

By the Committee on Regulated Industries; and Senator Yarborough

580-02889-24

20241706c1

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 the term "condominium property"; amending s. 718.202,
6 F.S.; authorizing the Director of the Division of
7 Florida Condominiums, Timeshares, and Mobile Homes to
8 accept certain assurances in lieu of a specified
9 percentage of the sale price; authorizing a developer
10 to deliver a surety bond or an irrevocable letter of
11 credit in an amount equivalent to a certain percentage
12 of the sale price; conforming provisions to changes
13 made by the act; making technical changes; creating s.
14 718.407, F.S.; providing that a condominium may be
15 created within a portion of a building or within a
16 multiple parcel building; providing for the common
17 elements of such condominium; providing requirements
18 for the declaration of condominium and other recorded
19 instruments; authorizing an association to inspect and
20 copy certain books and records and to receive an
21 annual budget; requiring that a specified statement be
22 included in a contract for the sale of a unit of the
23 condominium; requiring a seller of a unit of the
24 condominium to provide a specified disclosure summary
25 to a purchaser; providing that a multiple parcel
26 building is not a subdivision of land if the land is
27 not subdivided; amending ss. 718.503 and 718.504,
28 F.S.; requiring certain persons to provide specified
29 disclosures to purchasers under certain circumstances;

580-02889-24

20241706c1

30 making technical changes; providing for retroactive
31 applicability; providing an effective date.

32
33 Be It Enacted by the Legislature of the State of Florida:

34
35 Section 1. Subsection (14) of section 718.103, Florida
36 Statutes, is amended to read:

37 718.103 Definitions.—As used in this chapter, the term:

38 (14) "Condominium property" means the lands, leaseholds,
39 improvements, any ~~and~~ personal property, and all easements and
40 rights appurtenant thereto, regardless of whether contiguous,
41 which ~~that~~ are subjected to condominium ownership, ~~whether or~~
42 not contiguous, and all improvements thereon and all easements
43 and rights appurtenant thereto intended for use in connection
44 with the condominium.

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

47 718.202 Sales or reservation deposits prior to closing.—

48 (1) If a developer contracts to sell a condominium parcel
49 and the construction, furnishing, and landscaping of the
50 property submitted or proposed to be submitted to condominium
51 ownership has not been substantially completed in accordance
52 with the plans and specifications and representations made by
53 the developer in the disclosures required by this chapter, the
54 developer shall pay into an escrow account all payments up to 10
55 percent of the sale price received by the developer from the
56 buyer towards the sale price. The escrow agent shall give to the
57 purchaser a receipt for the deposit, upon request. In lieu of
58 the foregoing concerning residential condominiums, the division

580-02889-24

20241706c1

59 director has the discretion to accept other assurances,
60 including, but not limited to, a surety bond or an irrevocable
61 letter of credit in an amount equal to the escrow requirements
62 of this section. With respect to nonresidential condominiums,
63 the developer shall have the option of delivering to the escrow
64 agent a surety bond or an irrevocable letter of credit in an
65 amount equivalent to the aggregate of some or all of all
66 payments up to 10 percent of the sale price received by the
67 developer from all buyers towards the sale price, in all cases
68 the aggregate of initial 10 percent deposits monies being
69 released secured by a surety bond or irrevocable letter of
70 credit in an equivalent amount. Default determinations and
71 refund of deposits shall be governed by the escrow release
72 provision of this subsection. Funds shall be released from
73 escrow as follows:

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

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

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

84 (d) If the funds of a buyer have not been previously
85 disbursed in accordance with the provisions of this subsection,
86 they may be disbursed to the developer by the escrow agent at
87 the closing of the transaction, unless prior to the disbursement

580-02889-24

20241706c1

88 the escrow agent receives from the buyer written notice of a
89 dispute between the buyer and developer.

