



CONDOMINIUMS

Florida Statute 718.111 – Revises the Insurance and Official Records Provisions

(11)(j) – Previously the association or unit owners would have been responsible for the reconstruction, repair or replacement of an insured loss as determined by the declaration or bylaws but now it is limited to only the maintenance provisions. It also eliminates uninsured losses in excess of property insurance coverage as a common expense of the condominium.

Added/Stricken language – In the absence of an insurable event, the association or the unit owners shall be responsible for the reconstruction, repair, or replacement, as determined by the maintenance provisions of the declaration or bylaws. All property insurance deductibles, ~~uninsured losses~~, and other damages in excess of property insurance coverage under the property insurance policies maintained by the association are a common expense of the condominium.

(12)(a)(15) – Previously, the Association would have been required to turn over any records relating to the operation of the association. Now this is clarified to expressly mean written records.

Added language – All other written records of the association not specifically included in the foregoing which are related to the operation of the association.

Florida Statute 718.112 – Bylaws

(2)(d)(6) – The revision now authorizes the electronic transmission of notices of certain meetings of a condominium association irrespective of whether authorized by the association's bylaws.

~~Strikes out – If authorized by the bylaws . . .~~

(2)(f)(1) – Clarifies the language of what must be included in the proposed annual budget.

Added/Stricken language – The proposed annual budget of estimated revenues and expenses must be detailed and must show the amounts budgeted by accounts and expense classifications, including, at a minimum, any if applicable, ~~but not limited to, those~~ expenses listed in s. 718.504(21).

(2)(f)(2)(a) – Added subsection

(2)(f)(2)(b) – Added subsection to allow the developer, before turnover of control of an association, to vote the voting interests allocated to its unit to waive the reserves or reduce the funding of reserves.



Added/Stricken language – ~~Before~~ However, prior to turnover of control of an association by a developer to unit owners other than a developer pursuant to s. 718.301, the developer may vote the voting interests allocated to its units to waive the reserves or reduce the funding of reserves through the period expiring at the end of the fiscal year after the fiscal year in which the certificate of surveyor and mapper is recorded pursuant to s. 718.104(4)(e) or an instrument that transfers title to a unit in the condominium which is not accompanied by a recorded assignment of developer rights in favor of the grantee of such unit is recorded, whichever occurs first, after which time reserves may be waived or reduced only upon the vote of a majority of all nondeveloper voting interests voting in person or by limited proxy at a duly called meeting of the association.

(2)(f)(3) – Clarifies the language regarding when the developer may vote to use reserves.

Added/Stricken language – ~~Before~~ Prior to turnover of control of an association by a developer to unit owners other than the developer pursuant to s. 718.301, the developer-controlled association may ~~shall~~ not vote to use reserves for purposes other than those ~~that~~ for which they were intended without the approval of a majority of all nondeveloper voting interests, voting in person or by limited proxy at a duly called meeting of the association.

(2)(f)(4) – Clarifies the language.

Added/Stricken language – Proxy questions relating to waiving or reducing the funding of reserves or using existing reserve funds for purposes other than purposes for which the reserves were intended must ~~shall~~ contain the following statement in capitalized, bold letters in a font size larger than any other used on the face of the proxy ballot: . . .

Florida Statute 718.116 – Assessments; liability; lien and priority; interest; collection

(3) – Clarifies language and adds that the provision regarding unpaid rents and assessments, interests, and order of payment applies regardless of any accord and satisfaction.

Added/Stricken language – Any payment received by an association must be applied first to any interest accrued by the association, then to any administrative late fee, then to any costs and reasonable attorney ~~attorney's~~ fees incurred in collection, and then to the delinquent assessment. The foregoing is applicable notwithstanding s. 673.3111, any purported accord and satisfaction, or any restrictive endorsement, designation, or instruction placed on or accompanying payment. The preceding sentence is intended to clarify existing law.



