balconies, elevators, the building lobby,
110 corridors, recreational amenities, and utilities.

111 (c)1. The manner in which the expenses for the maintenance
112 and operation of the shared facilities will be apportioned. An
113 owner of a portion of a building which is not submitted to
114 condominium form of ownership, or the condominium association,
115 as applicable to the portion of the building submitted to
116 condominium form of ownership, must approve any increase in the
117 apportionment of expenses to such portion of the building. The
118 apportionment of the expenses for the maintenance and operation
119 of the shared facilities may be based on any of the following
120 criteria or any combination thereof:

121 a. The area or volume of each portion of the building in
122 relation to the total area or volume of the entire building,
123 exclusive of the shared facilities.

124 b. The initial estimated market value of each portion of
125 the building in comparison to the total initial estimated market
126 value of the entire building.



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127 c. The extent to which the owners are permitted to use
128 various shared facilities.

129 2. This paragraph does not preclude an alternative
130 apportionment of expenses provided that the apportionment is
131 stated in the declaration of condominium that creates a
132 condominium within a portion of a building or within a multiple
133 parcel building, the recorded instrument that creates the
134 multiple parcel building, or any other recorded instrument
135 applicable under this section.

136 (d) The party responsible for collecting the shared
137 expenses.

138 (e) The rights and remedies that are available to enforce
139 payment of the shared expenses.

140 (4) The association of a condominium subject to this
141 section has the right to inspect and copy the books and records
142 upon which the costs for maintaining and operating the shared
143 facilities are based and to receive an annual budget with
144 respect to such costs.

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

148
149 THE CONDOMINIUM IN WHICH YOUR UNIT IS LOCATED IS
150 CREATED WITHIN A PORTION OF A BUILDING. THE COMMON
151 ELEMENTS OF THE CONDOMINIUM CONSIST ONLY OF THE
152 PORTIONS OF THE BUILDING SUBMITTED TO THE CONDOMINIUM
153 FORM OF OWNERSHIP, EXCLUDING THE UNITS. THE
154 CONDOMINIUM MAY HAVE MINIMAL COMMON ELEMENTS. PORTIONS
155 OF THE BUILDING THAT ARE NOT INCLUDED IN THE



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156 CONDOMINIUM ARE GOVERNED BY A SEPARATE RECORDED
157 INSTRUMENT THAT CONTAINS IMPORTANT PROVISIONS AND
158 RIGHTS.
159

160 A contract that does not conform to the requirements of
161 this subsection is voidable at the option of the purchaser
162 prior to closing.

163 (6) The seller of a unit in a condominium subject to this
164 section must provide a separate disclosure summary that must be
165 signed by the purchaser. The disclosure summary must contain the
166 following statements in conspicuous type:

167
168 DISCLOSURE SUMMARY

169 THE CONDOMINIUM IN WHICH YOUR UNIT IS LOCATED IS
170 CREATED WITHIN A PORTION OF A BUILDING OR WITHIN A
171 MULTIPLE PARCEL BUILDING. PORTIONS OF THE BUILDING
172 THAT ARE NOT INCLUDED IN THE CONDOMINIUM ARE (OR WILL
173 BE) GOVERNED BY A SEPARATE RECORDED INSTRUMENT THAT
174 CONTAINS IMPORTANT PROVISIONS AND RIGHTS. THE
175 ASSOCIATION AND UNIT OWNERS MAY HAVE LIMITED OR NO
176 CONTROL OVER THE MAINTENANCE, OPERATION, AND COSTS OF
177 THE PORTIONS OF THE BUILDING THAT ARE NOT SUBMITTED TO
178 THE CONDOMINIUM FORM OF OWNERSHIP, BUT ARE RESPONSIBLE
179 FOR PAYMENT OF THEIR SHARE OF EXPENSES. SUCH
180 INSTRUMENT IS OR WILL BE RECORDED IN THE PUBLIC
181 RECORDS. THE ALLOCATION BETWEEN THE OWNERS OF THE
182 COSTS TO MAINTAIN AND OPERATE THE BUILDING ARE SET
183 FORTH IN THE DECLARATION OF CONDOMINIUM OR OTHER
184 RECORDED INSTRUMENT. THE OWNER OF ANOTHER PORTION OF



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185 THE BUILDING CONTROLS THE MAINTENANCE AND OPERATION OF
186 THE PORTIONS OF THE BUILDING THAT ARE NOT SUBMITTED TO
187 THE CONDOMINIUM FORM OF OWNERSHIP AND DETERMINES THE
188 BUDGET FOR SUCH OPERATION AND MAINTENANCE.

