By Senator Passidomo

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A bill to be entitled An act relating to covenants and restrictions; amending ss. 125.022 and 166.033, F.S.; deleting provisions specifying that a county or municipality is not prohibited from providing information to an applicant regarding other state or federal permits that may apply under certain circumstances; specifying that the imposition or acceptance of certain restrictions or covenants does not preclude a county or municipality from exercising its police power, in its sole discretion, to later amend, release, or terminate such restrictions or covenants; prohibiting a county or municipality from delegating its police power to a third party by restriction, covenant, or otherwise; declaring any such purported delegation void; providing for retroactive applicability; creating s. 712.001, F.S.; providing a short title; amending s. 712.01, F.S.; defining and redefining terms; amending s. 712.04, F.S.; providing that a marketable title is free and clear of all covenants or restrictions, the existence of which depends upon any act, title transaction, event, zoning requirement, building or development permit, or omission that occurred before the effective date of the root of title; providing for construction; providing applicability; amending s. 712.05, F.S.; revising the notice filing requirements for a person claiming an interest in land and other rights; authorizing a property owners' association to preserve and protect

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certain covenants or restrictions from extinguishment, subject to specified requirements; providing that a failure in indexing does not affect the validity of the notice; extending the length of time certain covenants or restrictions are preserved; deleting a provision requiring a two-thirds vote by members of an incorporated homeowners' association to file certain notices; conforming provisions to changes made by the act; amending s. 712.06, F.S.; exempting a specified summary notice from certain notice content requirements; revising the contents required to be specified by certain notices; conforming provisions to changes made by the act; amending s. 712.11, F.S.; conforming provisions to changes made by the act; creating s. 712.12, F.S.; defining terms; authorizing the parcel owners of a community not subject to a homeowners' association to use specified procedures to revive certain covenants or restrictions, subject to certain exceptions and requirements; authorizing a parcel owner to commence an action by a specified date under certain circumstances for a judicial determination that the covenants or restrictions did not govern that parcel as of a specified date and that any revitalization of such covenants or restrictions as to that parcel would unconstitutionally deprive the parcel owner of rights or property; providing applicability; amending s. 720.303, F.S.; requiring a board to take up certain provisions relating to notice filings at the first board meeting; creating s.

720.3032, F.S.; providing recording requirements for an association; providing a document form for recording by an association to preserve certain covenants or restrictions; providing that failure to file one or more notices does not affect the validity or enforceability of a covenant or restriction or alter the time before extinguishment under certain circumstances; requiring a copy of the filed notice to be sent to all members; requiring the original signed notice to be recorded with the clerk of the circuit court or other recorder; amending ss. 702.09 and 702.10, F.S.; conforming provisions to changes made by the act; amending s. 712.095, F.S.; conforming a cross-reference; amending ss. 720.403, 720.404, 720.405, and 720.407, F.S.; conforming provisions to changes made by the act; 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. Subsection (6) of section 125.022, Florida Statutes, is amended to read:

125.022 Development permits.-

(6) The imposition or acceptance of a recorded or unrecorded restriction or covenant in connection with the approval or issuance of a development permit does not preclude the county from exercising its police power, in its sole discretion, to later amend, release, or terminate the restriction or covenant. A county may not delegate its police power to a third party by restriction, covenant, or otherwise,

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and any such purported delegation is hereby declared to be void

This section does not prohibit a county from providing

information to an applicant regarding what other state or

federal permits may apply.

Section 2. Subsection (6) of section 166.033, Florida Statutes, is amended to read:

166.033 Development permits.-

unrecorded restriction or covenant in connection with the approval or issuance of a development permit does not preclude a municipality from exercising its police power, in its sole discretion, to later amend, release, or terminate the restriction or covenant. A municipality may not delegate its police power to a third party by restriction, covenant, or otherwise, and any such purported delegation is hereby declared to be void This section does not prohibit a municipality from providing information to an applicant regarding what other state or federal permits may apply.

