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By the Committee on Regulated Industries; and Senator Passidomo

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A bill to be entitled An act relating to estoppel certificates; amending ss. 718.116, 719.108, and 720.30851, F.S.; revising requirements relating to the issuance of an estoppel certificate to specified persons; requiring a condominium, cooperative, or homeowners' association to designate a street or e-mail address on its website for estoppel certificate requests; specifying delivery requirements for an estoppel certificate; requiring that an estoppel certificate contain certain information; providing an effective period for an estoppel certificate based upon the date of issuance and form of delivery; providing that an association waives a specified claim against a person or such person's successors or assigns who in good faith rely on the estoppel certificate; prohibiting an association from charging a preparation and delivery fee or making certain claims if it fails to deliver an estoppel certificate within certain timeframes; revising fee requirements for preparing and delivering an estoppel certificate under various circumstances; authorizing the statement of moneys due to be delivered in one or more estoppel certificates under certain circumstances; providing limits on a total fee charged for the preparation and delivery of estoppel certificates; requiring the fee for an estoppel certificate to be paid from specified proceeds under certain circumstances; requiring that the authority to charge a fee for the estoppel certificate be

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established by a specified written resolution or provided by a written management, bookkeeping, or maintenance contract; deleting obsolete provisions; conforming provisions to changes made by the act; providing an effective date.

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

Section 1. Subsection (8) of section 718.116, Florida Statutes, is amended to read:

718.116 Assessments; liability; lien and priority; interest; collection.—

- electronic request therefor from a unit owner or the unit owner's his or her designee, or a unit mortgagee or the unit mortgagee's his or her designee, the association shall issue the estoppel provide a certificate. Each association shall designate on its website a person or entity with a street or e-mail address for receipt of a request for an estoppel certificate issued pursuant to this section. The estoppel certificate must be provided by hand delivery, regular mail, or e-mail to the requestor on the date of issuance of the estoppel certificate signed by an officer or agent of the association stating all assessments and other moneys owed to the association by the unit owner with respect to the condominium parcel.
- (a) The estoppel certificate must contain all of the following information and must be substantially in the following form:
  - 1. Date of issuance:....

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2. Name(s) of the unit owner(s) reflected in the books and records of the association:....

- 3. Unit designation and address:....
- 4. Parking or garage space number, if any:....
- 5. Storage locker number, if any:....
- 6. Attorney's name and contact information if the account is delinquent and has been turned over to an attorney for collection. No fee may be charged for this information.
- 7. Fee for the preparation and delivery of the estoppel certificate:....
  - 8. Name of the requestor:....
  - 9. Assessment information and other information:

## ASSESSMENT INFORMATION:

- a. The regular periodic assessment levied against the unit is \$.... per ...(insert frequency of payment)....
- b. The regular periodic assessment is paid through...(insert date paid through)....
- c. The next installment of the regular periodic assessment is due ...(insert due date)... in the amount of \$.....
- d. An itemized list of all assessments, special assessments, and other moneys owed on the date of issuance to the association by the unit owner for a specific unit is provided.
- e. An itemized list of any additional assessments, special assessments, and other moneys that are scheduled to become due for each day after the date of issuance for the effective period of the estoppel certificate is provided. In calculating the amounts that are scheduled to become due, the association may

580-01968-17 2017398c1 88 assume that any delinquent amounts will remain delinquent during 89 the effective period of the estoppel certificate. 90 91 OTHER INFORMATION: 92 f. Is there a capital contribution fee, resale fee, 93 transfer fee, or other fee due? ... (Yes) ... ... (No) .... If yes, 94 specify the type and the amount of the fee. 95 g. What is the amount, if any, of an association 96 application fee? 97 h. Is there a credit balance on the current account? 98 ...(Yes)... (No).... 99 i. Is there any violation of rule or regulation noticed to 100 the unit owner in the association official records? ... (Yes)... 101 ...(No).... 102 j. Do the rules and regulations of the association 103 applicable to the unit require approval by the board of 104 directors of the association for the transfer of the unit? 105 ...(Yes)... (No).... If yes, has the board approved the transfer of the unit? ...(Yes)... ...(No).... 106 107 k. Do rules or regulations applicable to the unit provide 108 for a right of first refusal in favor of the members or 109 association? ... (Yes) ... . (No) ... If yes, include applicable 110 rules or regulations. 111 1. Provide a list of utilities provided to the unit which 112 are included in the assessments paid to the association. 113 m. Provide a list of all recreational or land leases to the 114 association affecting the unit. 115 n. Provide a list of, and contact information for, all

other associations of which the unit is a member.