189
190 (7) The creation of a multiple parcel building is not a
191 subdivision of the land upon which such building is situated
192 provided the land itself is not subdivided.

193 Section 4. Paragraph (a) of subsection (2) and subsection
194 (3) of section 718.503, Florida Statutes, are amended to read:

195 718.503 Developer disclosure prior to sale; nondeveloper
196 unit owner disclosure prior to sale; voidability.—

197 (2) NONDEVELOPER DISCLOSURE.—

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

204 1. The declaration of condominium.

205 2. Articles of incorporation of the association.

206 3. Bylaws and rules of the association.

207 4. An annual financial statement and an annual budget of
208 the condominium association ~~Financial information required by s.~~
209 ~~718.111.~~

210 5. A copy of the inspector-prepared summary of the
211 milestone inspection report as described in s. 553.899, if
212 applicable.

213 6. The association's most recent structural integrity



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214 reserve study or a statement that the association has not
215 completed a structural integrity reserve study.

216 7. A copy of the inspection report described in s.
217 718.301(4) (p) and (q) for a turnover inspection performed on or
218 after July 1, 2023.

219 8. The document entitled "Frequently Asked Questions and
220 Answers" required by s. 718.504.

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

222 (a) If residential condominium parcels are offered for sale
223 or lease prior to completion of construction of the units and of
224 improvements to the common elements, or prior to completion of
225 remodeling of previously occupied buildings, the developer must
226 ~~shall~~ make available to each prospective purchaser or lessee,
227 for his or her inspection at a place convenient to the site, a
228 copy of the complete plans and specifications for the
229 construction or remodeling of the unit offered to him or her and
230 of the improvements to the common elements appurtenant to the
231 unit.

232 (b) Sales brochures, if any, must ~~shall~~ be provided to each
233 purchaser, and the following caveat in conspicuous type must
234 ~~shall~~ be placed on the inside front cover or on the first page
235 containing text material of the sales brochure, or otherwise
236 conspicuously displayed: "ORAL REPRESENTATIONS CANNOT BE RELIED
237 UPON AS CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER. FOR
238 CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND TO
239 THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO
240 BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE." If timeshare
241 estates have been or may be created with respect to any unit in
242 the condominium, the sales brochure must ~~shall~~ contain the



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243 following statement in conspicuous type: "UNITS IN THIS
244 CONDOMINIUM ARE SUBJECT TO TIMESHARE ESTATES."

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

249 Section 5. Section 718.504, Florida Statutes, is amended to
250 read:

251 718.504 Prospectus or offering circular.—Every developer of
252 a residential condominium which contains more than 20
253 residential units, or which is part of a group of residential
254 condominiums which will be served by property to be used in
255 common by unit owners of more than 20 residential units, shall
256 prepare a prospectus or offering circular and file it with the
257 Division of Florida Condominiums, Timeshares, and Mobile Homes
258 prior to entering into an enforceable contract of purchase and
259 sale of any unit or lease of a unit for more than 5 years and
260 shall furnish a copy of the prospectus or offering circular to
261 each buyer. In addition to the prospectus or offering circular,
262 each buyer shall be furnished a separate page entitled
263 "Frequently Asked Questions and Answers," which shall be in
264 accordance with a format approved by the division and a copy of
265 the financial information required by s. 718.111. This page
266 shall, in readable language, inform prospective purchasers
267 regarding their voting rights and unit use restrictions,
268 including restrictions on the leasing of a unit; shall indicate
269 whether and in what amount the unit owners or the association is
270 obligated to pay rent or land use fees for recreational or other
271 commonly used facilities; shall contain a statement identifying



