2012

| 1 | A bill to be entitled |
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| 2 | An act relating to mobile home parks; amending s. |
| 3 | 723.003, F.S.; defining the term "amenity"; amending |
| 4 | s. 723.006, F.S.; providing preconditions for the |
| 5 | amendment of a prospectus or offering circular; |
| 6 | amending s. 723.011, F.S.; providing additional |
| 7 | disclosure requirements before the rental of a mobile |
| 8 | home lot; requiring the Division of Florida |
| 9 | Condominiums, Timeshares, and Mobile Homes to create a |
| 10 | mobile home disclosure document for certain purposes; |
| 11 | providing intent and purpose of disclosure; amending |
| 12 | s. 723.012, F.S.; providing additional required |
| 13 | prospectus or offering circular information relating |
| 14 | to change of land use; amending s. 723.037, F.S.; |
| 15 | providing notice requirements for a reduction in |
| 16 | services, utilities, or amenities by a park owner; |
| 17 | providing what constitutes the market area or the |
| 18 | competitive area for comparable mobile home parks; |
| 19 | amending s. 723.06116, F.S.; increasing fees for |
| 20 | mobile home park owner applications for payment of |
| 21 | moving expenses; amending s. 723.0612, F.S.; revising |
| 22 | the payment amounts mobile home owners are entitled |
| 23 | from the Florida Mobile Home Relocation Corporation |
| 24 | under certain conditions involving a change in land |
| 25 | use; amending s. 723.075, F.S.; deleting a provision |
| 26 | authorizing homeowners of certain concrete block homes |
| 27 | to be part of the homeowners' association and to serve |
| 28 | on the board of directors of the association under |
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certain circumstances; amending s. 553.382, F.S.; correcting a reference; providing an effective date. Be It Enacted by the Legislature of the State of Florida: Section 1. Subsection (16) is added to section 723.003, Florida Statutes, to read: 723.003 Definitions.-As used in this chapter, the following words and terms have the following meanings unless clearly indicated otherwise: (16) The term "amenity" means any tangible or intangible benefit offered to a tenant at no fee, typically onsite recreational facilities or planned programs, services, and activities, as established by the National Council of Affordable Housing Market Analysts. Section 2. Subsection (8) of section 723.006, Florida Statutes, is amended to read: 723.006 Powers and duties of division.-In performing its duties, the division has the following powers and duties: The division has the authority by rule to authorize (8) amendments permitted by this chapter to an approved prospectus or offering circular. At least 60 days before submitting any amendment to the division, the mobile home park owner must meet with the homeowners' association or, if a homeowners' association has not been established, a committee, not to exceed five members, designated by a majority of the affected homeowners, to provide the association or committee with the amendments to the prospectus or offering circular. Before

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| 57 | approving any amendments to a prospectus or offering circular, | | | | | | | | |
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| 58 | the division shall provide notice of the amendments to the | | | | | | | | |
| 59 | homeowners' association or, if a homeowners' association has not | | | | | | | | |
| 60 | been established, to a committee, not to exceed five members, | | | | | | | | |
| 61 | designated by a majority of the affected homeowners. The | | | | | | | | |
| 62 | division may not approve an amendment unless the requirements of | | | | | | | | |
| 63 | this subsection are met. | | | | | | | | |
| 64 | Section 3. Subsections (2) and (3) of section 723.011, | | | | | | | | |
| 65 | Florida Statutes, are amended to read: | | | | | | | | |
| 66 | 723.011 Disclosure prior to rental of a mobile home lot; | | | | | | | | |
| 67 | prospectus, filing, approval | | | | | | | | |
| 68 | (2) The park owner shall furnish to each prospective | | | | | | | | |
| 69 | lessee a copy of the prospectus or offering circular together | | | | | | | | |
| 70 | with all of the exhibits thereto and a mobile home expense | | | | | | | | |
| 71 | disclosure document containing all the information required by | | | | | | | | |
| 72 | <u>s. 723.012(7), (8), (9), and (10)</u> to each prospective lessee. | | | | | | | | |
| 73 | The mobile home expense disclosure document shall include past, | | | | | | | | |
| 74 | present, and estimated future lease-year amounts and any other | | | | | | | | |
| 75 | factors that may affect rent variations, such as lot location or | | | | | | | | |
| 76 | size. The division shall create the mobile home disclosure | | | | | | | | |
| 77 | document through its rulemaking authority. Delivery shall be | | | | | | | | |
| 78 | made prior to execution of the lot rental agreement or at the | | | | | | | | |
| 79 | time of occupancy, whichever occurs first. Upon delivery of a | | | | | | | | |
| 80 | prospectus to a prospective lessee, the lot rental agreement is | | | | | | | | |
| 81 | voidable by the lessee for a period of 15 days. However, the | | | | | | | | |
| 82 | park owner is not required to furnish a copy of the prospectus | | | | | | | | |
| 83 | or offering circular if the tenancy is a renewal of a tenancy | | | | | | | | |
| 84 | and the mobile home owner has previously received the prospectus | | | | | | | | |
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85 or offering circular.