90 (3) If the contract for sale of the condominium unit so
91 provides, the developer may withdraw escrow funds in excess of
92 10 percent of the purchase price from the special account
93 required by subsection (2) when the construction of improvements
94 has begun. He or she may use the funds for the actual costs
95 incurred by the developer in the construction and development of
96 the condominium property in which the unit to be sold is located
97 or the easements and rights appurtenant thereto. For purposes of
98 this subsection, the term "actual costs" includes, but is not
99 limited to, expenditures for demolition, site clearing, permit
100 fees, impact fees, and utility reservation fees, as well as
101 architectural, engineering, and surveying fees that directly
102 relate to construction and development of the condominium
103 property or the easements and rights appurtenant thereto.
104 However, no part of these funds may be used for salaries,
105 commissions, or expenses of salespersons; for advertising,
106 marketing, or promotional purposes; or for loan fees and costs,
107 principal and interest on loans, attorney fees, accounting fees,
108 or insurance costs. A contract that ~~which~~ permits use of the
109 advance payments for these purposes must ~~shall~~ include the
110 following legend conspicuously printed or stamped in boldfaced
111 type on the first page of the contract and immediately above the
112 place for the signature of the buyer: "ANY PAYMENT IN EXCESS OF
113 10 PERCENT OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO
114 CLOSING PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION
115 PURPOSES BY THE DEVELOPER."

116 Section 3. Section 718.407, Florida Statutes, is created to

580-02889-24

20241706c1

117 read:

118 718.407 Condominiums created within a portion of a building
119 or within a multiple parcel building.-

120 (1) Notwithstanding s. 718.103(12) or s. 718.108(1), a
121 condominium may be created within a portion of a building or
122 within a multiple parcel building, as defined in s. 193.0237(1),
123 as provided in this section.

124 (2) Notwithstanding s. 718.103(12) or s. 718.108(1), the
125 common elements of a condominium created within a portion of a
126 building or a multiple parcel building are only those portions
127 of the building submitted to the condominium form of ownership,
128 excluding the units of such condominium.

129 (3) The declaration of condominium that creates a
130 condominium within a portion of a building or within a multiple
131 parcel building, the recorded instrument that creates the
132 multiple parcel building, or any other recorded instrument
133 applicable under this section must specify all of the following:

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

136 (b) The party responsible for maintaining and operating
137 those portions of the building which are shared facilities, and
138 which may include, among other things, the roof, the exterior of
139 the building, windows, balconies, elevators, the building lobby,
140 corridors, recreational amenities, and utilities.

141 (c)1. The manner in which the expenses for the maintenance
142 and operation of the shared facilities will be apportioned. An
143 owner of a portion of a building which is not submitted to
144 condominium form of ownership, or the condominium association,
145 as applicable to the portion of the building submitted to

580-02889-24

20241706c1

146 condominium form of ownership, must approve any increase in the
147 apportionment of expenses to such portion of the building. The
148 apportionment of the expenses for the maintenance and operation
149 of the shared facilities may be based on any of the following
150 criteria or any combination thereof:

151 a. The area or volume of each portion of the building in
152 relation to the total area or volume of the entire building,
153 exclusive of the shared facilities.

154 b. The initial estimated market value of each portion of
155 the building in comparison to the total initial estimated market
156 value of the entire building.

157 c. The extent to which the owners are permitted to use
158 various shared facilities.

159 2. This paragraph does not preclude an alternative
160 apportionment of expenses provided that the apportionment is
161 stated in the declaration of condominium that creates a
162 condominium within a portion of a building or within a multiple
163 parcel building, the recorded instrument that creates the
164 multiple parcel building, or any other recorded instrument
165 applicable under this section.

166 (d) The party responsible for collecting the shared
167 expenses.

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

170 (4) The association of a condominium subject to this
171 section has the right to inspect and copy the books and records
172 upon which the costs for maintaining and operating the shared
173 facilities are based and to receive an annual budget with
174 respect to such costs.

580-02889-24

20241706c1

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

178
179 THE CONDOMINIUM IN WHICH YOUR UNIT IS LOCATED IS
180 CREATED WITHIN A PORTION OF A BUILDING. THE COMMON
181 ELEMENTS OF THE CONDOMINIUM CONSIST ONLY OF THE
182 PORTIONS OF THE BUILDING SUBMITTED TO THE CONDOMINIUM
183 FORM OF OWNERSHIP, EXCLUDING THE UNITS. THE
184 CONDOMINIUM MAY HAVE MINIMAL COMMON ELEMENTS. PORTIONS
185 OF THE BUILDING THAT ARE NOT INCLUDED IN THE
186 CONDOMINIUM ARE GOVERNED BY A SEPARATE RECORDED
187 INSTRUMENT THAT CONTAINS IMPORTANT PROVISIONS AND
188 RIGHTS.