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272 that amount of assessment which, pursuant to the budget, would
273 be levied upon each unit type, exclusive of any special
274 assessments, and which shall further identify the basis upon
275 which assessments are levied, whether monthly, quarterly, or
276 otherwise; shall state and identify any court cases in which the
277 association is currently a party of record in which the
278 association may face liability in excess of \$100,000; shall
279 state whether the condominium is created within a portion of a
280 building or a multiple parcel building; and which shall further
281 state whether membership in a recreational facilities
282 association is mandatory, and if so, shall identify the fees
283 currently charged per unit type. The division shall by rule
284 require such other disclosure as in its judgment will assist
285 prospective purchasers. The prospectus or offering circular may
286 include more than one condominium, although not all such units
287 are being offered for sale as of the date of the prospectus or
288 offering circular. The prospectus or offering circular must
289 contain the following information:

- 290 (1) The front cover or the first page must contain only:
291 (a) The name of the condominium.
292 (b) The following statements in conspicuous type:
293

294 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS
295 IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A
296 CONDOMINIUM UNIT.

297 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY
298 SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD
299 REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE
300 CONTRACT DOCUMENTS, AND SALES MATERIALS.



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301 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS
302 CORRECTLY STATING THE REPRESENTATIONS OF THE
303 DEVELOPER. REFER TO THIS PROSPECTUS (OFFERING
304 CIRCULAR) AND ITS EXHIBITS FOR CORRECT
305 REPRESENTATIONS.
306

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

310 (3) A separate index of the contents and exhibits of the
311 prospectus.

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

315 (a) Its name and location.

316 (b) A description of the condominium property, including,
317 without limitation:

318 1. The number of buildings, the number of units in each
319 building, the number of bathrooms and bedrooms in each unit, and
320 the total number of units, if the condominium is not a phase
321 condominium, or the maximum number of buildings that may be
322 contained within the condominium, the minimum and maximum
323 numbers of units in each building, the minimum and maximum
324 numbers of bathrooms and bedrooms that may be contained in each
325 unit, and the maximum number of units that may be contained
326 within the condominium, if the condominium is a phase
327 condominium.

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



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330 3. The estimated latest date of completion of constructing,
331 finishing, and equipping. In lieu of a date, the description
332 shall include a statement that the estimated date of completion
333 of the condominium is in the purchase agreement and a reference
334 to the article or paragraph containing that information.

335 (c) The maximum number of units that will use facilities in
336 common with the condominium. If the maximum number of units will
337 vary, a description of the basis for variation and the minimum
338 amount of dollars per unit to be spent for additional
339 recreational facilities or enlargement of such facilities. If
340 the addition or enlargement of facilities will result in a
341 material increase of a unit owner's maintenance expense or
342 rental expense, if any, the maximum increase and limitations
343 thereon shall be stated.

344 (5) (a) A statement in conspicuous type describing whether
345 the condominium is created and being sold as fee simple
346 interests or as leasehold interests. If the condominium is
347 created or being sold on a leasehold, the location of the lease
348 in the disclosure materials shall be stated.

349 (b) If timeshare estates are or may be created with respect
350 to any unit in the condominium, a statement in conspicuous type
351 stating that timeshare estates are created and being sold in
352 units in the condominium.

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

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

358 (b) Each swimming pool, as to its general location,



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359 approximate size and depths, approximate deck size and capacity,
360 and whether heated.

361 (c) Additional facilities, as to the number of each
362 facility, its approximate location, approximate size, and
363 approximate capacity.

364 (d) A general description of the items of personal property
365 and the approximate number of each item of personal property
366 that the developer is committing to furnish for each room or
367 other facility or, in the alternative, a representation as to
368 the minimum amount of expenditure that will be made to purchase
369 the personal property for the facility.

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

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

375 2. A reference to the location in the disclosure materials
376 of the lease or other agreements providing for the use of those
377 facilities; and

378 3. A description of the terms of the lease or other
379 agreements, including the length of the term; the rent payable,
380 directly or indirectly, by each unit owner, and the total rent
381 payable to the lessor, stated in monthly and annual amounts for
382 the entire term of the lease; and a description of any option to
383 purchase the property leased under any such lease, including the
384 time the option may be exercised, the purchase price or how it
385 is to be determined, the manner of payment, and whether the
386 option may be exercised for a unit owner's share or only as to
387 the entire leased property.



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388 (g) A statement as to whether the developer may provide
389 additional facilities not described above; their general
390 locations and types; improvements or changes that may be made;
391 the approximate dollar amount to be expended; and the maximum
392 additional common expense or cost to the individual unit owners
393 that may be charged during the first annual period of operation
394 of the modified or added facilities.

