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1 A bill to be entitled 2 An act relating to real property; amending ss. 125.022 3 and 166.033, F.S.; deleting provisions specifying that a county or municipality is not prohibited from 4 5 providing information to an applicant regarding other 6 state or federal permits that may apply under certain 7 circumstances; specifying that the imposition of 8 certain restrictions or covenants against real 9 property does not preclude a county or municipality 10 from exercising its police power to later amend, release, or terminate such restrictions or covenants; 11 12 prohibiting a county or municipality from delegating its police power to a third party by restriction, 13 14 covenant, or otherwise; creating s. 163.035, F.S.; prohibiting local governments from promulgating, 15 adopting, or enforcing an ordinance or regulation that 16 17 purports to establish a common law customary use of property; creating s. 702.12, F.S.; authorizing 18 19 certain lienholders to use certain documents as an admission in an action to foreclose a mortgage against 20 21 real property; providing that submission of certain documents in a foreclosure action creates certain 22 23 presumptions; authorizing a lienholder to make a request for judicial notice; providing construction; 24 25 providing applicability; creating s. 712.001, F.S.;

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26 providing a short title; amending s. 712.01, F.S.; 27 defining and redefining terms; amending s. 712.04, 28 F.S.; providing that a marketable title to real 29 property is free and clear of all covenants or 30 restrictions, the existence of which depends upon any act, title transaction, event, zoning requirement, 31 32 building or development permit, or omission that occurred before the effective date of the root of 33 title; providing for construction; providing 34 35 applicability; amending s. 712.05, F.S.; revising the notice filing requirements for a person claiming an 36 37 interest in real property and other rights; authorizing a property owners' association to preserve 38 39 and protect certain covenants or restrictions from extinguishment, subject to specified requirements; 40 providing that a failure in indexing does not affect 41 42 the validity of the notice; extending the length of 43 time certain covenants or restrictions affecting real property are preserved; requiring a two-thirds 44 approval of the affected parcel owners of a property 45 owners' association for the preservation of covenants 46 and restrictions; conforming provisions to changes 47 made by the act; amending s. 712.06, F.S.; exempting a 48 specified summary notice regarding real property from 49 50 certain notice content requirements; revising the

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51 contents required to be specified by certain notices; 52 conforming provisions to changes made by the act; 53 amending s. 712.11, F.S.; conforming provisions to changes made by the act; creating s. 712.12, F.S.; 54 55 defining terms; authorizing the parcel owners of a 56 community not subject to a homeowners' association to 57 use specified procedures to revive certain covenants 58 or restrictions, subject to certain exceptions and 59 requirements; authorizing a parcel owner to commence 60 an action by a specified date under certain circumstances for a judicial determination that the 61 62 covenants or restrictions did not govern that parcel as of a specified date and that any revitalization of 63 64 such covenants or restrictions as to that parcel would unconstitutionally deprive the parcel owner of rights 65 or property; providing applicability; providing for 66 67 future repeal; amending s. 720.303, F.S.; requiring a homeowners association board to take up certain 68 69 provisions relating to notice filings at the first board meeting; creating s. 720.3032, F.S.; providing 70 71 recording requirements for an association; providing a 72 document form for recording by an association to preserve certain covenants or restrictions affecting 73 real property; providing that failure to file one or 74 75 more notices does not affect the validity or

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76 enforceability of a covenant or restriction or alter 77 the time before extinguishment under certain 78 circumstances; requiring a copy of the filed notice to 79 be sent to all members; requiring the original signed 80 notice to be recorded with the clerk of the circuit court or other recorder; amending ss. 702.09 and 81 82 702.10, F.S.; conforming provisions to changes made by the act; amending s. 712.095, F.S.; conforming a 83 cross-reference; amending ss. 720.403 and 720.404, 84 F.S.; conforming provisions to changes made by the 85 act; amending s. 720.405, F.S.; increasing the 86 87 percentage of affected parcel owners required for revitalization of covenants and restrictions of a 88 89 property owners' association; amending s. 720.407, F.S.; conforming provisions to changes made by the 90 91 act; providing an effective date. 92 93 Be It Enacted by the Legislature of the State of Florida: 94 95 Section 1. Subsection (6) of section 125.022, Florida 96 Statutes, is amended to read: 97 125.022 Development permits.-98 (6) A county may not delegate its police power to a third party by restriction, covenant, or otherwise. The imposition by 99 100 a county of a recorded or unrecorded restriction or covenant as