Section 3. The amendments by this act to ss. 125.022 and 166.033, Florida Statutes, which relate to development permits, are remedial in nature and apply retroactively.

Section 4. Section 712.001, Florida Statutes, is created to read:

712.001 Short title.—This chapter may be cited as the "Marketable Record Title Act."

Section 5. Section 712.01, Florida Statutes, is reordered and amended to read:

- 712.01 Definitions.—As used in this chapter, the term law:
- (1) "Community covenant or restriction" means any agreement

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or limitation contained in a document recorded in the public records of the county in which a parcel is located which:

- (a) Subjects the parcel to any use restriction that may be enforced by a property owners' association; or
- (b) Authorizes a property owners' association to impose a charge or assessment against the parcel or the parcel owner.
- (4) (1) The term "Person" includes the as used herein denotes singular or plural, natural or corporate, private or governmental, including the state and any political subdivision or agency thereof as the context for the use thereof requires or denotes and including any property owners' homeowners' association.
- (6)(2) "Root of title" means any title transaction purporting to create or transfer the estate claimed by any person and which is the last title transaction to have been recorded at least 30 years before prior to the time when marketability is being determined. The effective date of the root of title is the date on which it was recorded.
- (7)(3) "Title transaction" means any recorded instrument or court proceeding that which affects title to any estate or interest in land and that which describes the land sufficiently to identify its location and boundaries.
- (5) (4) "Property owners' association" The term "homeowners' association" means a homeowners' association as defined in s. 720.301, a corporation or other entity responsible for the operation of property in which the voting membership is made up of the owners of the property or their agents, or a combination thereof, and in which membership is a mandatory condition of property ownership, or an association of parcel owners which is

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authorized to enforce <u>a community covenant or restriction</u> <del>use restrictions</del> that is <del>are</del> imposed on the parcels.

- (3) (5) The term "Parcel" means real property that which is used for residential purposes and that is subject to exclusive ownership and which is subject to any covenant or restriction of a property owners' homeowners' association.
- (2) (6) The term "Covenant or restriction" means any agreement or limitation contained in a document recorded in the public records of the county in which a parcel is located which subjects the parcel to any use or other restriction or obligation which may be enforced by a homeowners' association or which authorizes a homeowners' association to impose a charge or assessment against the parcel or the owner of the parcel or which may be enforced by the Florida Department of Environmental Protection pursuant to chapter 376 or chapter 403.

Section 6. Section 712.04, Florida Statutes, is amended to read:

- 712.04 Interests extinguished by marketable record title.-
- (1) Subject to s. 712.03, a marketable record title is free and clear of all estates, interests, claims, covenants, restrictions, or charges, the existence of which depends upon any act, title transaction, event, zoning requirement, building or development permit, or omission that occurred before the effective date of the root of title. Except as provided in s. 712.03, all such estates, interests, claims, covenants, restrictions, or charges, however denominated, whether they are or appear to be held or asserted by a person sui juris or under a disability, whether such person is within or without the state, natural or corporate, or private or governmental, are

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declared to be null and void. However, this chapter does not affect any right, title, or interest of the United States, Florida, or any of its officers, boards, commissions, or other agencies reserved in the patent or deed by which the United States, Florida, or any of its agencies parted with title.

- (2) This section may not be construed to alter or invalidate a zoning ordinance, land development regulation, building code, or other ordinance, rule, regulation, or law if such ordinance, rule, regulation, or law operates independently of matters recorded in the official records.
- (3) This section is intended to clarify existing law, is remedial in nature, and applies to all restrictions and covenants whether imposed or accepted before, on, or after October 1, 2017.