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o. Provide a description of any litigation or administrative proceedings in which the association is a party.

- $\underline{\text{p. Provide contact information for all insurance maintained}}\\ \text{by the association.}$
- q. Provide the signature of an officer or authorized agent of the association.

The association, at its option, may include additional information in the estoppel Any person other than the owner who relies upon such certificate shall be protected thereby.

- (b) An estoppel certificate that is hand delivered or sent by electronic means has a 30-day effective period. An estoppel certificate that is sent by regular mail has a 35-day effective period. If additional information or a mistake related to the estoppel certificate becomes known to the association within the effective period, an amended estoppel certificate may be delivered and becomes effective if a sale or refinancing of the unit has not been completed during the effective period. A fee may not be charged for an amended estoppel certificate. An amended estoppel certificate must be delivered on the date of issuance, and a new 30-day or 35-day effective period begins on such date.
- (c) An association waives the right to collect any moneys owed in excess of the amounts specified in the estoppel certificate from any person who in good faith relies upon the estoppel certificate and from the person's successors and assigns.
- (d) If an association receives a request for an estoppel certificate from a unit owner or the unit owner's designee, or a

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unit mortgagee or the unit mortgagee's designee, and fails to deliver the estoppel certificate within 10 business days, a fee may not be charged for the preparation and delivery of that estoppel certificate. If the association fails to deliver the estoppel certificate within 15 business days, the association waives any claim, including a claim for a lien against the unit, against a purchaser and mortgagee of the unit who would have relied on the estoppel certificate, and the purchaser's and mortgagee's successors and assigns, for any amount that is owed to the association through the date of closing and that should have been shown on the estoppel certificate.

(e) (b) A summary proceeding pursuant to s. 51.011 may be brought to compel compliance with this subsection, and in any such action the prevailing party is entitled to recover reasonable attorney attorney's fees.

(f) (e) Notwithstanding any limitation on transfer fees contained in s. 718.112(2)(i), an the association or its authorized agent may charge a reasonable fee for the preparation and delivery of an estoppel certificate, which may not exceed \$200 if, on the date the certificate is issued, no delinquent amounts are owed to the association for the applicable unit. If an estoppel certificate is requested on an expedited basis and delivered within 3 business days after the request, the association may charge an additional fee of \$100. If a delinquent amount is owed to the association for the applicable unit, an additional fee for the estoppel certificate may not exceed \$200 for the preparation of the certificate. The amount of the fee must be included on the certificate.

(g) 1. If estoppel certificates for multiple units owned by

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the same owner are simultaneously requested from the same association and there are no past due monetary obligations owed to the association, the statement of moneys due for those units may be delivered in one or more estoppel certificates, and, even though the fee for each unit shall be computed as set forth in paragraph (f), the total fee that the association may charge for the preparation and delivery of the estoppel certificates may not exceed, in the aggregate:

- a. For 25 or fewer units, \$750.
- b. For 26 to 50 units, \$1,000.
- c. For 51 to 100 units, \$1,500.
- d. For more than 100 units, \$2,500.
- 2. If an estoppel certificate is requested in conjunction with the sale or refinancing of a unit, the fee for the preparation and delivery of the estoppel certificate shall be paid to the association from the closing or settlement proceeds. If the closing does not occur, the fee for the preparation and delivery of the estoppel certificate remains the obligation of the unit owner, and the association may collect the fee in the same manner as an assessment against the unit. An association may not require the payment of any other fee as a condition for the preparation or delivery of an estoppel certificate.
- (h) (d) The authority to charge a fee for the <u>preparation</u> and delivery of the estoppel certificate <u>must shall</u> be established by a written resolution adopted by the board or provided by a written management, bookkeeping, or maintenance contract and is payable upon the preparation of the certificate. If the certificate is requested in conjunction with the sale or mortgage of a unit but the closing does not occur and no later

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than 30 days after the closing date for which the certificate was sought the preparer receives a written request, accompanied by reasonable documentation, that the sale did not occur from a payor that is not the unit owner, the fee shall be refunded to that payor within 30 days after receipt of the request. The refund is the obligation of the unit owner, and the association may collect it from that owner in the same manner as an assessment as provided in this section.