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101	a condition of a county's approval or issuance of a development
102	permit does not preclude the county from exercising its police
103	power to later amend, release, or terminate the restriction or
104	covenant. Any such amendment, release, or termination of the
105	restriction or covenant must follow the procedural requirements
106	in s. 125.66(4). This section does not prohibit a county from
107	providing information to an applicant regarding what other state
108	or federal permits may apply.
109	Section 2. Section 163.035, Florida Statutes, is created
110	to read:
111	163.035 Ordinances or regulations relating to customary
112	use of real propertyA local government shall not promulgate,
113	adopt, or enforce any ordinance or regulation that purports to
114	establish a common law customary use of property.
115	Section 3. Subsection (6) of section 166.033, Florida
116	Statutes, is amended to read:
117	166.033 Development permits
118	(6) <u>A municipality may not delegate its police power to a</u>
119	third party by restriction, covenant, or otherwise. The
120	imposition by a municipality of a recorded or unrecorded
121	restriction or covenant as a condition of a municipality's
122	approval or issuance of a development permit does not preclude a
123	municipality from exercising its police power to later amend,
124	release, or terminate the restriction or covenant. Any such
125	amendment, release, or termination of the restriction or
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126	covenant must follow the procedural requirements in s.
127	166.041(3)(c). This section does not prohibit a municipality
128	from providing information to an applicant regarding what other
129	state or federal permits may apply.
130	Section 4. Section 702.12, Florida Statutes, is created to
131	read:
132	702.12 Actions in foreclosure
133	(1)(a) A lienholder, in an action to foreclose a mortgage
134	encumbering an interest in real property, may submit any
135	document the defendant filed in the defendant's bankruptcy case
136	under penalty of perjury for use as an admission by the
137	defendant.
138	(b) The lienholder's submission of a document the
139	defendant filed in the defendant's bankruptcy case that
140	evidences intention to surrender to the lienholder the property
141	that is the subject of the foreclosure, which document has not
142	been withdrawn by the defendant, together with the submission of
143	a final order entered in the bankruptcy case that discharges the
144	defendant's debts or confirms the defendant's repayment plan
145	which intention is contained therein, creates a rebuttable
146	presumption that the defendant has waived any defenses to the
147	foreclosure.
148	(2) In addition to a request set forth in s. 90.203, the
149	lienholder may request that the court take judicial notice of
150	any final order entered in a bankruptcy case.

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151	(3) This section does not preclude the defendant in a
152	foreclosure action from raising a defense based upon the
153	lienholder's conduct subsequent to the filing of the document
154	filed in the bankruptcy case that evidenced the defendant's
155	intention to surrender the mortgaged property to the lienholder.
156	(4) This section applies to any foreclosure action filed
157	on or after July 1, 2017.
158	Section 5. Section 712.001, Florida Statutes, is created
159	to read:
160	712.001 Short titleThis chapter may be cited as the
161	"Marketable Record Title Act."
162	Section 6. Section 712.01, Florida Statutes, is reordered
163	and amended to read:
164	712.01 Definitions.—As used in this <u>chapter, the term</u> law :
165	(1) "Community covenant or restriction" means any
166	agreement or limitation contained in a document recorded in the
167	public records of the county in which a parcel is located which:
168	(a) Subjects the parcel to any use restriction that may be
169	enforced by a property owners' association; or
170	(b) Authorizes a property owners' association to impose a
171	charge or assessment against the parcel or the parcel owner.
172	(2) (6) The term "Covenant or restriction" means any
173	agreement or limitation contained in a document recorded in the
174	public records of the county in which a parcel is located which
175	subjects the parcel to any use <u>or other</u> restriction <u>or</u>
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176 <u>obligation</u> which may be enforced by a homeowners' association or 177 which authorizes a homeowners' association to impose a charge or 178 assessment against the parcel or the owner of the parcel or 179 which may be enforced by the Florida Department of Environmental 180 Protection pursuant to chapter 376 or chapter 403.

181 <u>(3) (5)</u> The term "Parcel" means real property that which is 182 used for residential purposes and that is subject to exclusive 183 ownership and which is subject to any covenant or restriction of 184 a property owners' homeowners' association.

185 <u>(4) (1)</u> The term "Person" includes the as used herein 186 denotes singular or plural, natural or corporate, private or 187 governmental, including the state and any political subdivision 188 or agency thereof as the context for the use thereof requires or 189 denotes and including any property owners' homeowners' 190 association.

