

THE FLORIDA SENATE
2023 SUMMARY OF LEGISLATION PASSED
Committee on Judiciary

SB 708 — Estoppel Letters

by Senator Burgess

The bill revises Florida law regarding estoppel letters provided by mortgagees and mortgage servicers to protect persons who justifiably rely on the accuracy of an estoppel letter.

Specifically, the bill:

- Reduces the time to respond to an estoppel letter request from 14 days to 10 days.
- Allows a mortgagee or mortgage servicer to send a corrected estoppel letter, so long as the previous estoppel letter was not relied upon.
- Prohibits a mortgagee or mortgage servicer from qualifying, reserving the right to change, or conditioning or disclaiming the reliance of others on a current, valid estoppel letter.
- Prohibits a mortgagee or mortgage servicer from refusing to accept funds received that conform with the amount provided in a current, valid estoppel letter, and requires the mortgagee or mortgage servicer to apply such funds to the balance of the loan.
- Requires a mortgagee or mortgage servicer to execute an instrument acknowledging release of the mortgage and to send it for recording in the official records of the proper county within 60 days after payoff. The recorded release must be sent to the mortgagor or record title owner of the property. The bill also provides for attorney fees for prevailing parties in civil actions relating to these requirements.
- Specifies that the release of a mortgage does not necessarily relieve the mortgagor, or the mortgagor's successors or assigns, from any personal liability on the loan or other obligations previously secured by the mortgage.
- Provides the requirements for making and responding to an estoppel letter request.
- Standardizes the minimum contents of an estoppel letter.
- Provides for application to existing mortgages.

If approved by the Governor, or allowed to become law without the Governor's signature, these provisions take effect October 1, 2023.

Vote: Senate 40-0; House 119-0