189
190 A contract that does not conform to the requirements of
191 this subsection is voidable at the option of the purchaser
192 prior to closing.

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

197
198 DISCLOSURE SUMMARY
199 THE CONDOMINIUM IN WHICH YOUR UNIT IS LOCATED IS
200 CREATED WITHIN A PORTION OF A BUILDING OR WITHIN A
201 MULTIPLE PARCEL BUILDING. PORTIONS OF THE BUILDING
202 THAT ARE NOT INCLUDED IN THE CONDOMINIUM ARE (OR WILL
203 BE) GOVERNED BY A SEPARATE RECORDED INSTRUMENT THAT

580-02889-24

20241706c1

204 CONTAINS IMPORTANT PROVISIONS AND RIGHTS. THE
205 ASSOCIATION AND UNIT OWNERS MAY HAVE LIMITED OR NO
206 CONTROL OVER THE MAINTENANCE, OPERATION, AND COSTS OF
207 THE PORTIONS OF THE BUILDING THAT ARE NOT SUBMITTED TO
208 THE CONDOMINIUM FORM OF OWNERSHIP, BUT ARE RESPONSIBLE
209 FOR PAYMENT OF THEIR SHARE OF EXPENSES. SUCH
210 INSTRUMENT IS OR WILL BE RECORDED IN THE PUBLIC
211 RECORDS. THE ALLOCATION BETWEEN THE OWNERS OF THE
212 COSTS TO MAINTAIN AND OPERATE THE BUILDING ARE SET
213 FORTH IN THE DECLARATION OF CONDOMINIUM OR OTHER
214 RECORDED INSTRUMENT. THE OWNER OF ANOTHER PORTION OF
215 THE BUILDING CONTROLS THE MAINTENANCE AND OPERATION OF
216 THE PORTIONS OF THE BUILDING THAT ARE NOT SUBMITTED TO
217 THE CONDOMINIUM FORM OF OWNERSHIP AND DETERMINES THE
218 BUDGET FOR SUCH OPERATION AND MAINTENANCE.

219
220 (7) The creation of a multiple parcel building is not a
221 subdivision of the land upon which such building is situated
222 provided the land itself is not subdivided.

223 Section 4. Paragraph (a) of subsection (2) and subsection
224 (3) of section 718.503, Florida Statutes, are amended to read:
225 718.503 Developer disclosure prior to sale; nondeveloper
226 unit owner disclosure prior to sale; voidability.—

227 (2) NONDEVELOPER DISCLOSURE.—

228 (a) Each unit owner who is not a developer as defined by
229 this chapter must comply with this subsection before the sale of
230 his or her unit. Each prospective purchaser who has entered into
231 a contract for the purchase of a condominium unit is entitled,
232 at the seller's expense, to a current copy of all of the

580-02889-24

20241706c1

233 following:

- 234 1. The declaration of condominium.
- 235 2. Articles of incorporation of the association.
- 236 3. Bylaws and rules of the association.
- 237 4. An annual financial statement and an annual budget of
- 238 the condominium association ~~Financial information required by s.~~
- 239 ~~718.111.~~
- 240 5. A copy of the inspector-prepared summary of the
- 241 milestone inspection report as described in s. 553.899, if
- 242 applicable.
- 243 6. The association's most recent structural integrity
- 244 reserve study or a statement that the association has not
- 245 completed a structural integrity reserve study.
- 246 7. A copy of the inspection report described in s.
- 247 718.301(4)(p) and (q) for a turnover inspection performed on or
- 248 after July 1, 2023.
- 249 8. The document entitled "Frequently Asked Questions and
- 250 Answers" required by s. 718.504.

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

252 (a) If residential condominium parcels are offered for sale

253 or lease prior to completion of construction of the units and of

254 improvements to the common elements, or prior to completion of

255 remodeling of previously occupied buildings, the developer must

256 ~~shall~~ make available to each prospective purchaser or lessee,

257 for his or her inspection at a place convenient to the site, a

258 copy of the complete plans and specifications for the

259 construction or remodeling of the unit offered to him or her and

260 of the improvements to the common elements appurtenant to the

261 unit.