191 (5) (4) "Property owners' association" The term 192 "homeowners' association" means a homeowners' association as 193 defined in s. 720.301, a corporation or other entity responsible 194 for the operation of property in which the voting membership is 195 made up of the owners of the property or their agents, or a 196 combination thereof, and in which membership is a mandatory 197 condition of property ownership, or an association of parcel owners which is authorized to enforce a community covenant or 198 restriction use restrictions that is are imposed on the parcels. 199 200 (6) (2) "Root of title" means any title transaction

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201 purporting to create or transfer the estate claimed by any 202 person and which is the last title transaction to have been 203 recorded at least 30 years <u>before</u> prior to the time when 204 marketability is being determined. The effective date of the 205 root of title is the date on which it was recorded.

206 <u>(7)(3)</u> "Title transaction" means any recorded instrument 207 or court proceeding <u>that</u> which affects title to any estate or 208 interest in land and <u>that</u> which describes the land sufficiently 209 to identify its location and boundaries.

210 Section 7. Section 712.04, Florida Statutes, is amended to 211 read:

212

712.04 Interests extinguished by marketable record title.-

(1) Subject to s. 712.03, a marketable record title is 213 214 free and clear of all estates, interests, claims, covenants, 215 restrictions, or charges, the existence of which depends upon any act, title transaction, event, zoning requirement, building 216 217 or development permit, or omission that occurred before the 218 effective date of the root of title. Except as provided in s. 219 712.03, all such estates, interests, claims, covenants, 220 restrictions, or charges, however denominated, whether they are 221 or appear to be held or asserted by a person sui juris or under 222 a disability, whether such person is within or without the state, natural or corporate, or private or governmental, are 223 declared to be null and void. However, this chapter does not 224 225 affect any right, title, or interest of the United States,

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226	Florida, or any of its officers, boards, commissions, or other
227	agencies reserved in the patent or deed by which the United
228	States, Florida, or any of its agencies parted with title.
229	(2) This section may not be construed to alter or
230	invalidate a zoning ordinance, land development regulation,
231	building code, or other ordinance, rule, regulation, or law if
232	such ordinance, rule, regulation, or law operates independently
233	of matters recorded in the official records.
234	(3) This section is intended to clarify existing law, is
235	remedial in nature, and applies to all restrictions and
236	covenants whether imposed or accepted before, on, or after July
237	<u>1, 2017.</u>
238	Section 8. Section 712.05, Florida Statutes, is amended to
239	read:
240	712.05 Effect of filing notice
241	(1) A person claiming an interest in land or <u>other right</u>
242	subject to extinguishment under this chapter a homeowners'
243	association desiring to preserve a covenant or restriction may
244	preserve and protect <u>such interest or right</u> the same from
245	extinguishment by the operation of this <u>chapter</u> act by filing
246	for record, <u>at any time</u> during the 30-year period immediately
247	following the effective date of the root of title, a written
248	notice in accordance with <u>s. 712.06</u> this chapter.
249	(2) A property owners' association may preserve and
250	protect a community covenant or restriction from extinguishment
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251 by the operation of this chapter by filing for record, at any 252 time during the 30-year period immediately following the 253 effective date of the root of title: 254 (a) A written notice in accordance with s. 712.06; or 255 (b) A summary notice in substantial form and content as 256 required under s. 720.3032(2). Failure of a summary notice to be 257 indexed to the current owners of the affected property does not 258 affect the validity of the notice or vitiate the effect of the 259 filing of such notice. 260 (3) A Such notice under subsection (1) or subsection (2) preserves an interest in land or other such claim of right 261 262 subject to extinguishment under this chapter, or a such covenant 263 or restriction or portion of such covenant or restriction, for 264 not less than up to 30 years after filing the notice unless the 265 notice is filed again as required in this chapter. A person's 266 disability or lack of knowledge of any kind may not delay the 267 commencement of or suspend the running of the 30-year period. 268 Such notice may be filed for record by the claimant or by any 269 other person acting on behalf of a claimant who is: 270 Under a disability; (a) 271 Unable to assert a claim on his or her behalf; or (b) 272 One of a class, but whose identity cannot be (C) 273 established or is uncertain at the time of filing such notice of 274 claim for record. 275 Page 11 of 33

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276 Such notice may be filed by a property owners' homeowners' 277 association only if the preservation of such covenant or 278 restriction or portion of such covenant or restriction is 279 approved by the owners of at least two-thirds of the affected 280 parcels in writing or members of the board of directors of an 281 incorporated homeowners' association at a meeting for which a 282 notice, stating the meeting's time and place and containing the 283 statement of marketable title action described in s. 284 712.06(1)(b), was mailed or hand delivered to members of the property owners' homeowners' association at least 7 days before 285 such meeting. The property owners' homeowners' association or 286 287 clerk of the circuit court is not required to provide additional 288 notice pursuant to s. 712.06(3). The preceding sentence is 289 intended to clarify existing law.