Section 7. Section 712.05, Florida Statutes, is amended to read:

712.05 Effect of filing notice.-

- (1) A person claiming an interest in land or other right subject to extinguishment under this chapter a homeowners' association desiring to preserve a covenant or restriction may preserve and protect such interest or right the same from extinguishment by the operation of this chapter act by filing for record, at any time during the 30-year period immediately following the effective date of the root of title, a written notice in accordance with s. 712.06 this chapter.
- (2) A property owners' association may preserve and protect a community covenant or restriction from extinguishment by the operation of this chapter by filing for record, at any time during the 30-year period immediately following the effective

date of the root of title:

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- (a) A written notice in accordance with s. 712.06; or
- (b) A summary notice in substantial form and content as required under s. 720.3032(2). Failure of a summary notice to be indexed to the current owners of the affected property does not affect the validity of the notice or vitiate the effect of the filing of such notice.
- (3) A Such notice under subsection (1) or subsection (2) preserves an interest in land or other such claim of right subject to extinguishment under this chapter, or a such covenant or restriction or portion of such covenant or restriction, for not less than up to 30 years after filing the notice unless the notice is filed again as required in this chapter. A person's disability or lack of knowledge of any kind may not delay the commencement of or suspend the running of the 30-year period. Such notice may be filed for record by the claimant or by any other person acting on behalf of a claimant who is:
  - (a) Under a disability;
  - (b) Unable to assert a claim on his or her behalf; or
- (c) One of a class, but whose identity cannot be established or is uncertain at the time of filing such notice of claim for record.

Such notice may be filed by a homeowners' association only if the preservation of such covenant or restriction or portion of such covenant or restriction is approved by at least two-thirds of the members of the board of directors of an incorporated homeowners' association at a meeting for which a notice, stating the meeting's time and place and containing the statement of

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marketable title action described in s. 712.06(1)(b), was mailed or hand delivered to members of the homeowners' association at least 7 days before such meeting. The property owners' homeowners' association or clerk of the circuit court is not required to provide additional notice pursuant to s. 712.06(3). The preceding sentence is intended to clarify existing law.

(4)(2) It is shall not be necessary for the owner of the marketable record title, as described in s. 712.02 herein defined, to file a notice to protect his or her marketable record title.

Section 8. Subsections (1) and (3) of section 712.06, Florida Statutes, are amended to read:

712.06 Contents of notice; recording and indexing.-

- (1) To be effective, the notice referred to in s. 712.05, other than the summary notice referred to in s. 712.05(2)(b), must shall contain:
- (a) The name or description <u>and mailing address</u> of the claimant or the <u>property owners'</u> homeowners' association desiring to preserve any covenant or restriction <del>and the name and particular post office address of the person filing the claim or the homeowners' association</del>.
- (b) The name and <u>mailing post office</u> address of an owner, or the name and <u>mailing post office</u> address of the person in whose name <u>the said</u> property is assessed on the last completed tax assessment roll of the county at the time of filing, who, for purpose of such notice, shall be deemed to be an owner; <u>provided</u>, however, if a <u>property owners'</u> homeowners' association is filing the notice, <u>then</u> the requirements of this paragraph may be satisfied by attaching to and recording with the notice

an affidavit executed by the appropriate member of the board of directors of the <u>property owners'</u> homeowners' association affirming that the board of directors of the <u>property owners'</u> homeowners' association caused a statement in substantially the following form to be mailed or hand delivered to the members of that property owners' homeowners' association:

## STATEMENT OF MARKETABLE TITLE ACTION

The [name of <u>property owners'</u> homeowners' association] (the "Association") has taken action to ensure that the [name of declaration, covenant, or restriction], recorded in Official Records Book ..., Page ..., of the public records of ....

County, Florida, as may be amended from time to time, currently burdening the property of each and every member of the Association, retains its status as the source of marketable title with regard to the affected real property the transfer of a member's residence. To this end, the Association shall cause the notice required by chapter 712, Florida Statutes, to be recorded in the public records of .... County, Florida. Copies of this notice and its attachments are available through the Association pursuant to the Association's governing documents regarding official records of the Association.

(c) A full and complete description of all land affected by such notice, which description shall be set forth in particular terms and not by general reference, but if said claim is founded upon a recorded instrument or a covenant or a restriction, then the description in such notice may be the same as that contained

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in such recorded instrument or covenant or restriction, provided the same shall be sufficient to identify the property.