395
396 Descriptions as to locations, areas, capacities, numbers,
397 volumes, or sizes may be stated as approximations or minimums.

398 (7) A description of the recreational and other facilities
399 that will be used in common with other condominiums, community
400 associations, or planned developments which require the payment
401 of the maintenance and expenses of such facilities, directly or
402 indirectly, by the unit owners. The description shall include,
403 but not be limited to, the following:

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

407 (b) Facilities not committed to be built except under
408 certain conditions, and a statement of those conditions or
409 contingencies.

410 (c) As to each facility committed to be built, or which
411 will be committed to be built upon the happening of one of the
412 conditions in paragraph (b), a statement of whether it will be
413 owned by the unit owners having the use thereof or by an
414 association or other entity which will be controlled by them, or
415 others, and the location in the exhibits of the lease or other
416 document providing for use of those facilities.



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

421 (e) A general description of the items of personal
422 property, and the approximate number of each item of personal
423 property, that the developer is committing to furnish for each
424 room or other facility or, in the alternative, a representation
425 as to the minimum amount of expenditure that will be made to
426 purchase the personal property for the facility.

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

430
431 Descriptions shall include location, areas, capacities, numbers,
432 volumes, or sizes and may be stated as approximations or
433 minimums.

434 (8) Recreation lease or associated club membership:

435 (a) If any recreational facilities or other facilities
436 offered by the developer and available to, or to be used by,
437 unit owners are to be leased or have club membership associated,
438 the following statement in conspicuous type shall be included:
439 "THERE IS A RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS
440 CONDOMINIUM; or, THERE IS A CLUB MEMBERSHIP ASSOCIATED WITH THIS
441 CONDOMINIUM." There shall be a reference to the location in the
442 disclosure materials where the recreation lease or club
443 membership is described in detail.

444 (b) If it is mandatory that unit owners pay a fee, rent,
445 dues, or other charges under a recreational facilities lease or



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446 club membership for the use of facilities, there shall be in
447 conspicuous type the applicable statement:

448 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS
449 MANDATORY FOR UNIT OWNERS; or

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

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

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

459
460 Immediately following the applicable statement, the location in
461 the disclosure materials where the development is described in
462 detail shall be stated.

463 (c) If the developer, or any other person other than the
464 unit owners and other persons having use rights in the
465 facilities, reserves, or is entitled to receive, any rent, fee,
466 or other payment for the use of the facilities, then there shall
467 be the following statement in conspicuous type: "THE UNIT OWNERS
468 OR THE ASSOCIATION(S) MUST PAY RENT OR LAND USE FEES FOR
469 RECREATIONAL OR OTHER COMMONLY USED FACILITIES." Immediately
470 following this statement, the location in the disclosure
471 materials where the rent or land use fees are described in
472 detail shall be stated.

473 (d) If, in any recreation format, whether leasehold, club,
474 or other, any person other than the association has the right to



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475 a lien on the units to secure the payment of assessments, rent,
476 or other exactions, there shall appear a statement in
477 conspicuous type in substantially the following form:

478
479 1. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH
480 UNIT TO SECURE THE PAYMENT OF RENT AND OTHER EXACTIONS
481 UNDER THE RECREATION LEASE. THE UNIT OWNER'S FAILURE
482 TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF
483 THE LIEN; or

484 2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH
485 UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER
486 EXACTIONS COMING DUE FOR THE USE, MAINTENANCE, UPKEEP,
487 OR REPAIR OF THE RECREATIONAL OR COMMONLY USED
488 FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE THESE
489 PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

490
491 Immediately following the applicable statement, the location in
492 the disclosure materials where the lien or lien right is
493 described in detail shall be stated.

494 (9) If the developer or any other person has the right to
495 increase or add to the recreational facilities at any time after
496 the establishment of the condominium whose unit owners have use
497 rights therein, without the consent of the unit owners or
498 associations being required, there shall appear a statement in
499 conspicuous type in substantially the following form:

500 "RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT
501 CONSENT OF UNIT OWNERS OR THE ASSOCIATION(S)." Immediately
502 following this statement, the location in the disclosure
503 materials where such reserved rights are described shall be



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504 stated.