290 <u>(4)(2)</u> It <u>is shall</u> not be necessary for the owner of the 291 marketable record title, as <u>described in s. 712.02</u> herein 292 defined, to file a notice to protect his or her marketable 293 record title.

294 Section 9. Subsections (1) and (3) of section 712.06, 295 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,
 <u>other than the summary notice referred to in s. 712.05(2)(b)</u>,
 <u>must shall contain:</u>

300 (a) The name or description and mailing address of the

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301 claimant or the property owners' homeowners' association 302 desiring to preserve any covenant or restriction and the name 303 and particular post office address of the person filing the 304 claim or the homeowners' association.

305 The name and mailing post office address of an owner, (b) 306 or the name and mailing post office address of the person in 307 whose name the said property is assessed on the last completed 308 tax assessment roll of the county at the time of filing, who, for purpose of such notice, shall be deemed to be an owner; 309 310 provided, however, if a property owners' homeowners' association is filing the notice, then the requirements of this paragraph 311 312 may be satisfied by attaching to and recording with the notice 313 an affidavit executed by the appropriate member of the board of 314 directors of the property owners' homeowners' association 315 affirming that the board of directors of the property owners' homeowners' association caused a statement in substantially the 316 317 following form to be mailed or hand delivered to the members of 318 that property owners' homeowners' association:

STATEMENT OF MARKETABLE TITLE ACTION

The [name of property owners' 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

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326 County, Florida, as may be amended from time to time, currently 327 burdening the property of each and every member of the 328 Association, retains its status as the source of marketable 329 title with regard to the affected real property the transfer of 330 a member's residence. To this end, the Association shall cause 331 the notice required by chapter 712, Florida Statutes, to be 332 recorded in the public records of County, Florida. Copies 333 of this notice and its attachments are available through the 334 Association pursuant to the Association's governing documents 335 regarding official records of the Association.

337 (C) A full and complete description of all land affected 338 by such notice, which description shall be set forth in 339 particular terms and not by general reference, but if said claim 340 is founded upon a recorded instrument or a covenant or a restriction, then the description in such notice may be the same 341 342 as that contained in such recorded instrument or covenant or 343 restriction, provided the same shall be sufficient to identify 344 the property.

(d) A statement of the claim showing the nature,
description, and extent of such claim <u>or other right subject to</u>
<u>extinguishment under this chapter</u> or, in the case of a covenant
or restriction, a copy of the covenant or restriction, except
that it <u>is shall</u> not be necessary to show the amount of any
claim for money or the terms of payment.

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351 If such claim or other right subject to extinguishment (e) 352 under this chapter is based upon an instrument of record or a 353 recorded covenant or restriction, such instrument of record or 354 recorded covenant or restriction shall be deemed sufficiently 355 described to identify the same if the notice includes a 356 reference to the book and page in which the same is recorded. 357 (f) Such notice shall be acknowledged in the same manner 358 as deeds are acknowledged for record. 359 The person providing the notice referred to in s. (3) 360 712.05, other than a notice for preservation of a community covenant or restriction, shall: 361 362 (a) Cause the clerk of the circuit court to mail by registered or certified mail to the purported owner of said 363 364 property, as stated in such notice, a copy thereof and shall 365 enter on the original, before recording the same, a certificate 366 showing such mailing. For preparing the certificate, the 367 claimant shall pay to the clerk the service charge as prescribed 368 in s. 28.24(8) and the necessary costs of mailing, in addition 369 to the recording charges as prescribed in s. 28.24(12). If the 370 notice names purported owners having more than one address, the 371 person filing the same shall furnish a true copy for each of the 372 several addresses stated, and the clerk shall send one such copy to the purported owners named at each respective address. Such 373 374 certificate shall be sufficient if the same reads substantially as follows: 375

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376 377 I hereby certify that I did on this, mail by 378 registered (or certified) mail a copy of the foregoing notice to 379 each of the following at the address stated: 380 381 ... (Clerk of the circuit court)... 382 of County, Florida, 383 By... (Deputy clerk) ... 384 The clerk of the circuit court is not required to mail to the 385 purported owner of such property any such notice that pertains solely to the preserving of any covenant or restriction or any 386 387 portion of a covenant or restriction; or (b) Publish once a week, for 2 consecutive weeks, the 388 389 notice referred to in s. 712.05, with the official record book 390 and page number in which such notice was recorded, in a 391 newspaper as defined in chapter 50 in the county in which the property is located. 392 393 Section 10. Section 712.11, Florida Statutes, is amended 394 to read: 395 712.11 Covenant revitalization.-A property owners' 396 homeowners' association not otherwise subject to chapter 720 may 397 use the procedures set forth in ss. 720.403-720.407 to revive 398 covenants that have lapsed under the terms of this chapter. Section 11. Section 712.12, Florida Statutes, is created 399 400 to read:

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401	712.12 Covenant or restriction revitalization by parcel
402	owners not subject to chapter 720
403	(1) As used in this section, the term:
404	(a) "Community" means a group of parcels near one another
405	sharing a common interest due to their proximity to one another
406	and sharing a neighborhood name or identity, which parcels are
407	or will be subject to covenants and restrictions which are
408	recorded in the county where the property is located.
409	(b) "Covenant or restriction" means any agreement or
410	limitation imposed by a private party and not required by a
411	governmental agency as a condition of a development permit, as
412	defined in s. 163.3164, which is contained in a document
413	recorded in the public records of the county in which a parcel
414	is located and which subjects the parcel to any use restriction
415	that may be enforced by a parcel owner.
416	(c) "Parcel" means real property that is used for
417	residential purposes and which is subject to exclusive ownership
418	and any covenant or restriction that may be enforced by a parcel
419	owner.
420	(d) "Parcel owner" means the record owner of legal title
421	to a parcel.
422	(2) The parcel owners of a community not subject to ch.
423	720 may use the procedures set forth in ss. 720.403-720.407 to
424	revive covenants or restrictions that have lapsed under the
425	terms of this chapter, except:

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426	(a) A reference to a homeowners' association or articles
427	of incorporation or bylaws of a homeowners' association under
428	ss. 720.403-720.407 is not required to revive the covenants or
429	restrictions.
430	(b) The approval required under s. 720.405(6) must be in
431	writing, and not at a meeting.
432	(c) The requirements under s. 720.407(2) may be satisfied
433	by having the organizing committee execute the revived covenants
434	or restrictions in the name of the community.
435	(d) The indexing requirements under s. 720.407(3) may be
436	satisfied by indexing the community name in the covenants or
437	restrictions as the grantee and the parcel owners as the
438	grantors.
439	(3) With respect to any parcel that has ceased to be
440	governed by covenants or restrictions as of July 1, 2017, the
441	parcel owner may commence an action by July 1, 2018, for a
442	judicial determination that the covenants or restrictions did
443	not govern that parcel as of July 1, 2017, and that any
444	revitalization of such covenants or restrictions as to that
445	parcel would unconstitutionally deprive the parcel owner of
446	rights or property.
447	(4) Revived covenants or restrictions that are implemented
448	pursuant to this section do not apply to or affect the rights of
449	a parcel owner:
450	(a) Which are recognized by any court order or judgment in
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451 any action commenced by July 1, 2018, and any such rights so 452 recognized may not be subsequently altered by revived covenants 453 or restrictions implemented under this section without the 454 consent of the affected parcel owner; or 455 (b) To continue a use of the property that would be 456 prohibited by the revived covenants and restrictions. However, 457 this paragraph does not apply to a parcel owner who acquires 458 title to a parcel after the effective date of the revival. 459 This section expires and shall stand repealed June 30, (5) 2019. 460 Section 12. Paragraph (e) is added to subsection (2) of 461 462 section 720.303, Florida Statutes, to read: 463 720.303 Association powers and duties; meetings of board; 464 official records; budgets; financial reporting; association 465 funds; recalls.-466 (2) BOARD MEETINGS.-467 (e) At the first board meeting, excluding the 468 organizational meeting, which follows the annual meeting of the 469 members, the board shall consider the desirability of filing 470 notices to preserve the covenants or restrictions affecting the 471 community or association from extinguishment under the 472 Marketable Record Title Act, chapter 712, and to authorize and 473 direct the appropriate officer to file notice in accordance with s. 720.3032. 474 475 Section 13. Section 720.3032, Florida Statutes, is created Page 19 of 33

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476	to read:
477	720.3032 Notice of association information; preservation
478	from Marketable Record Title Act
479	(1) Not less than once every 5 years, if an association
480	wishes to preserve its covenants and restrictions, the
481	association must record in the official records of each county
482	in which the community is located a notice specifying:
483	(a) The legal name of the association.
484	(b) The mailing and physical addresses of the association.
485	(c) The names of the affected subdivision plats and
486	condominiums or, if not applicable, the common name of the
487	community.
488	(d) The name, address, and telephone number for the
489	current community association management company or community
490	association manager, if any.
491	(e) Indication as to whether the association desires to
492	preserve the covenants or restrictions affecting the community
493	or association from extinguishment under the Marketable Record
494	
494	Title Act, chapter 712.
494	<u>Title Act, chapter 712.</u> (f) A listing by name and recording information of those
495	(f) A listing by name and recording information of those
495 496	(f) A listing by name and recording information of those covenants or restrictions affecting the community which the
495 496 497	(f) A listing by name and recording information of those covenants or restrictions affecting the community which the association desires to be preserved from extinguishment.
495 496 497 498	(f) A listing by name and recording information of those covenants or restrictions affecting the community which the association desires to be preserved from extinguishment. (g) The legal description of the community affected by the