- (d) A statement of the claim showing the nature, description, and extent of such claim or other right subject to extinguishment under this chapter or, in the case of a covenant or restriction, a copy of the covenant or restriction, except that it is shall not be necessary to show the amount of any claim for money or the terms of payment.
- (e) If such claim or other right subject to extinguishment under this chapter is based upon an instrument of record or a recorded covenant or restriction, such instrument of record or recorded covenant or restriction shall be deemed sufficiently described to identify the same if the notice includes a reference to the book and page in which the same is recorded.
- (f) Such notice shall be acknowledged in the same manner as deeds are acknowledged for record.
- (3) The person providing the notice referred to in s. 712.05, other than a notice for preservation of a community covenant or restriction, shall:
- (a) Cause the clerk of the circuit court to mail by registered or certified mail to the purported owner of said property, as stated in such notice, a copy thereof and shall enter on the original, before recording the same, a certificate showing such mailing. For preparing the certificate, the claimant shall pay to the clerk the service charge as prescribed in s. 28.24(8) and the necessary costs of mailing, in addition to the recording charges as prescribed in s. 28.24(12). If the notice names purported owners having more than one address, the person filing the same shall furnish a true copy for each of the

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320 several addresses stated, and the clerk shall send one such copy 321 to the purported owners named at each respective address. Such 322 certificate shall be sufficient if the same reads substantially 323 as follows: 324 325 I hereby certify that I did on this ...., mail by 326 registered (or certified) mail a copy of the foregoing notice to 327 each of the following at the address stated: 328 329 ... (Clerk of the circuit court) ... 330 of .... County, Florida, 331 By...(Deputy clerk)... 332 333 The clerk of the circuit court is not required to mail to the 334 purported owner of such property any such notice that pertains 335 solely to the preserving of any covenant or restriction or any 336 portion of a covenant or restriction; or 337 (b) Publish once a week, for 2 consecutive weeks, the 338 notice referred to in s. 712.05, with the official record book 339 and page number in which such notice was recorded, in a 340 newspaper as defined in chapter 50 in the county in which the 341 property is located. Section 9. Section 712.11, Florida Statutes, is amended to 342 343 read:

Section 10. Section 712.12, Florida Statutes, is created to

712.11 Covenant revitalization.—A property owners'

use the procedures set forth in ss. 720.403-720.407 to revive

covenants that have lapsed under the terms of this chapter.

homeowners' association not otherwise subject to chapter 720 may

read:

712.12 Covenant or restriction revitalization by parcel owners not subject to a homeowners' association.—

- (1) As used in this section, the term:
- (a) "Community" means the real property that is subject to a covenant or restriction that is recorded in the county where the property is located.
- (b) "Covenant or restriction" means any agreement or limitation imposed by a private party and not required by a governmental agency as a condition of a development permit, as defined in s. 163.3164, which is contained in a document recorded in the public records of the county in which a parcel is located and which subjects the parcel to any use restriction that may be enforced by a parcel owner.
- (c) "Parcel" means real property that is used for residential purposes and that is subject to exclusive ownership and any covenant or restriction that may be enforced by a parcel owner.
- (d) "Parcel owner" means the record owner of legal title to a parcel.
- (2) The parcel owners of a community not subject to a homeowners' association may use the procedures set forth in ss. 720.403-720.407 to revive covenants or restrictions that have lapsed under the terms of this chapter, except:
- (a) A reference to a homeowners' association or articles of incorporation or bylaws of a homeowners' association under ss. 720.403-720.407 is not required to revive the covenants or restrictions.
  - (b) The approval required under s. 720.405(6) must be in

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writing, and not at a meeting.

(c) The requirements under s. 720.407(2) may be satisfied by having the organizing committee execute the revived covenants or restrictions in the name of the community.

