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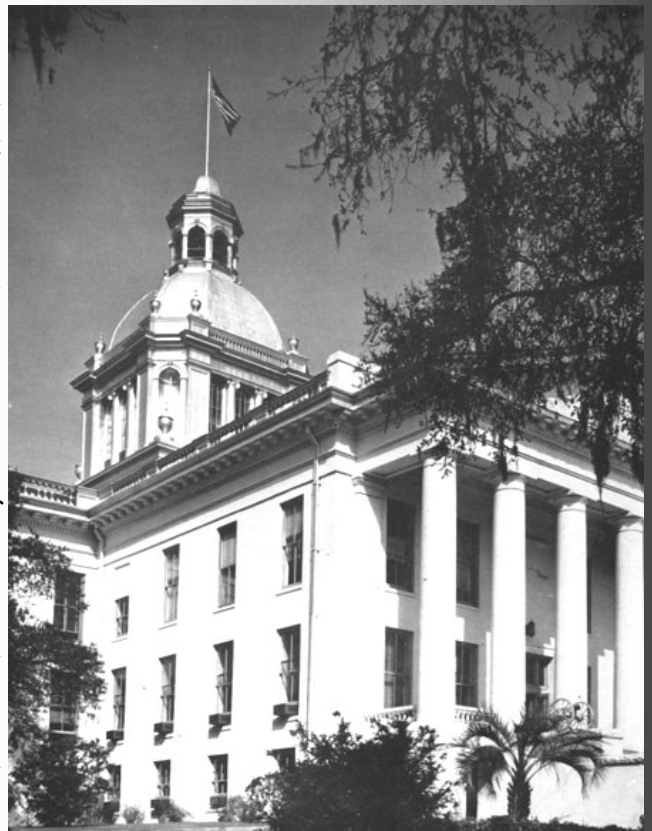
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## 2014 LEGISLATIVE UPDATE

The 2014 Legislative session was once again an active one for community associations. The Florida Legislature adopted three major community association bills that will affect community association officers, directors and managers.

The following is a brief summary of the new laws. The following is only summary in nature and it is recommended that you download and read the new laws before taking action. The text of the new laws may be downloaded free of charge via the internet at:  
<http://laws.flrules.org/2014>.

Please remember that Chapter 718 applies to condominium associations, Chapter 719 applies to cooperative associations, Chapter 720 applies to homeowner associations and Chapter 721 applies to timeshare condominiums.



## 2014 COMMUNITY ASSOCIATION LEGAL UPDATE



### CHAPTER 2014-74 LAWS OF FLORIDA [SB 440] (eff. 7/1/2014). RESIDENTIAL CONDOMINIUMS.

**§ 718.112(2): Residential versus Nonresidential Condominiums:** This new law revises certain portions of the Condominium Act so that it makes explicit which laws apply to residential condominiums versus non-residential condominiums. Only unit owners in a residential condominium may file a written inquiry by certified mail with the association's board of directors. Proxies may not be used to elect directors in a residential condominium. Section 718.112(2)(d), Florida Statutes, does not limit the term of a member of the board of a nonresidential condominium. The members of a board of a residential condominium shall be elected by written ballot or voting machine. Only directors of a residential condominium are required to timely file a written certificate or submit a certificate that they have timely completed the required two-hour DBPR educational curriculum. Only residential condominiums are required to engage in mandatory non-binding arbitration, as provided in Section 718.1255, Florida Statutes.

**§ 718.112(2)(l): Retrofitting with a Fire Sprinkler System:** The local authority having jurisdiction may not require retrofitting with a fire sprinkler system before January 1, 2020 (formerly stated by the end of 2019).



**§ 718.113(5): Residential Condominium — hurricane shutter specifications.** Only the board of directors of residential condominiums are required to adopt hurricane shutter specifications for each building.

**§ 718.1255(6): Alternative Dispute Resolution — Arbitration.** Section 718.1255, Florida Statutes (mandatory nonbinding arbitration) does not apply to a nonresidential condominium unless otherwise specifically provided for in the declaration of the nonresidential condominium.

**§ 718.403(9): Phase Condominiums.** Paragraphs (2)(b)-(f) and subsection (8) do not apply to nonresidential condominiums.