580-02889-24

20241706c1

262 (b) Sales brochures, if any, must ~~shall~~ be provided to each
263 purchaser, and the following caveat in conspicuous type must
264 ~~shall~~ be placed on the inside front cover or on the first page
265 containing text material of the sales brochure, or otherwise
266 conspicuously displayed: "ORAL REPRESENTATIONS CANNOT BE RELIED
267 UPON AS CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER. FOR
268 CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND TO
269 THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO
270 BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE." If timeshare
271 estates have been or may be created with respect to any unit in
272 the condominium, the sales brochure must ~~shall~~ contain the
273 following statement in conspicuous type: "UNITS IN THIS
274 CONDOMINIUM ARE SUBJECT TO TIMESHARE ESTATES."

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

279 Section 5. Section 718.504, Florida Statutes, is amended to
280 read:

281 718.504 Prospectus or offering circular.—Every developer of
282 a residential condominium which contains more than 20
283 residential units, or which is part of a group of residential
284 condominiums which will be served by property to be used in
285 common by unit owners of more than 20 residential units, shall
286 prepare a prospectus or offering circular and file it with the
287 Division of Florida Condominiums, Timeshares, and Mobile Homes
288 prior to entering into an enforceable contract of purchase and
289 sale of any unit or lease of a unit for more than 5 years and
290 shall furnish a copy of the prospectus or offering circular to

580-02889-24

20241706c1

291 each buyer. In addition to the prospectus or offering circular,
292 each buyer shall be furnished a separate page entitled
293 "Frequently Asked Questions and Answers," which shall be in
294 accordance with a format approved by the division and a copy of
295 the financial information required by s. 718.111. This page
296 shall, in readable language, inform prospective purchasers
297 regarding their voting rights and unit use restrictions,
298 including restrictions on the leasing of a unit; shall indicate
299 whether and in what amount the unit owners or the association is
300 obligated to pay rent or land use fees for recreational or other
301 commonly used facilities; shall contain a statement identifying
302 that amount of assessment which, pursuant to the budget, would
303 be levied upon each unit type, exclusive of any special
304 assessments, and which shall further identify the basis upon
305 which assessments are levied, whether monthly, quarterly, or
306 otherwise; shall state and identify any court cases in which the
307 association is currently a party of record in which the
308 association may face liability in excess of \$100,000; shall
309 state whether the condominium is created within a portion of a
310 building or a multiple parcel building; and which shall further
311 state whether membership in a recreational facilities
312 association is mandatory, and if so, shall identify the fees
313 currently charged per unit type. The division shall by rule
314 require such other disclosure as in its judgment will assist
315 prospective purchasers. The prospectus or offering circular may
316 include more than one condominium, although not all such units
317 are being offered for sale as of the date of the prospectus or
318 offering circular. The prospectus or offering circular must
319 contain the following information:

580-02889-24

20241706c1

- 320 (1) The front cover or the first page must contain only:
321 (a) The name of the condominium.
322 (b) The following statements in conspicuous type:
323
324 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS
325 IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A
326 CONDOMINIUM UNIT.
327 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY
328 SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD
329 REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE
330 CONTRACT DOCUMENTS, AND SALES MATERIALS.
331 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS
332 CORRECTLY STATING THE REPRESENTATIONS OF THE
333 DEVELOPER. REFER TO THIS PROSPECTUS (OFFERING
334 CIRCULAR) AND ITS EXHIBITS FOR CORRECT
335 REPRESENTATIONS.
336
337 (2) Summary: The next page must contain all statements
338 required to be in conspicuous type in the prospectus or offering
339 circular.
340 (3) A separate index of the contents and exhibits of the
341 prospectus.
342 (4) Beginning on the first page of the text (not including
343 the summary and index), a description of the condominium,
344 including, but not limited to, the following information:
345 (a) Its name and location.
346 (b) A description of the condominium property, including,
347 without limitation:
348 1. The number of buildings, the number of units in each

580-02889-24

20241706c1

349 building, the number of bathrooms and bedrooms in each unit, and
350 the total number of units, if the condominium is not a phase
351 condominium, or the maximum number of buildings that may be
352 contained within the condominium, the minimum and maximum
353 numbers of units in each building, the minimum and maximum
354 numbers of bathrooms and bedrooms that may be contained in each
355 unit, and the maximum number of units that may be contained
356 within the condominium, if the condominium is a phase
357 condominium.

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

360 3. The estimated latest date of completion of constructing,
361 finishing, and equipping. In lieu of a date, the description
362 shall include a statement that the estimated date of completion
363 of the condominium is in the purchase agreement and a reference
364 to the article or paragraph containing that information.