(5)(b) – Adds administrative late fees to fees that are secured by the claim of lien and clarifies language.

Added/Stricken language – The claim of lien secures all unpaid assessments that are due and that may accrue after the claim of lien is recorded and through the entry of a final judgment, as well as interest, administrative late fees, and all reasonable costs and attorney ~~attorney's~~ fees incurred by the association incident to the collection process.

Reenacted – Reviser's note stated intended to amend subsection (6) but did not publish paragraphs (c) and (d).

(c) If the unit owner remains in possession after foreclosure, the court in its discretion may require the unit owner to pay a reasonable rent for the unit. If the unit is being rented or leased during the foreclosure action, the association is entitled to appoint a receiver for the collection of rent and receiver will be paid by the party that does not prevail.

(d) The association has the power the purchase the condominium parcel at the foreclosure sale and to hold, lease, mortgage, or convey it.

Florida Statute 718.117 – Termination of condominium

(3) New language that if 10 percent or more of the total voting interests reject the plan of termination, the plan may not proceed.

- a) The termination of the condominium form of ownership is subject to the listed conditions
 - 1. All voting interests must be considered and none can be suspended.
 - 2. If the plan is rejected, a subsequent plan may not be considered for 18 months after the date of the rejection.
- b) Subsection does not apply to any condominium created pursuant to part VI (conversions to condominium) of this chapter until 5 years after the recording of the declaration, unless there is no objection to the termination.
- c) Defines bulk owner and if at least 80 percent is owned by a bulk owner then the plan is subject to the following conditions
 - 1. If the units are offered for lease to the public, each unit owner in occupancy before the date of recording of termination may lease his former unit and remain in possession for 12 months. In order to do so, the unit owner must make a written request to the termination trustee within 90 days after the date the plan of termination is recorded. Any unit owner who fails to make such timely written request and sign the lease within 15 days is deemed to have waived his right to retain possession and is required to vacate.



2. Any unit owner who was granted homestead exemption shall be paid a relocation payment in an amount equal to 1 percent of the termination proceeds allocated to the owner's former unit. This is in addition to the termination proceeds and shall be paid no later than 10 days after the unit owner vacates.
 3. All unit owners except the bulk owner must be compensated at least 100 percent of the fair market value of their units. This value is to be determined no earlier than 90 days before the date the plan of termination is recorded.
 - i. For an original purchaser from the developer who rejects the plan of termination and who was granted homestead exemption, or was an owner-occupied operating business as of the date of the plan was recorded and who is current in payment of both assessments and other monetary obligations to the association and any mortgage encumbering the unit, the fair market value shall be at least the original price paid for the unit.
 4. Termination plan must provide for payment of a first mortgage encumbering a unit to satisfy the lien, but the payment may not exceed the unit's share of the proceeds under the plan. If the unit owner is current in both assessments and monetary obligations and any mortgages, the receipt by the holder of the unit's share of the proceeds or the outstanding balance of the mortgage, whichever is less, shall be deemed to have satisfied the first mortgage in full.
 5. Provides certain written disclosures that must be contained in the plan of termination before being presented to the unit owners for consideration
 - d) If the members of the board are elected by the bulk owner, the unit owners may elect at least one-third of the members of the board of administration before approval of the plan.
- (9) Changes the time required to wait before a new plan of termination is proposed to 18 months. Previously it was 180 days.
- a) If the plan is voted on at a meeting, a unit owner desiring to reject the plan must do so either voting to reject the plan in person or by proxy, or by delivering a written rejection to the association before or at the meeting.
 - b) If the plan is approved, any unit owner desiring to object must deliver a written objection to the association within 20 days after the date the association notifies the nonconsenting owners that the plan was approved.
- (11) Plan of termination; optional provisions; conditional termination; withdrawal; errors
- a) Unless the plan expressly authorizes a unit owner to remain in possession or use the common elements after termination, all rights automatically terminate on the effective date of termination, as well as, leases, occupancy agreements,