

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 on or otherwise encumber any residential  
7 real property or from constituting a lien, an  
8 encumbrance, or a security interest in such property;  
9 prohibiting a court from enforcing a residential loan  
10 alternative agreement by a lien or constructive trust  
11 in the residential real property or upon the proceeds  
12 of the 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; prohibiting  
17 the clerk of the circuit court from recording a  
18 residential loan alternative agreement; providing that  
19 a residential loan alternative agreement that does not  
20 meet specified requirements is unenforceable;  
21 providing that a violation is an unfair or deceptive  
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 or a signed and written legal instrument or contract 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 residential dwelling units or unimproved residential real property on which four or fewer residential dwelling units may be built.

(2) A residential loan alternative agreement may not authorize a person to place a lien on or otherwise encumber any

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

58 (3) A residential loan alternative agreement may not be  
59 assigned.

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

63 (5) A residential loan alternative agreement may not be  
64 recorded by the clerk of the circuit court.

65 (6) A residential loan alternative agreement must meet all  
66 of the requirements of this section or it is unenforceable in  
67 law or equity.

68 (7) Notwithstanding s. 501.212, a violation of this  
69 section is deemed an unfair or deceptive trade practice within  
70 the meaning of part II of chapter 501, and a person who violates  
71 this section is subject to the penalties and remedies provided  
72 therein.

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