505 (10) A statement of whether the developer's plan includes a
506 program of leasing units rather than selling them, or leasing
507 units and selling them subject to such leases. If so, there
508 shall be a description of the plan, including the number and
509 identification of the units and the provisions and term of the
510 proposed leases, and a statement in boldfaced type that: "THE
511 UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE."

512 (11) The arrangements for management of the association and
513 maintenance and operation of the condominium property and of
514 other property that will serve the unit owners of the
515 condominium property, and a description of the management
516 contract and all other contracts for these purposes having a
517 term in excess of 1 year, including the following:

518 (a) The names of contracting parties.

519 (b) The term of the contract.

520 (c) The nature of the services included.

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

523 (e) A reference to the volumes and pages of the condominium
524 documents and of the exhibits containing copies of such
525 contracts.

526

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

528 If there is a contract for the management of the condominium
529 property, then a statement in conspicuous type in substantially

530 the following form shall appear, identifying the proposed or

531 existing contract manager: "THERE IS (IS TO BE) A CONTRACT FOR

532 THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH (NAME OF THE



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533 CONTRACT MANAGER)." Immediately following this statement, the
534 location in the disclosure materials of the contract for
535 management of the condominium property shall be stated.

536 (12) If the developer or any other person or persons other
537 than the unit owners has the right to retain control of the
538 board of administration of the association for a period of time
539 which can exceed 1 year after the closing of the sale of a
540 majority of the units in that condominium to persons other than
541 successors or alternate developers, then a statement in
542 conspicuous type in substantially the following form shall be
543 included: "THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO
544 RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS
545 HAVE BEEN SOLD." Immediately following this statement, the
546 location in the disclosure materials where this right to control
547 is described in detail shall be stated.

548 (13) If there are any restrictions upon the sale, transfer,
549 conveyance, or leasing of a unit, then a statement in
550 conspicuous type in substantially the following form shall be
551 included: "THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED
552 OR CONTROLLED." Immediately following this statement, the
553 location in the disclosure materials where the restriction,
554 limitation, or control on the sale, lease, or transfer of units
555 is described in detail shall be stated.

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

558 (a) A statement in conspicuous type in substantially the
559 following form: "THIS IS A PHASE CONDOMINIUM. ADDITIONAL LAND
560 AND UNITS MAY BE ADDED TO THIS CONDOMINIUM." Immediately
561 following this statement, the location in the disclosure



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562 materials where the phasing is described shall be stated.

563 (b) A summary of the provisions of the declaration which
564 provide for the phasing.

565 (c) A statement as to whether or not residential buildings
566 and units which are added to the condominium may be
567 substantially different from the residential buildings and units
568 originally in the condominium. If the added residential
569 buildings and units may be substantially different, there shall
570 be a general description of the extent to which such added
571 residential buildings and units may differ, and a statement in
572 conspicuous type in substantially the following form shall be
573 included: "BUILDINGS AND UNITS WHICH ARE ADDED TO THE
574 CONDOMINIUM MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER
575 BUILDINGS AND UNITS IN THE CONDOMINIUM." Immediately following
576 this statement, the location in the disclosure materials where
577 the extent to which added residential buildings and units may
578 substantially differ is described shall be stated.

579 (d) A statement of the maximum number of buildings
580 containing units, the maximum and minimum numbers of units in
581 each building, the maximum number of units, and the minimum and
582 maximum square footage of the units that may be contained within
583 each parcel of land which may be added to the condominium.

584 (15) If a condominium created on or after July 1, 2000, is
585 or may become part of a multicondominium, the following
586 information must be provided:

587 (a) A statement in conspicuous type in substantially the
588 following form: "THIS CONDOMINIUM IS (MAY BE) PART OF A
589 MULTICONDOMINIUM DEVELOPMENT IN WHICH OTHER CONDOMINIUMS WILL
590 (MAY) BE OPERATED BY THE SAME ASSOCIATION." Immediately



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591 following this statement, the location in the prospectus or
592 offering circular and its exhibits where the multicondominium
593 aspects of the offering are described must be stated.

594 (b) A summary of the provisions in the declaration,
595 articles of incorporation, and bylaws which establish and
596 provide for the operation of the multicondominium, including a
597 statement as to whether unit owners in the condominium will have
598 the right to use recreational or other facilities located or
599 planned to be located in other condominiums operated by the same
600 association, and the manner of sharing the common expenses
601 related to such facilities.