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501 The signature of a duly authorized officer of the (h) 502 association, acknowledged in the same manner as deeds are 503 acknowledged for record. 504 Recording a document in substantially the following (2) 505 form satisfies the notice obligation and constitutes a summary 506 notice as specified in s. 712.05(2)(b) sufficient to preserve 507 and protect the referenced covenants and restrictions from 508 extinguishment under the Marketable Record Title Act, chapter 509 712. 510 Notice of ... (name of association) ... under s. 720.3032, Florida 511 512 Statutes, and notice to preserve and protect covenants and 513 restrictions from extinguishment under the Marketable Record 514 Title Act, chapter 712, Florida Statutes. 515 516 Instructions to recorder: Please index both the legal name 517 of the association and the names shown in item 3. 518 1. Legal name of association: 519 Mailing and physical addresses of association: 2. 520 • • • • 521 3. Names of the subdivision plats, or, if none, common 522 name of community: 523 4. Name, address, and telephone number for management company, if any: 524 525 5. This notice does does not constitute a notice

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526	to preserve and protect covenants or restrictions from
527	extinguishment under the Marketable Record Title Act.
528	6. The following covenants or restrictions affecting the
529	community which the association desires to be preserved from
530	extinguishment:
531	(Name of instrument)
532	(Official Records Book where recorded & page)
533	(List of instruments)
534	(List of recording information)
535	7. The legal description of the community affected by the
536	listed covenants or restrictions is:(Legal description,
537	which may be satisfied by reference to a recorded plat)
538	This notice is filed on behalf of (Name of
539	association) as of(Date)
540	(Name of association)
541	
542	<u>By:</u>
543	(Name of individual officer)
544	(Title of officer)
545	(Notary acknowledgment)
546	
547	(3) The failure to file one or more notices does not
548	affect the validity or enforceability of any covenant or
549	restriction nor in any way alter the remaining time before
550	entinguichment by the Manketshie Decend Mitle Net chanter 712
	extinguishment by the Marketable Record Title Act, chapter 712.

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551 A copy of the notice, as filed, must be included as (4) 552 part of the next notice of meeting or other mailing sent to all 553 members. 554 The original signed notice must be recorded in the (5) 555 official records of the clerk of the circuit court or other 556 recorder for the county. 557 Section 14. Section 702.09, Florida Statutes, is amended 558 to read: 702.09 Definitions.-For the purposes of ss. 702.07 and 559 702.08, the words "decree of foreclosure" shall include a 560 561 judgment or order rendered or passed in the foreclosure 562 proceedings in which the decree of foreclosure shall be 563 rescinded, vacated, and set aside; the word "mortgage" shall 564 mean any written instrument securing the payment of money or 565 advances and includes liens to secure payment of assessments 566 arising under chapters 718 and 719 and liens created pursuant to 567 the recorded covenants of a property owners' homeowners' 568 association as defined in s. 712.01; the word "debt" shall 569 include promissory notes, bonds, and all other written 570 obligations given for the payment of money; the words 571 "foreclosure proceedings" shall embrace every action in the 572 circuit or county courts of this state wherein it is sought to 573 foreclose a mortgage and sell the property covered by the same; 574 and the word "property" shall mean and include both real and 575 personal property.

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576 Section 15. Subsection (1) of section 702.10, Florida 577 Statutes, is amended to read:

578 702.10 Order to show cause; entry of final judgment of 579 foreclosure; payment during foreclosure.-

580 A lienholder may request an order to show cause for (1) 581 the entry of final judgment in a foreclosure action. For 582 purposes of this section, the term "lienholder" includes the 583 plaintiff and a defendant to the action who holds a lien 584 encumbering the property or a defendant who, by virtue of its 585 status as a condominium association, cooperative association, or 586 property owners' homeowners' association, may file a lien 587 against the real property subject to foreclosure. Upon filing, 588 the court shall immediately review the request and the court 589 file in chambers and without a hearing. If, upon examination of 590 the court file, the court finds that the complaint is verified, 591 complies with s. 702.015, and alleges a cause of action to 592 foreclose on real property, the court shall promptly issue an 593 order directed to the other parties named in the action to show 594 cause why a final judgment of foreclosure should not be entered. 595

(a) The order shall:

596 Set the date and time for a hearing to show cause. The 1. 597 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 598 service of the initial complaint. When service is obtained by 599 600 publication, the date for the hearing may not be set sooner than

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601 30 days after the first publication.