365 (c) The maximum number of units that will use facilities in
366 common with the condominium. If the maximum number of units will
367 vary, a description of the basis for variation and the minimum
368 amount of dollars per unit to be spent for additional
369 recreational facilities or enlargement of such facilities. If
370 the addition or enlargement of facilities will result in a
371 material increase of a unit owner's maintenance expense or
372 rental expense, if any, the maximum increase and limitations
373 thereon shall be stated.

374 (5) (a) A statement in conspicuous type describing whether
375 the condominium is created and being sold as fee simple
376 interests or as leasehold interests. If the condominium is
377 created or being sold on a leasehold, the location of the lease

580-02889-24

20241706c1

378 in the disclosure materials shall be stated.

379 (b) If timeshare estates are or may be created with respect
380 to any unit in the condominium, a statement in conspicuous type
381 stating that timeshare estates are created and being sold in
382 units in the condominium.

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

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

388 (b) Each swimming pool, as to its general location,
389 approximate size and depths, approximate deck size and capacity,
390 and whether heated.

391 (c) Additional facilities, as to the number of each
392 facility, its approximate location, approximate size, and
393 approximate capacity.

394 (d) A general description of the items of personal property
395 and the approximate number of each item of personal property
396 that the developer is committing to furnish for each room or
397 other facility or, in the alternative, a representation as to
398 the minimum amount of expenditure that will be made to purchase
399 the personal property for the facility.

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

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

405 2. A reference to the location in the disclosure materials
406 of the lease or other agreements providing for the use of those

580-02889-24

20241706c1

407 facilities; and

408 3. A description of the terms of the lease or other
409 agreements, including the length of the term; the rent payable,
410 directly or indirectly, by each unit owner, and the total rent
411 payable to the lessor, stated in monthly and annual amounts for
412 the entire term of the lease; and a description of any option to
413 purchase the property leased under any such lease, including the
414 time the option may be exercised, the purchase price or how it
415 is to be determined, the manner of payment, and whether the
416 option may be exercised for a unit owner's share or only as to
417 the entire leased property.

418 (g) A statement as to whether the developer may provide
419 additional facilities not described above; their general
420 locations and types; improvements or changes that may be made;
421 the approximate dollar amount to be expended; and the maximum
422 additional common expense or cost to the individual unit owners
423 that may be charged during the first annual period of operation
424 of the modified or added facilities.

425
426 Descriptions as to locations, areas, capacities, numbers,
427 volumes, or sizes may be stated as approximations or minimums.

428 (7) A description of the recreational and other facilities
429 that will be used in common with other condominiums, community
430 associations, or planned developments which require the payment
431 of the maintenance and expenses of such facilities, directly or
432 indirectly, by the unit owners. The description shall include,
433 but not be limited to, the following:

434 (a) Each building and facility committed to be built and a
435 summary description of the structural integrity of each building

580-02889-24

20241706c1

436 for which reserves are required pursuant to s. 718.112(2)(g).

437 (b) Facilities not committed to be built except under
438 certain conditions, and a statement of those conditions or
439 contingencies.

440 (c) As to each facility committed to be built, or which
441 will be committed to be built upon the happening of one of the
442 conditions in paragraph (b), a statement of whether it will be
443 owned by the unit owners having the use thereof or by an
444 association or other entity which will be controlled by them, or
445 others, and the location in the exhibits of the lease or other
446 document providing for use of those facilities.

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

451 (e) A general description of the items of personal
452 property, and the approximate number of each item of personal
453 property, that the developer is committing to furnish for each
454 room or other facility or, in the alternative, a representation
455 as to the minimum amount of expenditure that will be made to
456 purchase the personal property for the facility.

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

460
461 Descriptions shall include location, areas, capacities, numbers,
462 volumes, or sizes and may be stated as approximations or
463 minimums.

464 (8) Recreation lease or associated club membership:

580-02889-24

20241706c1

465 (a) If any recreational facilities or other facilities
466 offered by the developer and available to, or to be used by,
467 unit owners are to be leased or have club membership associated,
468 the following statement in conspicuous type shall be included:
469 "THERE IS A RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS
470 CONDOMINIUM; or, THERE IS A CLUB MEMBERSHIP ASSOCIATED WITH THIS
471 CONDOMINIUM." There shall be a reference to the location in the
472 disclosure materials where the recreation lease or club
473 membership is described in detail.

