A bill to be entitled 1 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 mobile home disclosure document for certain purposes; 10 11 providing intent and purpose of disclosure; amending s. 723.012, F.S.; providing additional required 12 prospectus or offering circular information relating 13 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 mobile home park owner applications for payment of 20 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:
- (8) The division has the authority by rule to authorize 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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approving any amendments to a prospectus or offering circular,
the division shall provide notice of the amendments to the
homeowners' association or, if a homeowners' association has not
been established, to a committee, not to exceed five members,
designated by a majority of the affected homeowners. The
division may not approve an amendment unless the requirements of
this subsection are met.

Section 3. Subsections (2) and (3) of section 723.011, Florida Statutes, are amended to read:

723.011 Disclosure prior to rental of a mobile home lot; prospectus, filing, approval.—

The park owner shall furnish to each prospective lessee a copy of the prospectus or offering circular together with all of the exhibits thereto and a mobile home expense disclosure document containing all the information required by s. 723.012(7), (8), (9), and (10) to each prospective lessee. The mobile home expense disclosure document shall include past, present, and estimated future lease-year amounts and any other factors that may affect rent variations, such as lot location or size. The division shall create the mobile home disclosure document through its rulemaking authority. Delivery shall be made prior to execution of the lot rental agreement or at the time of occupancy, whichever occurs first. Upon delivery of a prospectus to a prospective lessee, the lot rental agreement is voidable by the lessee for a period of 15 days. However, the park owner is not required to furnish a copy of the prospectus or offering circular if the tenancy is a renewal of a tenancy and the mobile home owner has previously received the prospectus

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.

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

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

- (1) The front cover or the first page must contain only:
- (b) The following statements in conspicuous type:
- 1. THIS PROSPECTUS CONTAINS VERY IMPORTANT INFORMATION REGARDING YOUR LEGAL RIGHTS AND YOUR FINANCIAL OBLIGATIONS IN LEASING A MOBILE HOME LOT. MAKE SURE THAT YOU READ THE ENTIRE DOCUMENT AND SEEK LEGAL ADVICE IF YOU HAVE ANY QUESTIONS REGARDING THE INFORMATION SET FORTH IN THIS DOCUMENT.
- 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE LESSEE SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.
- 3. 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.
 - 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.

- 5. UPON A CHANGE OF LAND USE, YOU MAY BE EVICTED AND ORDERED TO MOVE YOUR MOBILE HOME WITHIN SIX MONTHS, OR FORFEIT YOUR MOBILE HOME IF THE HOME CANNOT BE RELOCATED, PURSUANT TO 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:
- 723.037 Lot rental increases; reduction in services, or utilities, or amenities; change in rules and regulations; mediation.—
- affected mobile home owner and the board of directors of the homeowners' association, if one has been formed, at least 90 days prior to any increase in lot rental amount or reduction in services, or utilities, or amenities provided by the park owner or change in rules and regulations. The notice shall identify all other affected homeowners, which may be by lot number, name, group, or phase. If the affected homeowners are not identified by name, the park owner shall make the names and addresses available upon request. Rules adopted as a result of restrictions imposed by governmental entities and required to protect the public health, safety, and welfare may be enforced prior to the expiration of the 90-day period but are not otherwise exempt from the requirements of this chapter. Pass-

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

- (2) Notice as required by this section shall, in addition to the information required in subsection (1), only be required to include the dollar amount of the relevant portions of the present lot rental amount that are being increased and the dollar amount of the proposed increases in lot rental amount if there is an increase in the lot rental amount, the reduction in services, or utilities, or amenities, or the change in rules and regulations and the effective date thereof.
- (4) (a) A committee, not to exceed five <u>members</u> in number, designated by a majority of the affected mobile home owners or by the board of directors of the homeowners' association, if applicable, and the park owner shall meet, at a mutually convenient time and place within 30 days after receipt by the homeowners of the notice of change, to discuss the reasons for the increase in lot rental amount, reduction in services, or utilities, or amenities, or change in rules and regulations.
 - (b)1. At the meeting, the park owner or subdivision

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

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2. The park owner <u>may shall</u> not limit the comparable mobile home park disclosure to those mobile home parks that are owned or operated by the same owner or operator as the subject park, except in certain circumstances, which include, but are 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;
- b. That the subject mobile home park has unique attributes that are shared with similar mobile home parks;
- c. That the mobile home park is located in a geographic or market area that contains few comparable mobile home parks; or
- d. That there are similar considerations or factors that would be considered in such a market analysis by a competent professional and would be considered in determining the 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.

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.

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

723.06116 Payments to the Florida Mobile Home Relocation

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Corporation. -

- (1) If a mobile home owner is required to move due to a change in use of the land comprising a mobile home park as set forth in s. 723.061(1)(d), the mobile home park owner shall, upon such change in use, pay to the Florida Mobile Home Relocation Corporation for deposit in the Florida Mobile Home Relocation Trust Fund $\frac{$4,000}{$2,750}$ for each single-section mobile home and $\frac{$5,500}{$3,750}$ for each multisection mobile home for which a mobile home owner has made application for payment of moving expenses. The mobile home park owner shall make the payments required by this section and by s. 723.0612(7) to the corporation within 30 days after receipt from the corporation of the invoice for payment. Failure to make such payment within the 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 of the invoice shall include a 25-percent late fee.
- Section 7. Paragraph (b) of subsection (1) and subsection (7) of section 723.0612, Florida Statutes, are amended to read:
- 723.0612 Change in use; relocation expenses; payments by 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

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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:

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- (b) The amount of \$5,000 \$3,000 for a single-section mobile home or \$7,500 \$6,000 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.
- In lieu of collecting payment from the Florida Mobile Home Relocation Corporation as set forth in subsection (1), a mobile home owner may abandon the mobile home in the mobile home park and collect \$1,375 for a single section and \$2,750 for a multisection from the corporation an amount equal to the thencurrent market value as reported by the NADA Manufactured Home List, not to exceed \$3,000 for a single section mobile home and \$6,000 for a multisection mobile home, as long as the mobile home owner delivers to the park owner the current title to the mobile home duly endorsed by the owner of record and valid releases of all liens shown on the title. If a mobile home owner chooses this option, the park owner shall make payment to the corporation in an amount equal to the amount the mobile home owner is entitled to under this subsection. The mobile home owner's application for funds under this subsection shall require the submission of a document signed by the park owner stating that the home has been abandoned under this subsection and that the park owner agrees to make payment to the corporation in the amount provided to the home owner under this subsection. However, in the event that the required documents are not submitted with the application, the corporation may

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

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

723.075 Homeowners' associations.-

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

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

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

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

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