Section 2. Subsection (6) of section 719.108, Florida Statutes, is amended to read:

719.108 Rents and assessments; liability; lien and priority; interest; collection; cooperative ownership.—

- electronic request for an estoppel certificate from a unit owner or the unit owner's designee, or a unit mortgagee or the unit mortgagee's designee, the association shall issue the estoppel certificate. Each association shall designate on its website a person or entity with a street or e-mail address for receipt of a request for an estoppel certificate issued pursuant to this section. The estoppel certificate must be provided by hand delivery, regular mail, or e-mail to the requestor on the date of issuance of the estoppel certificate.
- (a) The estoppel certificate must contain all of the following information and must be substantially in the following form:
  - 1. Date of issuance:....
- 2. Name(s) of the unit owner(s) reflected in the books and records of the association:...
  - 3. Unit designation and address:....

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233 4. Parking or garage space number, if any:.... 234 5. Storage locker number, if any:.... 235 6. Attorney's name and contact information if the account 236 is delinquent and has been turned over to an attorney for 237 collection. No fee may be charged for this information. 238 7. Fee for the preparation and delivery of the estoppel 239 certificate:.... 240 8. Name of the requestor:.... 241 9. Assessment information and other information: 242 243 ASSESSMENT INFORMATION: 244 a. The regular periodic assessment levied against the unit is \$.... per ... (insert frequency of payment).... 245 246 b. The regular periodic assessment is paid through 247 ... (insert date paid through).... 248 c. The next installment of the regular periodic assessment 249 is due ...(insert due date)... in the amount of \$..... 250 d. An itemized list of all assessments, special 251 assessments, and other moneys owed by the unit owner on the date 252 of issuance to the association for a specific unit is provided. 253 e. An itemized list of any additional assessments, special 254 assessments, and other moneys that are scheduled to become due 255 for each day after the date of issuance for the effective period 256 of the estoppel certificate is provided. In calculating the 257 amounts that are scheduled to become due, the association may 2.58 assume that any delinquent amounts will remain delinquent during 259 the effective period of the estoppel certificate. 260 261 OTHER INFORMATION:

by the association.

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 $\underline{\text{q. Provide}}$  the signature of an officer or authorized agent of the association.

The association, at its option, may include additional information in the estoppel certificate.

- (b) An estoppel certificate that is hand delivered or sent by electronic means has a 30-day effective period. An estoppel certificate that is sent by regular mail has a 35-day effective period. If additional information or a mistake related to the estoppel certificate becomes known to the association within the effective period, an amended estoppel certificate may be delivered and becomes effective if a sale or refinancing of the unit has not been completed during the effective period. A fee may not be charged for an amended estoppel certificate. An amended estoppel certificate must be delivered on the date of issuance, and a new 30-day or 35-day effective period begins on such date.
- (c) An association waives the right to collect any moneys owed in excess of the amounts specified in the estoppel certificate from any person who in good faith relies upon the estoppel certificate and from the person's successors and assigns.
- (d) If an association receives a request for an estoppel certificate from a unit owner or the unit owner's designee, or a unit mortgagee or the unit mortgagee's designee, and fails to deliver the estoppel certificate within 10 business days, a fee may not be charged for the preparation and delivery of that estoppel certificate. If the association fails to deliver the estoppel certificate within 15 business days, the association

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waives any claim, including a claim for a lien against the unit, against a purchaser and mortgagee of the unit who would have relied on the estoppel certificate, and the purchaser's and mortgagee's successors and assigns, for any amount that is owed to the association through the date of closing and that should have been shown on the estoppel certificate.

- (e) A summary proceeding pursuant to s. 51.011 may be brought to compel compliance with this subsection, and in any such action the prevailing party is entitled to recover reasonable attorney fees.
- (f) Notwithstanding any limitation on transfer fees contained in s. 719.106(1)(i), an association or its authorized agent may charge a reasonable fee for the preparation and delivery of an estoppel certificate, which may not exceed \$200 if, on the date the certificate is issued, no delinquent amounts are owed to the association for the applicable unit. If an estoppel certificate is requested on an expedited basis and delivered within 3 business days after the request, the association may charge an additional fee of \$100. If a delinquent amount is owed to the association for the applicable unit, an additional fee for the estoppel certificate may not exceed \$200.
- (g)1. If estoppel certificates for multiple units owned by the same owner are simultaneously requested from the same association and there are no past due monetary obligations owed to the association, the statement of moneys due for those units may be delivered in one or more estoppel certificates, and, even though the fee for each unit shall be computed as set forth in paragraph (f), the total fee that the association may charge for