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

478 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS
479 MANDATORY FOR UNIT OWNERS; or

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

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

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

489

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

493 (c) If the developer, or any other person other than the

580-02889-24

20241706c1

494 unit owners and other persons having use rights in the
495 facilities, reserves, or is entitled to receive, any rent, fee,
496 or other payment for the use of the facilities, then there shall
497 be the following statement in conspicuous type: "THE UNIT OWNERS
498 OR THE ASSOCIATION(S) MUST PAY RENT OR LAND USE FEES FOR
499 RECREATIONAL OR OTHER COMMONLY USED FACILITIES." Immediately
500 following this statement, the location in the disclosure
501 materials where the rent or land use fees are described in
502 detail shall be stated.

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

508

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

514 2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH
515 UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER
516 EXACTIONS COMING DUE FOR THE USE, MAINTENANCE, UPKEEP,
517 OR REPAIR OF THE RECREATIONAL OR COMMONLY USED
518 FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE THESE
519 PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

520

521 Immediately following the applicable statement, the location in
522 the disclosure materials where the lien or lien right is

580-02889-24

20241706c1

523 described in detail shall be stated.

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

530 "RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT
531 CONSENT OF UNIT OWNERS OR THE ASSOCIATION(S)." Immediately
532 following this statement, the location in the disclosure
533 materials where such reserved rights are described shall be
534 stated.

535 (10) A statement of whether the developer's plan includes a
536 program of leasing units rather than selling them, or leasing
537 units and selling them subject to such leases. If so, there
538 shall be a description of the plan, including the number and
539 identification of the units and the provisions and term of the
540 proposed leases, and a statement in boldfaced type that: "THE
541 UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE."

542 (11) The arrangements for management of the association and
543 maintenance and operation of the condominium property and of
544 other property that will serve the unit owners of the
545 condominium property, and a description of the management
546 contract and all other contracts for these purposes having a
547 term in excess of 1 year, including the following:

- 548 (a) The names of contracting parties.
549 (b) The term of the contract.
550 (c) The nature of the services included.
551 (d) The compensation, stated on a monthly and annual basis,

580-02889-24

20241706c1

552 and provisions for increases in the compensation.

553 (e) A reference to the volumes and pages of the condominium
554 documents and of the exhibits containing copies of such
555 contracts.

556

557 Copies of all described contracts shall be attached as exhibits.
558 If there is a contract for the management of the condominium
559 property, then a statement in conspicuous type in substantially
560 the following form shall appear, identifying the proposed or
561 existing contract manager: "THERE IS (IS TO BE) A CONTRACT FOR
562 THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH (NAME OF THE
563 CONTRACT MANAGER)." Immediately following this statement, the
564 location in the disclosure materials of the contract for
565 management of the condominium property shall be stated.

566 (12) If the developer or any other person or persons other
567 than the unit owners has the right to retain control of the
568 board of administration of the association for a period of time
569 which can exceed 1 year after the closing of the sale of a
570 majority of the units in that condominium to persons other than
571 successors or alternate developers, then a statement in
572 conspicuous type in substantially the following form shall be
573 included: "THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO
574 RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS
575 HAVE BEEN SOLD." Immediately following this statement, the
576 location in the disclosure materials where this right to control
577 is described in detail shall be stated.

578 (13) If there are any restrictions upon the sale, transfer,
579 conveyance, or leasing of a unit, then a statement in
580 conspicuous type in substantially the following form shall be

580-02889-24

20241706c1

581 included: "THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED
582 OR CONTROLLED." Immediately following this statement, the
583 location in the disclosure materials where the restriction,
584 limitation, or control on the sale, lease, or transfer of units
585 is described in detail shall be stated.

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

588 (a) A statement in conspicuous type in substantially the
589 following form: "THIS IS A PHASE CONDOMINIUM. ADDITIONAL LAND
590 AND UNITS MAY BE ADDED TO THIS CONDOMINIUM." Immediately
591 following this statement, the location in the disclosure
592 materials where the phasing is described shall be stated.

593 (b) A summary of the provisions of the declaration which
594 provide for the phasing.