602 (c) A statement of the minimum and maximum number of
603 condominiums, and the minimum and maximum number of units in
604 each of those condominiums, which will or may be operated by the
605 association, and the latest date by which the exact number will
606 be finally determined.

607 (d) A statement as to whether any of the condominiums in
608 the multicondominium may include units intended to be used for
609 nonresidential purposes and the purpose or purposes permitted
610 for such use.

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

614 (16) If the condominium is created by conversion of
615 existing improvements, the following information shall be
616 stated:

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

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



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620 (17) A summary of the restrictions, if any, to be imposed
621 on units concerning the use of any of the condominium property,
622 including statements as to whether there are restrictions upon
623 children and pets, and reference to the volumes and pages of the
624 condominium documents where such restrictions are found, or if
625 such restrictions are contained elsewhere, then a copy of the
626 documents containing the restrictions shall be attached as an
627 exhibit.

628 (18) If there is any land that is offered by the developer
629 for use by the unit owners and that is neither owned by them nor
630 leased to them, the association, or any entity controlled by
631 unit owners and other persons having the use rights to such
632 land, a statement shall be made as to how such land will serve
633 the condominium. If any part of such land will serve the
634 condominium, the statement shall describe the land and the
635 nature and term of service, and the declaration or other
636 instrument creating such servitude shall be included as an
637 exhibit.

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

642 (20) An explanation of the manner in which the
643 apportionment of common expenses and ownership of the common
644 elements has been determined.

645 (21) An estimated operating budget for the condominium and
646 the association, and a schedule of the unit owner's expenses
647 shall be attached as an exhibit and shall contain the following
648 information:



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649 (a) The estimated monthly and annual expenses of the
650 condominium and the association that are collected from unit
651 owners by assessments.

652 (b) The estimated monthly and annual expenses of each unit
653 owner for a unit, other than common expenses paid by all unit
654 owners, payable by the unit owner to persons or entities other
655 than the association, as well as to the association, including
656 fees assessed pursuant to s. 718.113(1) for maintenance of
657 limited common elements where such costs are shared only by
658 those entitled to use the limited common element, and the total
659 estimated monthly and annual expense. There may be excluded from
660 this estimate expenses which are not provided for or
661 contemplated by the condominium documents, including, but not
662 limited to, the costs of private telephone; maintenance of the
663 interior of condominium units, which is not the obligation of
664 the association; maid or janitorial services privately
665 contracted for by the unit owners; utility bills billed directly
666 to each unit owner for utility services to his or her unit;
667 insurance premiums other than those incurred for policies
668 obtained by the condominium; and similar personal expenses of
669 the unit owner. A unit owner's estimated payments for
670 assessments shall also be stated in the estimated amounts for
671 the times when they will be due.

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



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- 678 1. Expenses for the association and condominium:
679 a. Administration of the association.
680 b. Management fees.
681 c. Maintenance.
682 d. Rent for recreational and other commonly used
683 facilities.
684 e. Taxes upon association property.
685 f. Taxes upon leased areas.
686 g. Insurance.
687 h. Security provisions.
688 i. Other expenses.
689 j. Operating capital.
690 k. Reserves for all applicable items referenced in s.
691 718.112(2)(g).
692 1. Fees payable to the division.
693 2. Expenses for a unit owner:
694 a. Rent for the unit, if subject to a lease.
695 b. Rent payable by the unit owner directly to the lessor or
696 agent under any recreational lease or lease for the use of
697 commonly used facilities, which use and payment is a mandatory
698 condition of ownership and is not included in the common expense
699 or assessments for common maintenance paid by the unit owners to
700 the association.
701 (d) The following statement in conspicuous type:
702
703 THE BUDGET CONTAINED IN THIS OFFERING CIRCULAR HAS
704 BEEN PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT
705 AND IS A GOOD FAITH ESTIMATE ONLY AND REPRESENTS AN
706 APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND



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707 CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION.
708 ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED
709 COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE MATERIAL
710 ADVERSE CHANGES IN THE OFFERING.