(3) The prospectus or offering circular together with its
exhibits and the mobile home expense disclosure document are is
a disclosure documents document intended to afford protection to
homeowners and prospective homeowners in the mobile home park.
The purpose of the documents document is to disclose the
representations of the mobile home park owner concerning the
operations of the mobile home park.

93 Section 4. Paragraph (b) of subsection (1) of section
94 723.012, Florida Statutes, is amended to read:

95 723.012 Prospectus or offering circular.—The prospectus or 96 offering circular, which is required to be provided by s. 97 723.011, must contain the following information:

98

99

(1) The front cover or the first page must contain only:

(b

(b) The following statements in conspicuous type:

100 1. THIS PROSPECTUS CONTAINS VERY IMPORTANT INFORMATION
 101 REGARDING YOUR LEGAL RIGHTS AND YOUR FINANCIAL OBLIGATIONS IN
 102 LEASING A MOBILE HOME LOT. MAKE SURE THAT YOU READ THE ENTIRE
 103 DOCUMENT AND SEEK LEGAL ADVICE IF YOU HAVE ANY QUESTIONS
 104 REGARDING THE INFORMATION SET FORTH IN THIS DOCUMENT.

105 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN
106 NATURE. A PROSPECTIVE LESSEE SHOULD REFER TO ALL REFERENCES, ALL
107 EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.

ORAL REPRESENTATIONS SHOULD NOT BE RELIED UPON AS
 CORRECTLY STATING THE REPRESENTATIONS OF THE PARK OWNER OR
 OPERATOR. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS
 EXHIBITS FOR CORRECT REPRESENTATIONS.

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4. UPON DELIVERY OF THE PROSPECTUS TO A PROSPECTIVE

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113 LESSEE, THE RENTAL AGREEMENT IS VOIDABLE BY THE LESSEE FOR A 114 PERIOD OF 15 DAYS.

115 <u>5. UPON A CHANGE OF LAND USE, YOU MAY BE EVICTED AND</u> 116 ORDERED TO MOVE YOUR MOBILE HOME WITHIN SIX MONTHS, OR FORFEIT 117 YOUR MOBILE HOME IF THE HOME CANNOT BE RELOCATED, PURSUANT TO 118 SECTION 723.061, FLORIDA STATUTES.

Section 5. Subsections (1) and (2) and paragraphs (a) and (b) of subsection (4) of section 723.037, Florida Statutes, are amended, paragraph (e) of subsection (4) is redesignated as paragraph (f), and a new paragraph (e) is added to subsection (4) of that section, to read:

124 723.037 Lot rental increases; reduction in services, or 125 utilities, or amenities; change in rules and regulations; 126 mediation.-

127 A park owner shall give written notice to each (1)128 affected mobile home owner and the board of directors of the 129 homeowners' association, if one has been formed, at least 90 130 days prior to any increase in lot rental amount or reduction in 131 services, or utilities, or amenities provided by the park owner 132 or change in rules and regulations. The notice shall identify 133 all other affected homeowners, which may be by lot number, name, 134 group, or phase. If the affected homeowners are not identified 135 by name, the park owner shall make the names and addresses 136 available upon request. Rules adopted as a result of restrictions imposed by governmental entities and required to 137 protect the public health, safety, and welfare may be enforced 138 prior to the expiration of the 90-day period but are not 139 140 otherwise exempt from the requirements of this chapter. Pass-

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141 through charges must be separately listed as to the amount of 142 the charge, the name of the governmental entity mandating the 143 capital improvement, and the nature or type of the pass-through 144 charge being levied. Notices of increase in the lot rental 145 amount due to a pass-through charge shall state the additional 146 payment and starting and ending dates of each pass-through 147 charge. The homeowners' association shall have no standing to 148 challenge the increase in lot rental amount, reduction in services, or utilities, or amenities, or change of rules and 149 regulations unless a majority of the affected homeowners agree, 150 151 in writing, to such representation.