**§ 718.707: Time Limitation for Classification of Bulk Assignee or Bulk Buyer.** The time limitation for a person acquiring condominium parcels to be classified as a bulk assignee or bulk buyer has been extended from July 1, 2015 to July 1, 2016.



## 2014 COMMUNITY ASSOCIATION LEGAL UPDATE

### CHAPTER 2014-133 LAWS OF FLORIDA, [HB 807] (eff. 7/1/2014). NEW CONDO, COOP and HOA LAWS.



**§ 509.013(b)9.:** **Timeshare Project Excluded from Public Lodging Establishment Definition.** Timeshare projects have been added to the list of facilities that are excluded from the definition of a public lodging establishment.

**§ 509.032(2)(a):** **Inspection of Timeshare Projects.** Timeshare projects are not subject to inspection by the division, but shall be made available upon request.

**§ 509.221(9):** **Developer Established Reserves.** The sanitary regulations of subsections (2), (5) and (6) do not apply to timeshare projects as described in Section 509.242(1)(c), (d) and (g).

**§ 509.241(2):** **Public Lodging Establishment License.** A condominium association which does not own any units classified as vacation rental or timeshare projects under Section 509.242(1)(c) or (g) is not required to apply for or receive a public lodging establishment license.



**§ 509.242(1):** **Director Certification or Educational Certificate.** A public lodging establishment shall be classified as a home, motel, non-transient apartment, transient apartment, bed and breakfast inn, timeshare project or vacation rental if they meet certain criteria. Additionally, timeshare plan was removed from the definition of a “vacation rental”. Now, a timeshare project has its own public lodging establishment criteria. A timeshare project is a timeshare property that is located in this state and that is also a transient public lodging establishment.

**§ 509.251(1):** **Single License Fee.** Timeshare project within separate buildings or at separate locations but managed by one licensed agent may be combined in a single license application and the division shall charge a license fee as if all units in the application are in a single licensed establishment.



**§ 712.05(1):** **MRTA Notice.** A homeowners association desiring to preserve a covenant or restriction may preserve and protect the same from extinguishment by the operation of the Marketable Record Title Act (“MRTA”) by filing for record, during the 30-year period immediately following the effective date of the root of title, a written notice in accordance with the MRTA. Such notice preserves such covenant or restriction for up to an additional 30 years after filing the notice unless the notice is filed again as required in this chapter. The homeowners association or the clerk is not required to provide additional notice pursuant to Section 712.06(3). This clarifies existing law.



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### FLORIDA STATUTE 776.012

A PERSON IS JUSTIFIED IN THE USE OF DEADLY FORCE AND DOES NOT HAVE A DUTY TO RETREAT IF... HE OR SHE REASONABLY BELIEVES THAT SUCH FORCE IS NECESSARY TO PREVENT IMMINENT DEATH OR GREAT BODILY HARM...

**§ 718.111(5)(1)(a): Right of Access to Units.** The association has the irrevocable right of access to each unit during reasonable hours, when necessary for the maintenance, repair or replacement of any common elements or of any portion of a unit to be maintained by the association pursuant to the declaration or as necessary to prevent damage to the common elements or to a unit.

(b)1. In addition to the association's right of access in paragraph (a) and regardless of whether authority is provided in the declaration or other recorded condominium documents, an association, at the sole discretion of the board, may enter an **abandoned unit** to inspect the unit and adjoining common elements; make repairs to the unit or to the common elements serving the unit, as needed; repair the unit if mold or deterioration is present; turn on the utilities for the unit; or otherwise maintain, preserve, or protect the unit and adjoining common elements. For purposes of this paragraph, a unit is **presumed to be abandoned if:**

a. The unit is the subject of a foreclosure action and no tenant appears to have resided in the unit for at least 4 continuous weeks without prior written notice to the association; or

b. No tenant appears to have resided in the unit for 2 consecutive months without prior written notice to the association, and the association is unable to contact the owner or determine the whereabouts of the owner after reasonable inquiry.

2. Except in the case of an emergency, an association may not enter an abandoned unit until 2 days after notice of the association's intent to enter the unit has been mailed or hand-delivered to the owner at the address of the owner as reflected in the records of the association. The notice may be given by electronic transmission to unit owners who previously consented to receive notice by electronic transmission.

