HB 401 2009

A bill to be entitled

An act relating to statements of nonforeclosure or pending foreclosure of residential property; creating s. 83.675, F.S.; requiring that a lessor of a residential dwelling unit notify the lessee of the dwelling unit whether the dwelling unit that is the subject of the rental agreement is or is not in foreclosure or in short-sale status and whether the mortgage lender intends to initiate foreclosure proceedings or short-sale procedures within a specified time; requiring that the notice be included in the rental agreement; providing a form for the notice; providing that a lessor who fails to comply with the notice requirement is liable to the lessee for actual damages sustained, a civil penalty, and reasonable attorney's fees and costs; requiring that an action to recover damages be brought within a specified time; providing an effective date.

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

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Section 1. Section 83.675, Florida Statutes, is created to read:

23 83.675 Statements of residential nonforeclosure; civil 24

remedies.--

The lessor of a residential dwelling unit shall notify each lessee the status of the residential dwelling unit that is the subject of the rental agreement with respect to foreclosure or short sale and whether, to the best of the lessor's knowledge

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and belief, the mortgage lender intends to initiate foreclosure proceedings or short-sale procedures within the next 12 months.

(2) Each residential rental agreement entered into on and

after July 1, 2009, must include in the rental agreement, or in a written agreement separate from the rental agreement, notice of the requirement set forth in subsection (1). If the notice is provided in the rental agreement, there must be printed or clearly stamped on the rental agreement a legend in substantially the following form:

STATEMENT OF NONFORECLOSURE OR SHORT SALE

THE LESSOR,...., HEREBY ACKNOWLEDGES TO

THE LESSEE,...., THAT THE PREMISES OF THE

RESIDENTIAL DWELLING UNIT,... (ADDRESS OF DWELLING

UNIT)...IS NOT IN FORECLOSURE OR IN SHORT-SALE STATUS.

THE LESSOR ALSO ACKNOWLEDGES THAT, TO THE BEST OF HIS

OR HER KNOWLEDGE AND BELIEF, THE MORTGAGE LENDER DOES

NOT INTEND TO INITIATE FORECLOSURE PROCEEDINGS WITHIN

THE NEXT 12 MONTHS.

IF THE LESSOR ADVISES THE LESSEE THAT A FORECLOSURE
PROCEEDING INVOLVING THE DWELLING UNIT IS PENDING OR
MAY BE INITIATED WITHIN THE NEXT 12 MONTHS, AND IF THE
LESSEE INTENDS TO CONTINUE TO ENTER INTO A RESIDENTIAL
AGREEMENT WITH THE LESSOR, THE LESSEE MUST
SPECIFICALLY ACKNOWLEDGE THAT HE OR SHE UNDERSTANDS
THAT HE OR SHE CONTINUES TO OCCUPY THE DWELLING UNIT

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5/	AI HIS OR HER OWN RISK.
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59	IF A LESSOR PROVIDES FALSE INFORMATION TO THE LESSEE,
60	THE LESSOR IS SUBJECT TO CIVIL PENALTIES, INCLUDING A
61	FINE OF UP TO \$10,000.
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63	LESSOR:
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65	DATE:
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67	LESSEE:
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69	DATE:
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71	(3)(a) A lessor who fails to comply with the requirements
72	of this section is liable to any lessee for actual damages
73	sustained, a civil penalty of up to \$10,000, and reasonable
74	attorney's fees and costs.
75	(b) In addition to any other remedy provided by law, a
76	lessee may bring an action in circuit court to recover actual
77	damages sustained, a civil penalty up to \$10,000, and reasonable
78	attorney's fees and costs. An action authorized by this section
79	must be brought within 1 year following the date of the last
80	payment under the lease agreement.
81	Section 2. This act shall take effect July 1, 2009.