711

712 (e) Each budget for an association prepared by a developer
713 consistent with this subsection shall be prepared in good faith
714 and shall reflect accurate estimated amounts for the required
715 items in paragraph (c) at the time of the filing of the offering
716 circular with the division, and subsequent increased amounts of
717 any item included in the association's estimated budget that are
718 beyond the control of the developer shall not be considered an
719 amendment that would give rise to rescission rights set forth in
720 s. 718.503(1)(a) or (b), nor shall such increases modify, void,
721 or otherwise affect any guarantee of the developer contained in
722 the offering circular or any purchase contract. It is the intent
723 of this paragraph to clarify existing law.

724 (f) The estimated amounts shall be stated for a period of
725 at least 12 months and may distinguish between the period prior
726 to the time unit owners other than the developer elect a
727 majority of the board of administration and the period after
728 that date.

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

733 (23) The identity of the developer and the chief operating
734 officer or principal directing the creation and sale of the
735 condominium and a statement of its and his or her experience in



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736 this field.

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

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

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

742 (c) The bylaws of the association.

743 (d) The ground lease or other underlying lease of the
744 condominium.

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

749 (f) The estimated operating budget for the condominium, the
750 required schedule of unit owners' expenses, and the
751 association's most recent structural integrity reserve study or
752 a statement that the association has not completed a structural
753 integrity reserve study.

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

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

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

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

761 (k) A declaration of servitude of properties serving the
762 condominium but not owned by unit owners or leased to them or
763 the association.

764 (l) The statement of condition of the existing building or



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765 buildings, if the offering is of units in an operation being
766 converted to condominium ownership.

767 (m) The statement of inspection for termite damage and
768 treatment of the existing improvements, if the condominium is a
769 conversion.

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

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

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

775 (q) A copy of the inspector-prepared summary of the
776 milestone inspection report as described in ss. 553.899 and
777 718.301(4)(p), as applicable.

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

782 (26) A brief narrative description of the location and
783 effect of all existing and intended easements located or to be
784 located on the condominium property other than those described
785 in the declaration.

786 (27) If the developer is required by state or local
787 authorities to obtain acceptance or approval of any dock or
788 marina facilities intended to serve the condominium, a copy of
789 any such acceptance or approval acquired by the time of filing
790 with the division under s. 718.502(1) or a statement that such
791 acceptance or approval has not been acquired or received.

792 (28) Evidence demonstrating that the developer has an
793 ownership, leasehold, or contractual interest in the land upon



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794 which the condominium is to be developed.

795 Section 6. The amendments made to ss. 718.103(14) and
796 718.202(3), Florida Statutes, and the provisions of s.
797 718.407(1), (2), and (7), Florida Statutes, are intended to
798 clarify existing law and shall apply retroactively; however,
799 such amendments do not revive or reinstate any right or interest
800 that has been fully and finally adjudicated as invalid before
801 July 1, 2024.

802 Section 7. This act shall take effect July 1, 2024.

803

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

805 And the title is amended as follows:

806 Delete everything before the enacting clause
807 and insert:

808 A bill to be entitled
809 An act relating to condominiums within a portion of a
810 building or within a multiple parcel building;
811 amending s. 718.103, F.S.; revising the definition of
812 the term "condominium property"; amending s. 718.202,
813 F.S.; authorizing the Director of the Division of
814 Florida Condominiums, Timeshares, and Mobile Homes to
815 accept certain assurances in lieu of a specified
816 percentage of the sale price; authorizing a developer
817 to deliver a surety bond or an irrevocable letter of
818 credit in an amount equivalent to a certain percentage
819 of the sale price; conforming provisions to changes
820 made by the act; making technical changes; creating s.
821 718.407, F.S.; providing that a condominium may be
822 created within a portion of a building or within a



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823 multiple parcel building; providing for the common
824 elements of such condominium; providing requirements
825 for the declaration of condominium and other recorded
826 instruments; authorizing an association to inspect and
827 copy certain books and records and to receive an
828 annual budget; requiring that a specified statement be
829 included in a contract for the sale of a unit of the
830 condominium; requiring a seller of a unit of the
831 condominium to provide a specified disclosure summary
832 to a purchaser; providing that a multiple parcel
833 building is not a subdivision of land if the land is
834 not subdivided; amending ss. 718.503 and 718.504,
835 F.S.; requiring certain persons to provide specified
836 disclosures to purchasers under certain circumstances;
837 making technical changes; providing for retroactive
838 applicability; providing an effective date.