6022. Direct the time within which service of the order to603show 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.

610 4. State that a defendant has the right to file affidavits
611 or other papers before the time of the hearing to show cause and
612 may appear personally or by way of an attorney at the hearing.

613 5. State that, if a defendant files defenses by a motion, 614 a verified or sworn answer, affidavits, or other papers or 615 appears personally or by way of an attorney at the time of the 616 hearing, the hearing time will be used to hear and consider 617 whether the defendant's motion, answer, affidavits, other 618 papers, and other evidence and argument as may be presented by 619 the defendant or the defendant's attorney raise a genuine issue 620 of material fact which would preclude the entry of summary 621 judgment or otherwise constitute a legal defense to foreclosure. 622 The order shall also state that the court may enter an order of final judgment of foreclosure at the hearing and order the clerk 623 of the court to conduct a foreclosure sale. 624

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6. State that, if a defendant fails to appear at the

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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.

633 7. State that if the mortgage provides for reasonable 634 attorney fees and the requested attorney fees do not exceed 3 635 percent of the principal amount owed at the time of filing the 636 complaint, it is unnecessary for the court to hold a hearing or 637 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.

641 9. Require the party seeking final judgment to serve a
642 copy of the order to show cause on the other parties in the
643 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 chapter48 with the complaint and original process, the order to show

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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 simultaneously with other court procedures.

660 (b) The right to be heard at the hearing to show cause is waived if a defendant, after being served as provided by law 661 with an order to show cause, engages in conduct that clearly 662 663 shows that the defendant has relinquished the right to be heard 664 on that order. The defendant's failure to file defenses by a 665 motion or by a sworn or verified answer, affidavits, or other 666 papers or to appear personally or by way of an attorney at the 667 hearing duly scheduled on the order to show cause presumptively 668 constitutes conduct that clearly shows that the defendant has 669 relinquished the right to be heard. If a defendant files 670 defenses by a motion, a verified answer, affidavits, or other papers or presents evidence at or before the hearing which raise 671 672 a genuine issue of material fact which would preclude entry of summary judgment or otherwise constitute a legal defense to 673 674 foreclosure, such action constitutes cause and precludes the 675 entry of a final judgment at the hearing to show cause.

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676 In a mortgage foreclosure proceeding, when a final (C) 677 judgment of foreclosure has been entered against the mortgagor 678 and the note or mortgage provides for the award of reasonable 679 attorney fees, it is unnecessary for the court to hold a hearing 680 or adjudge the requested attorney fees to be reasonable if the 681 fees do not exceed 3 percent of the principal amount owed on the 682 note or mortgage at the time of filing, even if the note or 683 mortgage does not specify the percentage of the original amount that would be paid as liquidated damages. 684

If the court finds that all defendants have waived the 685 (d) 686 right to be heard as provided in paragraph (b), the court shall 687 promptly enter a final judgment of foreclosure without the need 688 for further hearing if the plaintiff has shown entitlement to a 689 final judgment and upon the filing with the court of the 690 original note, satisfaction of the conditions for establishment 691 of a lost note, or upon a showing to the court that the 692 obligation to be foreclosed is not evidenced by a promissory 693 note or other negotiable instrument. If the court finds that a 694 defendant has not waived the right to be heard on the order to 695 show cause, the court shall determine whether there is cause not 696 to enter a final judgment of foreclosure. If the court finds 697 that the defendant has not shown cause, the court shall promptly enter a judgment of foreclosure. If the time allotted for the 698 hearing is insufficient, the court may announce at the hearing a 699 700 date and time for the continued hearing. Only the parties who

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701 appear, individually or through an attorney, at the initial 702 hearing must be notified of the date and time of the continued 703 hearing.

704 Section 16. Section 712.095, Florida Statutes, is amended 705 to read:

706 712.095 Notice required by July 1, 1983.-Any person whose 707 interest in land is derived from an instrument or court 708 proceeding recorded subsequent to the root of title, which instrument or proceeding did not contain a description of the 709 land as specified by s. 712.01(7) s. 712.01(3), and whose 710 711 interest had not been extinguished prior to July 1, 1981, shall 712 have until July 1, 1983, to file a notice in accordance with s. 713 712.06 to preserve the interest.