- (d) The indexing requirements under s. 720.407(3) may be satisfied by indexing the community name in the covenants or restrictions as the grantee and the parcel owners as the grantors.
- (3) With respect to any parcel that has ceased to be governed by covenants or restrictions as of October 1, 2017, the parcel owner may commence an action by October 1, 2018, for a judicial determination that the covenants or restrictions did not govern that parcel as of October 1, 2017, and that any revitalization of such covenants or restrictions as to that parcel would unconstitutionally deprive the parcel owner of rights or property.
- (4) Revived covenants or restrictions that are implemented pursuant to this section do not apply to or affect the rights of the parcel owner which are recognized by any court order or judgment in any action commenced by October 1, 2018, and any such rights so recognized may not be subsequently altered by revived covenants or restrictions implemented under this section without the consent of the affected parcel owner.

Section 11. Paragraph (e) is added to subsection (2) of section 720.303, Florida Statutes, to read:

720.303 Association powers and duties; meetings of board; official records; budgets; financial reporting; association funds; recalls.—

(2) BOARD MEETINGS.-

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(e) At the first board meeting, excluding the organizational meeting, which follows the annual meeting of the members, the board shall consider the desirability of filing notices to preserve the covenants or restrictions affecting the community or association from extinguishment under the Marketable Record Title Act, chapter 712, and to authorize and direct the appropriate officer to file notice in accordance with s. 720.3032.

Section 12. Section 720.3032, Florida Statutes, is created to read:

720.3032 Notice of association information; preservation from Marketable Record Title Act.—

- (1) Not less than once every 5 years, each association shall record in the official records of each county in which the community is located a notice specifying:
  - (a) The legal name of the association.
  - (b) The mailing and physical addresses of the association.
- (c) The names of the affected subdivision plats and condominiums or, if not applicable, the common name of the community.
- (d) The name, address, and telephone number for the current community association management company or community association manager, if any.
- (e) Indication as to whether the association desires to preserve the covenants or restrictions affecting the community or association from extinguishment under the Marketable Record Title Act, chapter 712.
- (f) A listing by name and recording information of those covenants or restrictions affecting the community which the

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28-00635C-17 20171046 association desires to be preserved from extinguishment. (g) The legal description of the community affected by the covenants or restrictions, which may be satisfied by a reference to a recorded plat. (h) The signature of a duly authorized officer of the association, acknowledged in the same manner as deeds are acknowledged for record. (2) Recording a document in substantially the following form satisfies the notice obligation and constitutes a summary notice as specified in s. 712.05(2)(b) sufficient to preserve and protect the referenced covenants and restrictions from extinguishment under the Marketable Record Title Act, chapter 712. Notice of ... (name of association)... under s. 720.3032, Florida Statutes, and notice to preserve and protect covenants and restrictions from extinguishment under the Marketable Record Title Act, chapter 712, Florida Statutes. Instructions to recorder: Please index both the legal name of the association and the names shown in item 3. 1. Legal name of association: .... 2. Mailing and physical addresses of association: .... .... 3. Names of the subdivision plats, or, if none, common name of community: .... 4. Name, address, and telephone number for management company, if any: ...... 5. This notice does .... does not .... constitute a notice

to preserve and protect covenants or restrictions from

20171046 28-00635C-17 465 extinguishment under the Marketable Record Title Act. 466 6. The following covenants or restrictions affecting the 467 community which the association desires to be preserved from 468 extinguishment: 469 ...(Name of instrument)... 470 ... (Official Records Book where recorded & page) ... 471 ...(List of instruments)... ... (List of recording information) ... 472 7. The legal description of the community affected by the 473 474 listed covenants or restrictions is: ... (Legal description, 475 which may be satisfied by reference to a recorded plat)... 476 This notice is filed on behalf of ... (Name of 477 association) ... as of ... (Date) .... 478 ... (Name of association) ... 479 480 By: .... 481 ... (Name of individual officer) ... 482 ...(Title of officer)... 483 ... (Notary acknowledgment) ... 484 485 (3) The failure to file one or more notices does not affect the validity or enforceability of any covenant or restriction 486 487 nor in any way alter the remaining time before extinguishment by 488 the Marketable Record Title Act, chapter 712. 489 (4) A copy of the notice, as filed, must be included as 490 part of the next notice of meeting or other mailing sent to all 491 members. 492 (5) The original signed notice must be recorded in the official records of the clerk of the circuit court or other 493

recorder for the county.