3. Any expense incurred by an association pursuant to this paragraph is chargeable to the unit owner and enforceable as an assessment pursuant to s. 718.116, and the association may use its lien authority provided by s. 718.116 to enforce collection of the expense.

4. The association may petition a court of competent jurisdiction to appoint a receiver to lease out an abandoned unit for the benefit of the association to offset against the rental income the association's costs and expenses of maintaining, preserving, and protecting the unit and the adjoining common elements, including the costs of the receivership and all unpaid assessments, interest, administrative late fees, costs, and reasonable attorney fees.

**§ 718.111(11): Insurable Event.** 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 provisions of the declaration or bylaws.



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**§ 718.111(12)(c): Official Records — Telephone Numbers and Email Address.** An association may print and distribute to parcel owners a directory containing the name, parcel address, and all telephone numbers of each parcel owner. However, an owner may exclude his or her telephone numbers from the directory by so requesting in writing to the association. An owner may consent in writing to the disclosure of other contact information described in this subparagraph (email address).

**§ 718.111(12)(f): Outgoing Director/Committee Member Must Relinquish Official Records Timely.** An outgoing board or committee member must relinquish all official records and property of the association in his or her possession or under his or her control to the incoming board within 5 days after the election. The division shall impose a civil penalty as set forth in s. 718.501(1)(d)6. against an outgoing board or committee member who willfully and knowingly fails to relinquish such records and property.

**§ 718.112(2)(b)5.: Real-time Video Conferencing.** A board or committee member's participation in a meeting via telephone, real-time videoconferencing, or similar real-time electronic or video communications counts toward a quorum, and such member may vote as if physically present. A speaker must be used so that the conversation of such members may be heard by the board or committee members attending in person as well as by any unit owners present at the meeting.



**§ 718.112(2)(c): Email Communications.** Meetings of the board of administration at which a quorum of the members is present are open to all unit owners. Members of the board of administration may use e-mail as a means of communication but may not cast a vote on an association matter via email.

**§ 718.116(1)(a): Association is not a Previous Owner for Assessment Purposes.** The association shall not be considered a "previous owner" if it acquires title to a delinquent property through foreclosure or by deed in lieu of foreclosure. A present unit owner's liability for unpaid assessments is limited to any unpaid assessments that accrued before the association acquired title to the delinquent unit through foreclosure or by deed in lieu of foreclosure.



**§ 718.117(9): Plan of Termination.** If the plan of termination fails to receive the required approval, the plan shall not be recorded and a new attempt to terminate the condominium may not be proposed at a meeting or by solicitation for joinder and consent for 180 days after the date that such failed plan of termination was first given to all unit owners in the manner as provided in this subsection.

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**§ 718.50151:** **Community Association Living Study Council.** This statute was repealed.

**§ 718.707:** **Time Limitation for Classification as Bulk Assignee or Bulk Buyer.** A person acquiring condominium parcels may not be classified as a bulk assignee or bulk buyer unless the condominium parcels were acquired on or after July 1, 2010, but before July 1, 2016 ~~2015~~. The date of such acquisition shall be determined by the date of recording a deed or other instrument of conveyance for such parcels in the public records of the county in which the condominium is located, or by the date of issuing a certificate of title in a foreclosure proceeding with respect to such condominium parcels.



**§ 719.104(2)(c)5.:** **Official Records—Telephone Numbers and Email Address.** An association may print and distribute to parcel owners a directory containing the name, parcel address, and all telephone numbers of each parcel owner. However, an owner may exclude his or her telephone numbers from the directory by so requesting in writing to the association. An owner may consent in writing to the disclosure of other contact information described in this subparagraph (email address).

**§ 719.104(2)(e):** **Outgoing Director/Committee Member Must Relinquish Official Records Timely.** An outgoing board or committee member must relinquish all official records and property of the association in his or her possession or under his or her control to the incoming board within 5 days after the election. The division shall impose a civil penalty as set forth in s. 719.501(1)(d) against an outgoing board or committee member who willfully and knowingly fails to relinquish such records and property.



