

1 A bill to be entitled

2 An act relating to residential loan alternative
3 agreements; creating s. 475.279, F.S.; providing
4 definitions; prohibiting a residential loan
5 alternative agreement from authorizing a person to
6 place a lien or other encumbrance on residential real
7 property or from constituting a lien, encumbrance, or
8 security interest in such property; prohibiting a
9 court from enforcing a residential loan alternative
10 agreement by a lien or constructive trust in the
11 residential real property or upon the proceeds of the
12 disposition of such property; prohibiting the
13 assignment of a residential loan alternative
14 agreement; providing that a residential loan
15 alternative agreement is void if listing services do
16 not begin within a specified timeframe; providing that
17 a residential loan alternative agreement that does not
18 meet specified requirements is void and unenforceable;
19 prohibiting the clerk of the circuit court from
20 recording a residential loan alternative agreement;
21 providing that a violation is a deceptive or unfair
22 trade practice; providing penalties; providing an
23 effective date.

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

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Section 1. Section 475.279, Florida Statutes, is created to read:

475.279 Residential loan alternative agreements for the disposition of residential real property.-

(1) As used in this section, the term:

(a) "Disposition" means a transfer or voluntary conveyance of the title or other ownership interest in residential real estate.

(b) "Residential loan alternative agreement" means a signed writing between a person and a seller or owner of residential real property that:

1. Grants an exclusive right to a person to act as a broker for the disposition of the property;

2. Has an effective duration, inclusive of renewals, of more than 2 years; and

3. Requires the person to pay monetary compensation to the seller or owner.

(c) "Residential real property" means improved residential property of four or fewer units or unimproved residential real property intended for four or fewer units.

(2) A residential loan alternative agreement may not authorize a person to place a lien or otherwise encumber any residential real property. A residential loan alternative agreement may not constitute a lien, an encumbrance, or a

51 security interest in the residential real property. A court may
52 not enforce a residential loan alternative agreement by a lien
53 or constructive trust in the residential real property or upon
54 the proceeds of the disposition of the residential real
55 property.

56 (3) A residential loan alternative agreement may not be
57 assigned.

58 (4) A residential loan alternative agreement is void if
59 listing services do not begin within 90 days after the execution
60 of the agreement by both parties.

61 (5) As a matter of public policy, a residential loan
62 alternative agreement that does not meet the requirements of
63 this section is unenforceable in law or equity. In addition, a
64 residential loan alternative agreement may not be recorded by
65 the clerk of the circuit court.

66 (6) A violation of this section is deemed an unfair or
67 deceptive trade practice within the meaning of part II of
68 chapter 501, and a person who violates this section is subject
69 to the penalties and remedies provided therein.

70 Section 2. This act shall take effect July 1, 2023.