595 (c) A statement as to whether or not residential buildings
596 and units which are added to the condominium may be
597 substantially different from the residential buildings and units
598 originally in the condominium. If the added residential
599 buildings and units may be substantially different, there shall
600 be a general description of the extent to which such added
601 residential buildings and units may differ, and a statement in
602 conspicuous type in substantially the following form shall be
603 included: "BUILDINGS AND UNITS WHICH ARE ADDED TO THE
604 CONDOMINIUM MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER
605 BUILDINGS AND UNITS IN THE CONDOMINIUM." Immediately following
606 this statement, the location in the disclosure materials where
607 the extent to which added residential buildings and units may
608 substantially differ is described shall be stated.

609 (d) A statement of the maximum number of buildings

580-02889-24

20241706c1

610 containing units, the maximum and minimum numbers of units in
611 each building, the maximum number of units, and the minimum and
612 maximum square footage of the units that may be contained within
613 each parcel of land which may be added to the condominium.

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

617 (a) A statement in conspicuous type in substantially the
618 following form: "THIS CONDOMINIUM IS (MAY BE) PART OF A
619 MULTICONDOMINIUM DEVELOPMENT IN WHICH OTHER CONDOMINIUMS WILL
620 (MAY) BE OPERATED BY THE SAME ASSOCIATION." Immediately
621 following this statement, the location in the prospectus or
622 offering circular and its exhibits where the multicondominium
623 aspects of the offering are described must be stated.

624 (b) A summary of the provisions in the declaration,
625 articles of incorporation, and bylaws which establish and
626 provide for the operation of the multicondominium, including a
627 statement as to whether unit owners in the condominium will have
628 the right to use recreational or other facilities located or
629 planned to be located in other condominiums operated by the same
630 association, and the manner of sharing the common expenses
631 related to such facilities.

632 (c) A statement of the minimum and maximum number of
633 condominiums, and the minimum and maximum number of units in
634 each of those condominiums, which will or may be operated by the
635 association, and the latest date by which the exact number will
636 be finally determined.

637 (d) A statement as to whether any of the condominiums in
638 the multicondominium may include units intended to be used for

580-02889-24

20241706c1

639 nonresidential purposes and the purpose or purposes permitted
640 for such use.

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

644 (16) If the condominium is created by conversion of
645 existing improvements, the following information shall be
646 stated:

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

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

650 (17) A summary of the restrictions, if any, to be imposed
651 on units concerning the use of any of the condominium property,
652 including statements as to whether there are restrictions upon
653 children and pets, and reference to the volumes and pages of the
654 condominium documents where such restrictions are found, or if
655 such restrictions are contained elsewhere, then a copy of the
656 documents containing the restrictions shall be attached as an
657 exhibit.

658 (18) If there is any land that is offered by the developer
659 for use by the unit owners and that is neither owned by them nor
660 leased to them, the association, or any entity controlled by
661 unit owners and other persons having the use rights to such
662 land, a statement shall be made as to how such land will serve
663 the condominium. If any part of such land will serve the
664 condominium, the statement shall describe the land and the
665 nature and term of service, and the declaration or other
666 instrument creating such servitude shall be included as an
667 exhibit.

580-02889-24

20241706c1

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

672 (20) An explanation of the manner in which the
673 apportionment of common expenses and ownership of the common
674 elements has been determined.

675 (21) An estimated operating budget for the condominium and
676 the association, and a schedule of the unit owner's expenses
677 shall be attached as an exhibit and shall contain the following
678 information:

679 (a) The estimated monthly and annual expenses of the
680 condominium and the association that are collected from unit
681 owners by assessments.

682 (b) The estimated monthly and annual expenses of each unit
683 owner for a unit, other than common expenses paid by all unit
684 owners, payable by the unit owner to persons or entities other
685 than the association, as well as to the association, including
686 fees assessed pursuant to s. 718.113(1) for maintenance of
687 limited common elements where such costs are shared only by
688 those entitled to use the limited common element, and the total
689 estimated monthly and annual expense. There may be excluded from
690 this estimate expenses which are not provided for or
691 contemplated by the condominium documents, including, but not
692 limited to, the costs of private telephone; maintenance of the
693 interior of condominium units, which is not the obligation of
694 the association; maid or janitorial services privately
695 contracted for by the unit owners; utility bills billed directly
696 to each unit owner for utility services to his or her unit;

580-02889-24

20241706c1

697 insurance premiums other than those incurred for policies
698 obtained by the condominium; and similar personal expenses of
699 the unit owner. A unit owner's estimated payments for
700 assessments shall also be stated in the estimated amounts for
701 the times when they will be due.