**§ 719.104(4):** **Financial Report.** Within 90 ~~60~~ days following the end of the fiscal or calendar year or annually on such date as provided in the bylaws of the Association, the board of administration shall prepare and complete, or contract with a third party to prepare and complete, a financial report covering the preceding fiscal or calendar year. Within 21 days after the financial report is completed by the association or received from the third party, but no later than 120 days after the end of the fiscal year, calendar year, or other date provided in the bylaws, the association shall provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. The division shall adopt rules setting forth uniform accounting principles, standards, and reporting requirements.

**§ 719.104(4)(b):** **Financial Report.** (b) Except as provided in paragraph (c), an association whose total annual revenues meet the criteria of this paragraph

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shall prepare or cause to be prepared a complete set of financial statements according to the generally accepted accounting principles adopted by the Board of Accountancy. The financial statements shall be as follows:

1. An association with total annual revenues between \$150,000 and \$299,999 shall prepare a compiled financial statement.
2. An association with total annual revenues between \$300,000 and \$499,999 shall prepare a reviewed financial statement.
3. An association with total annual revenues of \$500,000 or more shall prepare an audited financial statement.

4. The requirement to have the financial statements compiled, reviewed, or audited does not apply to an association if a majority of the voting interests of the association present at a duly called meeting of the association have voted to waive this requirement for the fiscal year. In an association in which turnover of control by the developer has not occurred, the developer may vote to waive the audit requirement for the first 2 years of operation of the association, after which time waiver of an applicable audit requirement shall be by a majority of voting interests other than the developer. The meeting shall be held prior to the end of the fiscal year, and the waiver shall be effective for only one fiscal year. An association may not waive the financial reporting requirements of this section for more than 3 consecutive years. ~~This subsection does not apply to a cooperative that consists of 50 or fewer units.~~



(c)1. An association with total annual revenues of less than \$150,000 shall prepare a report of cash receipts and expenditures.

2. An association in a community of fewer than 50 units, regardless of the association's annual revenues, shall prepare a report of cash receipts and expenditures in lieu of the financial statements required by paragraph (b), unless the declaration or other recorded governing documents provide otherwise.

3. A report of cash receipts and expenditures must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including the following, as applicable: costs for security, professional, and management fees and expenses; taxes; costs for recreation facilities; expenses for refuse collection and utility services; expenses for lawn care; costs for building maintenance and repair; insurance costs; administration and salary expenses; and reserves, if maintained by the association.

(d) If at least 20 percent of the unit owners petition the board for a greater level of financial reporting than that required by this section, the association shall duly notice and hold a membership meeting within 30 days after receipt of the petition to vote on raising the level of reporting for that fiscal year. Upon approval by a majority of the voting interests represented at a meeting at which a quorum of unit owners is present, the association shall prepare an amended budget or shall adopt a special assessment to pay for the financial report regardless of any





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provision to the contrary in the declaration or other recorded governing documents. In addition, the association shall provide within 90 days after the meeting or the end of the fiscal year, whichever occurs later:

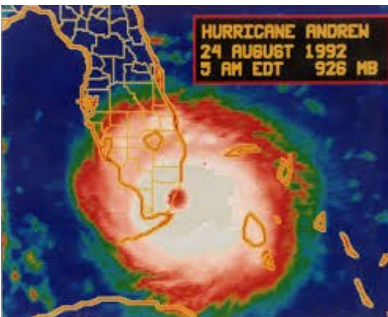
1. Compiled, reviewed, or audited financial statements, if the association is otherwise required to prepare a report of cash receipts and expenditures;
2. Reviewed or audited financial statements, if the association is otherwise required to prepare compiled financial statements; or
3. Audited financial statements, if the association is otherwise required to prepare reviewed financial statements.

(e) If approved by a majority of the voting interests present at a properly called meeting of the association, an association may prepare or cause to be prepared:

1. A report of cash receipts and expenditures in lieu of a compiled, reviewed, or audited financial statement;
2. A report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement; or
3. A report of cash receipts and expenditures, a compiled financial statement, or a reviewed financial statement in lieu of an audited financial statement.