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the preparation and delivery of the estoppel certificates may not exceed, in the aggregate:

- a. For 25 or fewer units, \$750.
- b. For 26 to 50 units, \$1,000.
- c. For 51 to 100 units, \$1,500.
- d. For more than 100 units, \$2,500.
- 2. If an estoppel certificate is requested in conjunction with the sale or refinancing of a unit, the fee for the preparation and delivery of the estoppel certificate shall be paid to the association from the closing or settlement proceeds. If the closing does not occur, the fee for the preparation and delivery of the estoppel certificate remains the obligation of the unit owner, and the association may collect the fee in the same manner as an assessment against the unit. An association may not require the payment of any other fee as a condition for the preparation or delivery of an estoppel certificate.
- (h) The authority to charge a fee for the preparation and delivery of the estoppel certificate must be established by a written resolution adopted by the board or provided by a written management, bookkeeping, or maintenance contract by a unit owner or mortgagee, the association shall provide a certificate stating all assessments and other moneys owed to the association by the unit owner with respect to the cooperative parcel. Any person other than the unit owner who relies upon such certificate shall be protected thereby. Notwithstanding any limitation on transfer fees contained in s. 719.106(1)(i), the association or its authorized agent may charge a reasonable fee for the preparation of the certificate.
  - Section 3. Section 720.30851, Florida Statutes, is amended

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to read:

720.30851 Estoppel certificates.—Within 10 business 15 days after receiving a written or electronic the date on which a request for an estoppel certificate from a parcel owner or the parcel owner's designee, or a parcel mortgagee or the parcel mortgagee's designee, the association shall issue the estoppel certificate. Each association shall designate on its website a person or entity with a street or e-mail address for receipt of a request for an estoppel certificate issued pursuant to this section. The estoppel certificate must be provided by hand delivery, regular mail, or e-mail to the requestor on the date of issuance of the estoppel certificate.

- (1) The estoppel certificate must contain all of the following information and must be substantially in the following form:
  - (a) Date of issuance:....
- (b) Name(s) of the parcel owner(s) reflected in the books and records of the association:...
  - (c) Parcel designation and address:....
  - (d) Parking or garage space number, if any:....
  - (e) Storage locker number, if any:....
- (f) Attorney's name and contact information if the account is delinquent and has been turned over to an attorney for collection. No fee may be charged for this information.
- (g) Fee for the preparation and delivery of the estoppel certificate:....
  - (h) Name of the requestor:....
  - (i) Assessment information and other information:

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407 ASSESSMENT INFORMATION: 1. The regular periodic assessment levied against the 408 409 parcel is \$.... per ... (insert frequency of payment).... 410 2. The regular periodic assessment is paid through 411 ... (insert date paid through) .... 3. The next installment of the regular periodic assessment 412 413 is due ...(insert due date)... in the amount of \$..... 4. An itemized list of all assessments, special 414 415 assessments, and other moneys owed on the date of issuance to the association by the parcel owner for a specific parcel is 416 417 provided. 418 5. An itemized list of any additional assessments, special assessments, and other moneys that are scheduled to become due 419 420 for each day after the date of issuance for the effective period 421 of the estoppel certificate is provided. In calculating the 422 amounts that are scheduled to become due, the association may 423 assume that any delinquent amounts will remain delinquent during 424 the effective period of the estoppel certificate. 425 426 OTHER INFORMATION: 427 6. Is there a capital contribution fee, resale fee, 428 transfer fee, or other fee due? ... (Yes) ... (No) .... If yes, 429 specify the type and amount of the fee. 430 7. What is the amount, if any, of an association 431 application fee? 432 8. Is there a credit balance on the current account? 433 ...(Yes)... (No)....

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9. Is there any violation of rule or regulation noticed to

the parcel owner in the association official records?

rules or regulations.

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- 12. Provide a list of utilities provided to the parcel which are included in the assessments paid to the association.
- 13. Provide a list of all recreational or land leases to the association affecting the parcel.
- 14. Provide a list of, and contact information for, all other associations of which the parcel is a member.
- 15. Provide a description of any litigation or administrative proceedings in which the association is a party.
- 16. Provide contact information for all insurance maintained by the association.
- 456 <u>17. Provide the signature of an officer or authorized agent</u> 457 of the association.