152 Notice as required by this section shall, in addition (2)153 to the information required in subsection (1), only be required 154 to include the dollar amount of the relevant portions of the 155 present lot rental amount that are being increased and the 156 dollar amount of the proposed increases in lot rental amount if 157 there is an increase in the lot rental amount, the reduction in 158 services, or utilities, or amenities, or the change in rules and 159 regulations and the effective date thereof.

160 (4) (a) A committee, not to exceed five members in number, 161 designated by a majority of the affected mobile home owners or 162 by the board of directors of the homeowners' association, if 163 applicable, and the park owner shall meet, at a mutually 164 convenient time and place within 30 days after receipt by the homeowners of the notice of change, to discuss the reasons for 165 the increase in lot rental amount, reduction in services, or 166 167 utilities, or amenities, or change in rules and regulations. (b)1. At the meeting, the park owner or subdivision 168

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169 developer shall in good faith disclose and explain all material 170 factors resulting in the decision to increase the lot rental amount, reduce services, or utilities, or amenities, or change 171 172 rules and regulations, including how those factors justify the 173 specific change proposed. The park owner or subdivision 174 developer may not limit the discussion of the reasons for the 175 change to generalities only, such as, but not limited to, 176 increases in operational costs, changes in economic conditions, 177 or rents charged by comparable mobile home parks. For example, if the reason for an increase in lot rental amount is an 178 179 increase in operational costs, the park owner must disclose the 180 item or items which have increased, the amount of the increase, 181 any similar item or items which have decreased, and the amount 182 of the decrease. If an increase is based upon the lot rental 183 amount charged by comparable mobile home parks, the park owner shall disclose, and provide in writing to the committee at or 184 185 before the meeting, the name, address, lot rental amount, and 186 any other relevant factors relied upon by the park owner, such 187 as facilities, services, and amenities, concerning the comparable mobile home parks. The information concerning 188 189 comparable mobile home parks to be exchanged by the parties is 190 to encourage a dialogue concerning the reasons used by the park 191 owner for the increase in lot rental amount and to encourage the 192 home owners to evaluate and discuss the reasons for those 193 changes with the park owner. The park owner shall prepare a 194 written summary of the material factors and retain a copy for 3 195 years. The park owner shall provide the committee a copy of the 196 summary at or before the meeting.

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197 2. The park owner <u>may shall</u> not limit the comparable 198 mobile home park disclosure to those mobile home parks that are 199 owned or operated by the same owner or operator as the subject 200 park, except in certain circumstances, which include, but are 201 not limited to:

a. That the market area for comparable mobile home parks
includes mobile home parks owned or operated by the same entity
that have similar facilities, services, and amenities;

205 b. That the subject mobile home park has unique attributes206 that are shared with similar mobile home parks;

207 c. That the mobile home park is located in a geographic or 208 market area that contains few comparable mobile home parks; or

209 d. That there are similar considerations or factors that 210 would be considered in such a market analysis by a competent 211 professional and would be considered in determining the 212 valuation of the market rent.

(e) For purpose of this subsection, the market area or the competitive area for comparable mobile home parks is the county in which the subject park is located along with any contiguous counties.

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This subsection is not intended to be enforced by civil or administrative action. Rather, the meetings and discussions are intended to be in the nature of settlement discussions prior to the parties proceeding to mediation of any dispute.

222 Section 6. Subsection (1) of section 723.06116, Florida 223 Statutes, is amended to read:

224 723.06116 Payments to the Florida Mobile Home Relocation Page 8 of 12

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225 Corporation.-

If a mobile home owner is required to move due to a 226 (1)227 change in use of the land comprising a mobile home park as set 228 forth in s. 723.061(1)(d), the mobile home park owner shall, 229 upon such change in use, pay to the Florida Mobile Home 230 Relocation Corporation for deposit in the Florida Mobile Home 231 Relocation Trust Fund \$4,000 \$2,750 for each single-section 232 mobile home and \$5,500 \$3,750 for each multisection mobile home 233 for which a mobile home owner has made application for payment of moving expenses. The mobile home park owner shall make the 234 235 payments required by this section and by s. 723.0612(7) to the 236 corporation within 30 days after receipt from the corporation of 237 the invoice for payment. Failure to make such payment within the 238 required time period shall result in a late fee being imposed.

