

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	_____	(Y/N)
ADOPTED AS AMENDED	_____	(Y/N)
ADOPTED W/O OBJECTION	_____	(Y/N)
FAILED TO ADOPT	_____	(Y/N)
WITHDRAWN	_____	(Y/N)
OTHER		

1 Committee/Subcommittee hearing bill: Government Operations
2 Appropriations Subcommittee
3 Representative Sprowls offered the following:

Amendment (with title amendment)

Between lines 471 and 472, insert:

Section 2. Paragraph (c) of subsection (3) of section
718.117, Florida Statutes, is amended to read:

718.117 Termination of condominium.—

(3) OPTIONAL TERMINATION.—Except as provided in subsection
(2) or unless the declaration provides for a lower percentage,
the condominium form of ownership may be terminated for all or a
portion of the condominium property pursuant to a plan of
termination approved by at least 80 percent of the total voting
interests of the condominium. If 10 percent or more of the total
voting interests of the condominium have rejected the plan of

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17 termination by negative vote or by providing written objections,
18 the plan of termination may not proceed.

19 (c) For purposes of this subsection, the term "bulk owner"
20 means the single holder of such voting interests or an owner
21 together with a related entity or entities that would be
22 considered an insider, as defined in s. 726.102, holding such
23 voting interests. If the condominium association is a
24 residential association proposed for termination pursuant to
25 this section and, at the time of recording the plan of
26 termination, at least 80 percent of the total voting interests
27 are owned by a bulk owner, the plan of termination is subject to
28 the following conditions and limitations:

29 1. If the former condominium units are offered for lease
30 to the public after the termination, each unit owner in
31 occupancy immediately before the date of recording of the plan
32 of termination may lease his or her former unit and remain in
33 possession of the unit for 12 months after the effective date of
34 the termination on the same terms as similar unit types within
35 the property are being offered to the public. In order to obtain
36 a lease and exercise the right to retain exclusive possession of
37 the unit owner's former unit, the unit owner must make a written
38 request to the termination trustee to rent the former unit
39 within 90 days after the date the plan of termination is
40 recorded. Any unit owner who fails to timely make such written
41 request and sign a lease within 15 days after being presented
42 with a lease is deemed to have waived his or her right to retain

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43 possession of his or her former unit and shall be required to
44 vacate the former unit upon the effective date of the
45 termination, unless otherwise provided in the plan of
46 termination.

47 2. Any former unit owner whose unit was granted homestead
48 exemption status by the applicable county property appraiser as
49 of the date of the recording of the plan of termination shall be
50 paid a relocation payment in an amount equal to 1 percent of the
51 termination proceeds allocated to the owner's former unit. Any
52 relocation payment payable under this subparagraph shall be paid
53 by the single entity or related entities owning at least 80
54 percent of the total voting interests. Such relocation payment
55 shall be in addition to the termination proceeds for such
56 owner's former unit and shall be paid no later than 10 days
57 after the former unit owner vacates his or her former unit.

58 3. For their respective units, all unit owners other than
59 the bulk owner must be compensated at least 100 percent of the
60 fair market value of their units. The fair market value shall be
61 determined as of a date that is no earlier than 90 days before
62 the date that the plan of termination is recorded and shall be
63 determined by an independent appraiser selected by the
64 termination trustee. For an original purchaser from the
65 developer who rejects the plan of termination ~~and whose unit was~~
66 ~~granted homestead exemption status by the applicable county~~
67 ~~property appraiser,~~ or was an owner-occupied operating business,
68 as of the date that the plan of termination is recorded and who

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69 is current in payment of both assessments and other monetary
70 obligations to the association and any mortgage encumbering the
71 unit as of the date the plan of termination is recorded, the
72 fair market value for the unit owner rejecting the plan shall be
73 at least the original purchase price paid for the unit. For
74 purposes of this subparagraph, the term "fair market value"
75 means the price of a unit that a seller is willing to accept and
76 a buyer is willing to pay on the open market in an arms-length
77 transaction based on similar units sold in other condominiums,
78 including units sold in bulk purchases but excluding units sold
79 at wholesale or distressed prices. The purchase price of units
80 acquired in bulk following a bankruptcy or foreclosure shall not
81 be considered for purposes of determining fair market value.

82 4. The plan of termination must provide for payment of a
83 first mortgage encumbering a unit to the extent necessary to
84 satisfy the lien, but the payment may not exceed the unit's
85 share of the proceeds of termination under the plan. If the unit
86 owner is current in payment of both assessments and other
87 monetary obligations to the association and any mortgage
88 encumbering the unit as of the date the plan of termination is
89 recorded, the receipt by the holder of the unit's share of the
90 proceeds of termination under the plan or the outstanding
91 balance of the mortgage, whichever is less, shall be deemed to
92 have satisfied the first mortgage in full.

93 5. Before a plan of termination is presented to the unit
94 owners for consideration pursuant to this paragraph, the plan

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95 must include the following written disclosures in a sworn
96 statement:

97 a. The identity of any person or entity that owns or
98 controls 50 percent or more of the units in the condominium and,
99 if the units are owned by an artificial entity or entities, a
100 disclosure of the natural person or persons who, directly or
101 indirectly, manage or control the entity or entities and the
102 natural person or persons who, directly or indirectly, own or
103 control 20 percent or more of the artificial entity or entities
104 that constitute the bulk owner.

105 b. The units acquired by any bulk owner, the date each
106 unit was acquired, and the total amount of compensation paid to
107 each prior unit owner by the bulk owner, regardless of whether
108 attributed to the purchase price of the unit.

109 c. The relationship of any board member to the bulk owner
110 or any person or entity affiliated with the bulk owner subject
111 to disclosure pursuant to this subparagraph.

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114 **T I T L E A M E N D M E N T**

115 Between lines 19 and 20, insert:
116 amending s. 718.117, F.S.; revising applicability of
117 certain provisions related to the determination of
118 fair market value for a unit owner rejecting a plan of
119 termination;