714 Section 17. Section 720.403, Florida Statutes, is amended 715 to read:

716 720.403 Preservation of residential communities; revival 717 of declaration of covenants.-

718 Consistent with required and optional elements of (1)719 local comprehensive plans and other applicable provisions of the 720 Community Planning Act, property owners homeowners are 721 encouraged to preserve existing residential and other 722 communities, promote available and affordable housing, protect structural and aesthetic elements of their residential 723 community, and, as applicable, maintain roads and streets, 724 725 easements, water and sewer systems, utilities, drainage

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

732 (2) In order to preserve a residential community and the 733 associated infrastructure and common areas for the purposes 734 described in this section, the parcel owners in a community that 735 was previously subject to a declaration of covenants that has 736 ceased to govern one or more parcels in the community may revive 737 the declaration and the homeowners' association for the 738 community upon approval by the parcel owners to be governed 739 thereby as provided in this act, and upon approval of the 740 declaration and the other governing documents for the 741 association by the Department of Economic Opportunity in a 742 manner consistent with this act.

743 <u>(3) Part III of this chapter is intended to provide</u> 744 mechanisms for the revitalization of covenants or restrictions 745 <u>for all types of communities and property associations and is</u> 746 not limited to residential communities.

747 Section 18. Section 720.404, Florida Statutes, is amended 748 to read: 749 720.404 Eligible residential communities; requirements for 750 revival of declaration.-Parcel owners in a community are

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751 eligible to seek approval from the Department of Economic 752 Opportunity to revive a declaration of covenants under this act 753 if all of the following requirements are met: 754 (1) All parcels to be governed by the revived declaration 755 must have been once governed by a previous declaration that has 756 ceased to govern some or all of the parcels in the community; 757 (2) The revived declaration must be approved in the manner 758 provided in s. 720.405(6); and 759 (3) The revived declaration may not contain covenants that 760 are more restrictive on the parcel owners than the covenants 761 contained in the previous declaration, except that the 762 declaration may: 763 Have an effective term of longer duration than the (a) 764 term of the previous declaration; 765 Omit restrictions contained in the previous (b) 766 declaration; 767 (c) Govern fewer than all of the parcels governed by the 768 previous declaration; 769 Provide for amendments to the declaration and other (d) 770 governing documents; and Contain provisions required by this chapter for new 771 (e) 772 declarations that were not contained in the previous 773 declaration. 774 Section 19. Subsections (1), (3), (5), and (6) of section 775 720.405, Florida Statutes, are amended to read:

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776 720.405 Organizing committee; parcel owner approval.-777 The proposal to revive a declaration of covenants and (1)778 an a homeowners' association for a community under the terms of 779 this act shall be initiated by an organizing committee 780 consisting of not less than three parcel owners located in the 781 community that is proposed to be governed by the revived declaration. The name, address, and telephone number of each 782 783 member of the organizing committee must be included in any 784 notice or other document provided by the committee to parcel owners to be affected by the proposed revived declaration. 785

(3) The organizing committee shall prepare the full text
of the proposed articles of incorporation and bylaws of the
revived 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.

793 A copy of the complete text of the proposed revised (5) 794 declaration of covenants, the proposed new or existing articles 795 of incorporation and bylaws of the homeowners' association, and a graphic depiction of the property to be governed by the 796 797 revived declaration shall be presented to all of the affected parcel owners by mail or hand delivery not less than 14 days 798 799 before the time that the consent of the affected parcel owners 800 to the proposed governing documents is sought by the organizing

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801 committee.

802 Two-thirds A majority of the affected parcel owners (6) 803 must agree in writing to the revived declaration of covenants 804 and governing documents of the homeowners' association or 805 approve the revived declaration and governing documents by a 806 vote at a meeting of the affected parcel owners noticed and 807 conducted in the manner prescribed by s. 720.306. Proof of 808 notice of the meeting to all affected owners of the meeting and 809 the minutes of the meeting recording the votes of the property owners shall be certified by a court reporter or an attorney 810 811 licensed to practice in the state.

812 Section 20. Subsection (3) of section 720.407, Florida813 Statutes, is amended to read:

814 720.407 Recording; notice of recording; applicability and 815 effective date.-

The recorded documents shall include the full text of 816 (3) 817 the approved declaration of covenants, the articles of 818 incorporation and bylaws of the homeowners' association, the 819 letter of approval by the department, and the legal description of each affected parcel of property. For purposes of chapter 820 821 712, the association is deemed to be and shall be indexed as the 822 grantee in a title transaction and the parcel owners named in the revived declaration are deemed to be and shall be indexed as 823 the grantors in the title transaction. 824

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Section 21. This act shall take effect July 1, 2017.

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