**§ 719.106(1)(a)2.: Director Qualifications.** A person who has been suspended or removed by the division under this chapter, or who is delinquent in the payment of any monetary obligation due to the association, is not eligible to be a candidate for board membership and may not be listed on the ballot. A director or officer charged by information or indictment with a felony theft or embezzlement offense involving the association's funds or property is suspended from office. The board shall fill the vacancy according to general law until the end of the period of the suspension or the end of the director's term of office, whichever occurs first. However, if the charges are resolved without a finding of guilt or without acceptance of a plea of guilty or nolo contendere, the director or officer shall be reinstated for any remainder of his or her term of office. A member who has such criminal charges pending may not be appointed or elected to a position as a director or officer. A person who has been convicted of any felony in this state or in any United States District Court, or who has been convicted of any offense in another jurisdiction which would be considered a felony if committed in this state, is not eligible for board membership unless such felon's civil rights have been restored for at least 5 years as of the date such person seeks election to the board. The validity of an action by the board is not affected if it is later determined that a board member is ineligible for board membership due to having been convicted of a felony.

**§ 719.128: Association Emergency Powers.** To the extent allowed by law, unless specifically prohibited by the cooperative documents, and consistent with s. 617.0830, the board of administration, in response to damage caused by an





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event for which a state of emergency is declared pursuant to s. 252.36 in the area encompassed by the cooperative, may exercise the following powers:

(a) Conduct board or membership meetings after notice of the meetings and board decisions is provided in as practicable a manner as possible, including via publication, radio, United States mail, the Internet, public service announcements, conspicuous posting on the cooperative property, or any other means the board deems appropriate under the circumstances.

(b) Cancel and reschedule an association meeting.

(c) Designate assistant officers who are not directors. If the executive officer is incapacitated or unavailable, the assistant officer has the same authority during the state of emergency as the executive officer he or she assists.

(d) Relocate the association's principal office or designate an alternative principal office.

(e) Enter into agreements with counties and municipalities to assist counties and municipalities with debris removal.

(f) Implement a disaster plan before or immediately following the event for which a state of emergency is declared, which may include turning on or shutting off elevators; electricity; water, sewer, or security systems; or air conditioners for association buildings.

(g) Based upon the advice of emergency management officials or upon the advice of licensed professionals retained by the board of administration, determine any portion of the cooperative property unavailable for entry or occupancy by unit owners or their family members, tenants, guests, agents, or invitees to protect their health, safety, or welfare.

(h) Based upon the advice of emergency management officials or upon the advice of licensed professionals retained by the board of administration, determine whether the cooperative property can be safely inhabited or occupied. However, such determination is not conclusive as to any determination of habitability pursuant to the declaration.

(i) Require the evacuation of the cooperative property in the event of a mandatory evacuation order in the area where the cooperative is located. If a unit owner or other occupant of a cooperative fails to evacuate the cooperative property for which the board has required evacuation, the association is immune from liability for injury to persons or property arising from such failure.

(j) Mitigate further damage, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus, including mold or mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the cooperative property, regardless of whether the unit owner is obligated by the declaration or law to insure or replace those fixtures and to remove personal property from a unit.

(k) Contract, on behalf of a unit owner, for items or services for which the owner is otherwise individually responsible, but which are necessary to prevent further



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damage to the cooperative property. In such event, the unit owner on whose behalf the board has contracted is responsible for reimbursing the association for the actual costs of the items or services, and the association may use its lien authority provided by s. 719.108 to enforce collection of the charges. Such items or services may include the drying of the unit, the boarding of broken windows or doors, and the replacement of a damaged air conditioner or air handler to provide climate control in the unit or other portions of the property.

(l) Notwithstanding a provision to the contrary, and regardless of whether such authority does not specifically appear in the cooperative documents, levy special assessments without a vote of the owners.

(m) Without unit owners' approval, borrow money and pledge association assets as collateral to fund emergency repairs and carry out the duties of the association if operating funds are insufficient. This paragraph does not limit the general authority of the association to borrow money, subject to such restrictions contained in the cooperative documents.

(2) The authority granted under subsection (1) is limited to that time reasonably necessary to protect the health, safety, and welfare of the association and the unit owners and their family members, tenants, guests, agents, or invitees, and to mitigate further damage and make emergency repairs.

**§ 720.303(2)(a):** **Location of Board Meetings — Physically Handicapped Person.** A meeting of the board must be held at a location that is accessible to a physically handicapped person if requested by a physically handicapped person who has a right to attend the meeting.