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Section 13. Section 702.09, Florida Statutes, is amended to read:

702.09 Definitions.-For the purposes of ss. 702.07 and 702.08, the words "decree of foreclosure" shall include a judgment or order rendered or passed in the foreclosure proceedings in which the decree of foreclosure shall be rescinded, vacated, and set aside; the word "mortgage" shall mean any written instrument securing the payment of money or advances and includes liens to secure payment of assessments arising under chapters 718 and 719 and liens created pursuant to the recorded covenants of a property owners' homeowners' association as defined in s. 712.01; the word "debt" shall include promissory notes, bonds, and all other written obligations given for the payment of money; the words "foreclosure proceedings" shall embrace every action in the circuit or county courts of this state wherein it is sought to foreclose a mortgage and sell the property covered by the same; and the word "property" shall mean and include both real and personal property.

Section 14. Subsection (1) of section 702.10, Florida Statutes, is amended to read:

702.10 Order to show cause; entry of final judgment of foreclosure; payment during foreclosure.—

(1) A lienholder may request an order to show cause for the entry of final judgment in a foreclosure action. For purposes of this section, the term "lienholder" includes the plaintiff and a defendant to the action who holds a lien encumbering the property or a defendant who, by virtue of its status as a

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condominium association, cooperative association, or <u>property</u> <u>owners'</u> homeowners' association, may file a lien against the real property subject to foreclosure. Upon filing, the court shall immediately review the request and the court file in chambers and without a hearing. If, upon examination of the court file, the court finds that the complaint is verified, complies with s. 702.015, and alleges a cause of action to foreclose on real property, the court shall promptly issue an order directed to the other parties named in the action to show cause why a final judgment of foreclosure should not be entered.

- (a) The order shall:
- 1. Set the date and time for a hearing to show cause. The date for the hearing may not occur sooner than the later of 20 days after service of the order to show cause or 45 days after service of the initial complaint. When service is obtained by publication, the date for the hearing may not be set sooner than 30 days after the first publication.
- 2. Direct the time within which service of the order to show cause and the complaint must be made upon the defendant.
- 3. State that the filing of defenses by a motion, a responsive pleading, an affidavit, or other papers before the hearing to show cause that raise a genuine issue of material fact which would preclude the entry of summary judgment or otherwise constitute a legal defense to foreclosure shall constitute cause for the court not to enter final judgment.
- 4. State that a defendant has the right to file affidavits or other papers before the time of the hearing to show cause and may appear personally or by way of an attorney at the hearing.
  - 5. State that, if a defendant files defenses by a motion, a

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verified or sworn answer, affidavits, or other papers or appears personally or by way of an attorney at the time of the hearing, the hearing time will be used to hear and consider whether the defendant's motion, answer, affidavits, other papers, and other evidence and argument as may be presented by the defendant or the defendant's attorney raise a genuine issue of material fact which would preclude the entry of summary judgment or otherwise constitute a legal defense to foreclosure. The order shall also state that the court may enter an order of final judgment of foreclosure at the hearing and order the clerk of the court to conduct a foreclosure sale.