The association, at its option, may include additional information in the estoppel certificate.

(2) An estoppel certificate that is hand delivered or sent by electronic means has a 30-day effective period. An estoppel certificate that is sent by regular mail has a 35-day effective period. If additional information or a mistake related to the

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estoppel certificate becomes known to the association within the effective period, an amended estoppel certificate may be delivered and becomes effective if a sale or refinancing of the parcel has not been completed during the effective period. A fee may not be charged for an amended estoppel certificate. An amended estoppel certificate must be delivered on the date of issuance, and a new 30-day or 35-day effective period begins on such date.

- (3) An association waives the right to collect any moneys owed in excess of the amounts specified in the estoppel certificate from any person who in good faith relies upon the estoppel certificate and from the person's successors and assigns.
- (4) If an association receives a request for an estoppel certificate from a parcel owner or the parcel owner's designee, or a parcel mortgagee or the parcel mortgagee's designee, and fails to deliver an estoppel certificate within 10 business days, a fee may not be charged for the preparation and delivery of that estoppel certificate. If the association fails to deliver the estoppel certificate within 15 business days, the association waives any claim, including a claim for a lien against the parcel, against a purchaser and mortgagee of the parcel who would have relied on the estoppel certificate, and the purchaser's and mortgagee's successors and assigns, for any amount that is owed to the association through the date of closing and that should have been shown on the for an estoppel certificate is received from a parcel owner or mortgagee, or his or her designee, the association shall provide a certificate signed by an officer or authorized agent of the association

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stating all assessments and other moneys owed to the association by the parcel owner or mortgagee with respect to the parcel. An association may charge a fee for the preparation of such certificate, and the amount of such fee must be stated on the certificate.

- (1) Any person other than a parcel owner who relies upon a certificate receives the benefits and protection thereof.
- (5)(2) A summary proceeding pursuant to s. 51.011 may be brought to compel compliance with this section, and the prevailing party is entitled to recover reasonable attorney attorney's fees.
- (6) An association or its authorized agent may charge a reasonable fee for the preparation and delivery of an estoppel certificate, which may not exceed \$200 if on the date the certificate is issued, no delinquent amounts are owed to the association for the applicable parcel. If an estoppel certificate is requested on an expedited basis and delivered within 3 business days after the request, the association may charge an additional fee of \$100. If a delinquent amount is owed to the association for the applicable parcel, an additional fee for the estoppel certificate may not exceed \$200.
- (7) (a) If estoppel certificates for multiple parcels owned by the same owner are simultaneously requested from the same association and there are no past due monetary obligations owed to the association, the statement of moneys due for those parcels may be delivered in one or more estoppel certificates, and, even though the fee for each parcel shall be computed as set forth in subsection (6), the total fee that the association may charge for the preparation and delivery of the estoppel

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certificates may not exceed, in the aggregate:

- 1. For 25 or fewer parcels, \$750.
- 2. For 26 to 50 parcels, \$1,000.
- 3. For 51 to 100 parcels, \$1,500.
- 4. For more than 100 parcels, \$2,500.
- with the sale or refinancing of a parcel, the fee for the preparation and delivery of the estoppel certificate shall be paid to the association from the closing or settlement proceeds. If the closing does not occur, the fee for the preparation and delivery of the estoppel certificate remains the obligation of the parcel owner, and the association may collect the fee in the same manner as an assessment against the parcel. An association may not require the payment of any other fee as a condition for the preparation or delivery of an estoppel certificate.
- (8)(3) The authority to charge a fee for the <u>preparation</u> and delivery of the estoppel certificate <u>must</u> shall be established by a written resolution adopted by the board or provided by a written management, bookkeeping, or maintenance contract and is payable upon the preparation of the certificate. If the certificate is requested in conjunction with the sale or mortgage of a parcel but the closing does not occur and no later than 30 days after the closing date for which the certificate was sought the preparer receives a written request, accompanied by reasonable documentation, that the sale did not occur from a payor that is not the parcel owner, the fee shall be refunded to that payor within 30 days after receipt of the request. The refund is the obligation of the parcel owner, and the association may collect it from that owner in the same manner as

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552	<del>an a</del>	ssessment	as	<del>prov</del>	<del>/ide</del>	<del>d in t</del> h	nis s	ection.						
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