702 (c) The estimated items of expenses of the condominium and
703 the association, except as excluded under paragraph (b),
704 including, but not limited to, the following items, which shall
705 be stated as an association expense collectible by assessments
706 or as unit owners' expenses payable to persons other than the
707 association:

708 1. Expenses for the association and condominium:

709 a. Administration of the association.

710 b. Management fees.

711 c. Maintenance.

712 d. Rent for recreational and other commonly used
713 facilities.

714 e. Taxes upon association property.

715 f. Taxes upon leased areas.

716 g. Insurance.

717 h. Security provisions.

718 i. Other expenses.

719 j. Operating capital.

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

721 718.112(2)(g).

722 1. Fees payable to the division.

723 2. Expenses for a unit owner:

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

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

580-02889-24

20241706c1

726 agent under any recreational lease or lease for the use of
727 commonly used facilities, which use and payment is a mandatory
728 condition of ownership and is not included in the common expense
729 or assessments for common maintenance paid by the unit owners to
730 the association.

731 (d) The following statement in conspicuous type:

732

733 THE BUDGET CONTAINED IN THIS OFFERING CIRCULAR HAS
734 BEEN PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT
735 AND IS A GOOD FAITH ESTIMATE ONLY AND REPRESENTS AN
736 APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND
737 CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION.
738 ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED
739 COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE MATERIAL
740 ADVERSE CHANGES IN THE OFFERING.

741

742 (e) Each budget for an association prepared by a developer
743 consistent with this subsection shall be prepared in good faith
744 and shall reflect accurate estimated amounts for the required
745 items in paragraph (c) at the time of the filing of the offering
746 circular with the division, and subsequent increased amounts of
747 any item included in the association's estimated budget that are
748 beyond the control of the developer shall not be considered an
749 amendment that would give rise to rescission rights set forth in
750 s. 718.503(1)(a) or (b), nor shall such increases modify, void,
751 or otherwise affect any guarantee of the developer contained in
752 the offering circular or any purchase contract. It is the intent
753 of this paragraph to clarify existing law.

754 (f) The estimated amounts shall be stated for a period of

580-02889-24

20241706c1

755 at least 12 months and may distinguish between the period prior
756 to the time unit owners other than the developer elect a
757 majority of the board of administration and the period after
758 that date.

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

763 (23) The identity of the developer and the chief operating
764 officer or principal directing the creation and sale of the
765 condominium and a statement of its and his or her experience in
766 this field.

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

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

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

772 (c) The bylaws of the association.

773 (d) The ground lease or other underlying lease of the
774 condominium.

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

779 (f) The estimated operating budget for the condominium, the
780 required schedule of unit owners' expenses, and the
781 association's most recent structural integrity reserve study or
782 a statement that the association has not completed a structural
783 integrity reserve study.

580-02889-24

20241706c1

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

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

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

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

791 (k) A declaration of servitude of properties serving the
792 condominium but not owned by unit owners or leased to them or
793 the association.

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

797 (m) The statement of inspection for termite damage and
798 treatment of the existing improvements, if the condominium is a
799 conversion.

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

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

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

805 (q) A copy of the inspector-prepared summary of the
806 milestone inspection report as described in ss. 553.899 and
807 718.301(4)(p), as applicable.

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

812 (26) A brief narrative description of the location and

580-02889-24

20241706c1

813 effect of all existing and intended easements located or to be
814 located on the condominium property other than those described
815 in the declaration.

816 (27) If the developer is required by state or local
817 authorities to obtain acceptance or approval of any dock or
818 marina facilities intended to serve the condominium, a copy of
819 any such acceptance or approval acquired by the time of filing
820 with the division under s. 718.502(1) or a statement that such
821 acceptance or approval has not been acquired or received.

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

825 Section 6. The amendments made to ss. 718.103(14) and
826 718.202(3), Florida Statutes, and the provisions of s.
827 718.407(1), (2), and (7), Florida Statutes, are intended to
828 clarify existing law and shall apply retroactively; however,
829 such amendments do not revive or reinstate any right or interest
830 that has been fully and finally adjudicated as invalid before
831 July 1, 2024.

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