- 6. State that, if a defendant fails to appear at the hearing to show cause or fails to file defenses by a motion or by a verified or sworn answer or files an answer not contesting the foreclosure, such defendant may be considered to have waived the right to a hearing, and in such case, the court may enter a default against such defendant and, if appropriate, a final judgment of foreclosure ordering the clerk of the court to conduct a foreclosure sale.
- 7. State that if the mortgage provides for reasonable attorney fees and the requested attorney fees do not exceed 3 percent of the principal amount owed at the time of filing the complaint, it is unnecessary for the court to hold a hearing or adjudge the requested attorney fees to be reasonable.
- 8. Attach the form of the proposed final judgment of foreclosure which the movant requests the court to enter at the hearing on the order to show cause.
- 9. Require the party seeking final judgment to serve a copy of the order to show cause on the other parties in the following

manner:

a. If a party has been served pursuant to chapter 48 with the complaint and original process, or the other party is the plaintiff in the action, service of the order to show cause on that party may be made in the manner provided in the Florida Rules of Civil Procedure.

b. If a defendant has not been served pursuant to chapter 48 with the complaint and original process, the order to show cause, together with the summons and a copy of the complaint, shall be served on the party in the same manner as provided by law for original process.

Any final judgment of foreclosure entered under this subsection is for in rem relief only. This subsection does not preclude the entry of a deficiency judgment where otherwise allowed by law. The Legislature intends that this alternative procedure may run

The Legislature intends that this alternative procedure may run simultaneously with other court procedures.

(b) The right to be heard at the hearing to show cause is waived if a defendant, after being served as provided by law with an order to show cause, engages in conduct that clearly shows that the defendant has relinquished the right to be heard on that order. The defendant's failure to file defenses by a motion or by a sworn or verified answer, affidavits, or other papers or to appear personally or by way of an attorney at the hearing duly scheduled on the order to show cause presumptively constitutes conduct that clearly shows that the defendant has relinquished the right to be heard. If a defendant files defenses by a motion, a verified answer, affidavits, or other papers or presents evidence at or before the hearing which raise

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a genuine issue of material fact which would preclude entry of summary judgment or otherwise constitute a legal defense to foreclosure, such action constitutes cause and precludes the entry of a final judgment at the hearing to show cause.

- (c) In a mortgage foreclosure proceeding, when a final judgment of foreclosure has been entered against the mortgagor and the note or mortgage provides for the award of reasonable attorney fees, it is unnecessary for the court to hold a hearing or adjudge the requested attorney fees to be reasonable if the fees do not exceed 3 percent of the principal amount owed on the note or mortgage at the time of filing, even if the note or mortgage does not specify the percentage of the original amount that would be paid as liquidated damages.
- (d) If the court finds that all defendants have waived the right to be heard as provided in paragraph (b), the court shall promptly enter a final judgment of foreclosure without the need for further hearing if the plaintiff has shown entitlement to a final judgment and upon the filing with the court of the original note, satisfaction of the conditions for establishment of a lost note, or upon a showing to the court that the obligation to be foreclosed is not evidenced by a promissory note or other negotiable instrument. If the court finds that a defendant has not waived the right to be heard on the order to show cause, the court shall determine whether there is cause not to enter a final judgment of foreclosure. If the court finds that the defendant has not shown cause, the court shall promptly enter a judgment of foreclosure. If the time allotted for the hearing is insufficient, the court may announce at the hearing a date and time for the continued hearing. Only the parties who

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appear, individually or through an attorney, at the initial hearing must be notified of the date and time of the continued hearing.

Section 15. Section 712.095, Florida Statutes, is amended to read:

712.095 Notice required by July 1, 1983.—Any person whose interest in land is derived from an instrument or court proceeding recorded subsequent to the root of title, which instrument or proceeding did not contain a description of the land as specified by  $\underline{s.712.01(7)}$   $\underline{s.712.01(3)}$ , and whose interest had not been extinguished prior to July 1, 1981, shall have until July 1, 1983, to file a notice in accordance with s. 712.06 to preserve the interest.

Section 16. Section 720.403, Florida Statutes, is amended to read:

720.403 Preservation of residential communities; revival of declaration of covenants.—

(1) Consistent with required and optional elements of local comprehensive plans and other applicable provisions of the Community Planning Act, property owners homeowners are encouraged to preserve existing residential and other communities, promote available and affordable housing, protect structural and aesthetic elements of their residential community, and, as applicable, maintain roads and streets, easements, water and sewer systems, utilities, drainage improvements, conservation and open areas, recreational amenities, and other infrastructure and common areas that serve and support the residential community by the revival of a previous declaration of covenants and other governing documents

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that may have ceased to govern some or all parcels in the community.