**§ 720.303(5)(c)5:** **Official Records — Telephone Numbers and Email Address.** An association may print and distribute to parcel owners a directory containing the name, parcel address, and all telephone numbers of each parcel owner. However, an owner may exclude his or her telephone numbers from the directory by so requesting in writing to the association. An owner may consent in writing to the disclosure of other contact information described in this subparagraph (email address).

**§ 720.306(1)(a):** **Location of Membership Meetings — Physically Handicapped Person.** A meeting of the members must be held at a location that is accessible to a physically handicapped person if requested by a physically handicapped person who has a right to attend the meeting.

**§ 720.306(1)(b):** **Copies of Proposed Amendments.** Within 30 days after recording an amendment to the governing documents, the association shall provide copies of the amendment to the members. However, if a copy of the proposed amendment is provided to the members before they vote on the amend-

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**COPY**

ment and the proposed amendment is not changed before the vote, the association, in lieu of providing a copy of the amendment, may provide notice to the members that the amendment was adopted, identifying the official book and page number or instrument number of the recorded amendment and that a copy of the amendment is available at no charge to the member upon written request to the association. The copies and notice described in this paragraph may be provided electronically to those owners who previously consented to receive notice electronically.



**§ 720.316: Association Emergency Powers.** To the extent allowed by law, unless specifically prohibited by the declaration or other recorded governing documents, and consistent with s. 617.0830, the board of directors, in response to damage caused by an event for which a state of emergency is declared pursuant to s. 252.36 in the area encompassed by the association, may exercise the following powers:

(a) Conduct board or membership meetings after notice of the meetings and board decisions is provided in as practicable a manner as possible, including via publication, radio, United States mail, the Internet, public service announcements, conspicuous posting on the association property, or any other means the board deems appropriate under the circumstances.

(b) Cancel and reschedule an association meeting.

(c) Designate assistant officers who are not directors. If the executive officer is incapacitated or unavailable, the assistant officer has the same authority during the state of emergency as the executive officer he or she assists.

(d) Relocate the association's principal office or designate an alternative principal office.

(e) Enter into agreements with counties and municipalities to assist counties and municipalities with debris removal.

(f) Implement a disaster plan before or immediately following the event for which a state of emergency is declared, which may include, but is not limited to, turning on or shutting off elevators; electricity; water, sewer, or security systems; or air conditioners for association buildings.

(g) Based upon the advice of emergency management officials or upon the advice of licensed professionals retained by the board, determine any portion of the association property unavailable for entry or occupancy by owners or their family members, tenants, guests, agents, or invitees to protect their health, safety, or welfare.

(h) Based upon the advice of emergency management officials or upon the advice of licensed professionals retained by the board, determine whether the association property can be safely inhabited or occupied. However, such determination is not conclusive as to any determination of habitability pursuant to the declaration.





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HAPPY  
COMMUNITY MANAGER  
APPRECIATION  
DAY



(i) Mitigate further damage, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus, including mold or mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the association property.

(j) Notwithstanding a provision to the contrary, and regardless of whether such authority does not specifically appear in the declaration or other recorded governing documents, levy special assessments without a vote of the owners.

(k) Without owners' approval, borrow money and pledge association assets as collateral to fund emergency repairs and carry out the duties of the association if operating funds are insufficient. This paragraph does not limit the general authority of the association to borrow money, subject to such restrictions contained in the declaration or other recorded governing documents.

(2) The authority granted under subsection (1) is limited to that time reasonably necessary to protect the health, safety, and welfare of the association and the parcel owners and their family members, tenants, guests, agents, or invitees, and to mitigate further damage and make emergency repairs.