(a) If payment is not submitted within 30 days after
 receipt of the invoice, a 10-percent late fee shall be assessed.

(b) If payment is not submitted within 60 days after
 receipt of the invoice, a 15-percent late fee shall be assessed.

(c) If payment is not submitted within 90 days after
 receipt of the invoice, a 20-percent late fee shall be assessed.

(d) Any payment received 120 days or more after receipt ofthe invoice shall include a 25-percent late fee.

247 Section 7. Paragraph (b) of subsection (1) and subsection 248 (7) of section 723.0612, Florida Statutes, are amended to read: 249 723.0612 Change in use; relocation expenses; payments by 250 park owner.—

(1) If a mobile home owner is required to move due to a change in use of the land comprising the mobile home park as set Page 9 of 12

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forth in s. 723.061(1)(d) and complies with the requirements of this section, the mobile home owner is entitled to payment from the Florida Mobile Home Relocation Corporation of:

(b) The amount of $\frac{55,000}{33,000}$ for a single-section mobile home or $\frac{57,500}{36,000}$ for a multisection mobile home, whichever is less. Moving expenses include the cost of taking down, moving, and setting up the mobile home in a new location.

260 (7)In lieu of collecting payment from the Florida Mobile 261 Home Relocation Corporation as set forth in subsection (1), a 262 mobile home owner may abandon the mobile home in the mobile home 263 park and collect \$1,375 for a single section and \$2,750 for a 264 multisection from the corporation an amount equal to the then-265 current market value as reported by the NADA Manufactured Home 266 List, not to exceed \$3,000 for a single section mobile home and 267 \$6,000 for a multisection mobile home, as long as the mobile 268 home owner delivers to the park owner the current title to the 269 mobile home duly endorsed by the owner of record and valid 270 releases of all liens shown on the title. If a mobile home owner 271 chooses this option, the park owner shall make payment to the 272 corporation in an amount equal to the amount the mobile home 273 owner is entitled to under this subsection. The mobile home owner's application for funds under this subsection shall 274 275 require the submission of a document signed by the park owner 276 stating that the home has been abandoned under this subsection 277 and that the park owner agrees to make payment to the corporation in the amount provided to the home owner under this 278 subsection. However, in the event that the required documents 279 280 are not submitted with the application, the corporation may

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281 consider the facts and circumstances surrounding the abandonment 282 of the home to determine whether the mobile home owner is 283 entitled to payment pursuant to this subsection. The mobile home 284 owner is not entitled to any compensation under this subsection 285 if there is a pending eviction action for nonpayment of lot 286 rental amount pursuant to s. 723.061(1)(a) which was filed 287 against him or her prior to the mailing date of the notice of 288 change in the use of the mobile home park given pursuant to s. 289 723.061(1)(d).

290 Section 8. Subsection (3) of section 723.075, Florida 291 Statutes, is amended to read:

292

723.075 Homeowners' associations.-

293 (3) Notwithstanding subsection (1), if a portion of the 294 park contains concrete block homes occupying lots under 99-year 295 leases, those homeowners may be part of the association and may 296 serve on the board of directors of the association based on the 297 percentage of lots containing concrete block homes to the total 298 number of mobile home lots in the park.

299 Section 9. Section 553.382, Florida Statutes, is amended 300 to read:

301 553.382 Placement of certain housing.-Notwithstanding any 302 other law or ordinance to the contrary, in order to expand the 303 availability of affordable housing in this state, any 304 residential manufactured building that is certified under this 305 chapter by the department may be placed on a mobile home lot in 306 a mobile home park, recreational vehicle park, or mobile home 307 condominium, cooperative, or subdivision. Any such housing unit 308 placed on a mobile home lot is a mobile home for purposes of

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309 chapter 723 and, therefore, all rights, obligations, and duties 310 under chapter 723 apply, including the specifics of the 311 prospectus. However, a housing unit subject to this section may 312 not be placed on a mobile home lot without the prior written 313 approval of the park owner. Each housing unit subject to this 314 section shall be taxed as a mobile home under s. 320.08(11) and 315 is subject to payments to the Florida Mobile Home Relocation 316 Trust Fund under s. 723.06116.

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Section 10. This act shall take effect July 1, 2012.

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