- (2) In order to preserve a residential community and the associated infrastructure and common areas for the purposes described in this section, the parcel owners in a community that was previously subject to a declaration of covenants that has ceased to govern one or more parcels in the community may revive the declaration and the homeowners' association for the community upon approval by the parcel owners to be governed thereby as provided in this act, and upon approval of the declaration and the other governing documents for the association by the Department of Economic Opportunity in a manner consistent with this act.
- (3) Part III of this chapter is intended to provide mechanisms for the revitalization of covenants or restrictions for all types of communities and property associations and is not limited to residential communities.

Section 17. Section 720.404, Florida Statutes, is amended to read:

720.404 Eligible residential communities; requirements for revival of declaration.—Parcel owners in a community are eligible to seek approval from the Department of Economic Opportunity to revive a declaration of covenants under this act if all of the following requirements are met:

- (1) All parcels to be governed by the revived declaration must have been once governed by a previous declaration that has ceased to govern some or all of the parcels in the community;
- (2) The revived declaration must be approved in the manner provided in s. 720.405(6); and

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(3) The revived declaration may not contain covenants that are more restrictive on the parcel owners than the covenants contained in the previous declaration, except that the declaration may:

- (a) Have an effective term of longer duration than the term of the previous declaration;
- (b) Omit restrictions contained in the previous declaration;
- (c) Govern fewer than all of the parcels governed by the previous declaration;
- (d) Provide for amendments to the declaration and other governing documents; and
- (e) Contain provisions required by this chapter for new declarations that were not contained in the previous declaration.

Section 18. Subsections (1), (3), (5), and (6) of section 720.405, Florida Statutes, are amended to read:

720.405 Organizing committee; parcel owner approval.-

- (1) The proposal to revive a declaration of covenants and an a homeowners' association for a community under the terms of this act shall be initiated by an organizing committee consisting of not less than three parcel owners located in the community that is proposed to be governed by the revived declaration. The name, address, and telephone number of each member of the organizing committee must be included in any notice or other document provided by the committee to parcel owners to be affected by the proposed revived declaration.
- (3) The organizing committee shall prepare the full text of the proposed articles of incorporation and bylaws of the revived

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homeowners' association to be submitted to the parcel owners for approval, unless the association is then an existing corporation, in which case the organizing committee shall prepare the existing articles of incorporation and bylaws to be submitted to the parcel owners.

- (5) A copy of the complete text of the proposed revised declaration of covenants, the proposed new or existing articles of incorporation and bylaws of the homeowners' association, and a graphic depiction of the property to be governed by the revived declaration shall be presented to all of the affected parcel owners by mail or hand delivery not less than 14 days before the time that the consent of the affected parcel owners to the proposed governing documents is sought by the organizing committee.
- (6) A majority of the affected parcel owners must agree in writing to the revived declaration of covenants and governing documents of the homeowners' association or approve the revived declaration and governing documents by a vote at a meeting of the affected parcel owners noticed and conducted in the manner prescribed by s. 720.306. Proof of notice of the meeting to all affected owners of the meeting and the minutes of the meeting recording the votes of the property owners shall be certified by a court reporter or an attorney licensed to practice in the state.

Section 19. Subsection (3) of section 720.407, Florida Statutes, is amended to read:

720.407 Recording; notice of recording; applicability and effective date.—

(3) The recorded documents shall include the full text of

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the approved declaration of covenants, the articles of incorporation and bylaws of the homeowners' association, the letter of approval by the department, and the legal description of each affected parcel of property. For purposes of chapter 712, the association is deemed to be and shall be indexed as the grantee in a title transaction and the parcel owners named in the revived declaration are deemed to be and shall be indexed as the grantors in the title transaction.

Section 20. This act shall take effect October 1, 2017.