### CHAPTER 2014-146, LAWS OF FLORIDA [HB 7037] (eff. 7/1/2014). CONDOMINIUMS.

#### **§ 468.431(2): Definition of Community Association Management.**

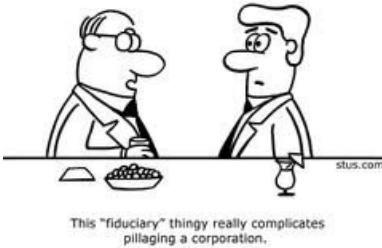
“Community Association Management” means any of the following practices requiring substantial specialized knowledge, judgment and managerial skill when done for remuneration and when the association(s) served contain more than 10 units or have an annual budget(s) in excess of \$100,000: determining the number of days required for statutory notices, determining amounts due to the association, collecting amounts due to the association before the filing of a civil action, calculating the votes required for a quorum or to approve a proposition or amendment, completing forms related to the management of a community association that have been created by statute or by a state agency, drafting meeting notices and agendas, calculating and preparing certificates of assessment and estoppel certificates, responding to requests for certificates of assessment and estoppel certificates, negotiating monetary or performance terms of a contract subject to approval by an association, drafting pre-arbitration demands, coordinating or performing maintenance for real or personal property and other related routine services involved in the operation of a condominium and the requirements of law as necessary to perform such practices.

#### **§ 468.4334: CAM and CAM-F Professional Practice Standards; Liability.**

1) A community association manager or a community association management firm are deemed to act as agent on behalf of a community association as principal within the scope of authority authorized by a written contract or under this



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chapter. A community association manager and a community association management firm shall discharge duties performed on behalf of the association as authorized by this chapter loyally, skillfully, and diligently; dealing honestly and fairly; in good faith; with care and full disclosure to the community association; accounting for all funds; and not charging unreasonable or excessive fees.

(2)(a) A contract between a community association and a community association manager or a contract between a community association and a community association management firm may provide that the community association indemnifies and holds harmless the community association manager and the community association management firm for ordinary negligence resulting from the manager or management firm's act or omission that is the result of an instruction or direction of the community association. This paragraph does not preclude any other negotiated indemnity or hold harmless provision.

(b) Indemnification under paragraph (a) may not cover any act or omission that violates a criminal law; derives an improper personal benefit, either directly or indirectly; is grossly negligent; or is reckless, is in bad faith, is with malicious purpose, or is in a manner exhibiting wanton and willful disregard of human rights, safety, or property.



**§ 718.116(5)(d) and (6): Condo Release of Lien and Collection Demand Letters.** There is now a statutory prescribed form for a release of lien. All releases of lien used by a condominium association must be in substantially the statutory form. The form of the 30-day demand letter for Notice of Delinquent Assessment/Intent to Foreclose is now prescribed by statute.



**§ 718.121(4): Condo Liens.** There is now a statutory prescribed form for a 30-day Notice of Intent to Record a Claim of Lien. The notice must be substantially in the statutory form. In sum, the statutory form states that the letter serves as the Association's notice of intent to record a claim of lien against the owner's unit no sooner than 30 days after the owner's receipt of the letter.

**§ 719.108(3) and (4): Coop Release of Lien and Collection Demand Letters.** The statute now prescribes form documents for a Notice of Intent to Record a Claim of Lien, Notice of Contest of Lien, Release of Lien. Additionally, the cooperative association's statutory lien expires if a claim of lien is not filed within 1 year after the date the assessment was due.

# Release

A cooperative claim of lien must be executed and acknowledged by an officer or authorized agent of the Association. The lien is not effective 1 year after the claim of lien was recorded unless, within that time, an action to enforce the lien is commenced. The 1-year period is automatically extended for any length of time during which the Association is prevented from filing a foreclosure action

## TOP TEN DBPR COMPLIANCE ISSUES FOR CONDOMINIUMS



1. Failure to update the Frequently Asked Questions and Answers (Q&A) Sheet every 12 months.
2. Failure to adopt a hurricane shutter rule.
3. Failure to adopt a rule designating a specific place for posting meeting notices.
4. Failure to have document authority to levy or collect late fees, transfer fees or security deposits.
5. Failure to obtain competitive bids on contracts that exceed 5% of the association's annual budget.
6. Failure to disclose beginning and ending dates in the proposed annual budget.
7. Failure to propose full reserve funding in the proposed annual budget.
8. Failure to record a vote or abstention in the minutes for each director present at a board meeting.
9. Failure to provide a director candidate a receipt upon hand delivery of a written notice of intent to be a director candidate.
10. Failure to maintain a complete set of recorded condominium documents and certified copy of Articles of Incorporation.



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