

By Senator Rodriguez

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1 A bill to be entitled
 2 An act relating to disclosure requirements for
 3 prospective purchasers; amending s. 720.401, F.S.;
 4 requiring prospective purchasers of a parcel subject
 5 to association membership to be provided with certain
 6 documents, in addition to the disclosure summary,
 7 before executing a contract; authorizing prospective
 8 purchasers to cancel their contract within a specified
 9 timeframe under certain circumstances; specifying that
 10 the 3-day cancellation period does not include
 11 Saturdays, Sundays, and legal holidays; providing an
 12 effective date.

13
 14 Be It Enacted by the Legislature of the State of Florida:

15
 16 Section 1. Subsection (1) of section 720.401, Florida
 17 Statutes, is amended to read:

18 720.401 Prospective purchasers subject to association
 19 membership requirement; disclosure required; covenants;
 20 assessments; contract cancellation.—

21 (1) (a) A prospective purchaser ~~parcel owner~~ in a community
 22 must be presented a disclosure summary before executing the
 23 contract for sale. The disclosure summary must be in a form
 24 substantially similar to the following form:

25
 26 DISCLOSURE SUMMARY
 27 FOR
 28 (NAME OF COMMUNITY)

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30 1. AS A PURCHASER OF PROPERTY IN THIS COMMUNITY, YOU WILL
 31 BE OBLIGATED TO BE A MEMBER OF A HOMEOWNERS' ASSOCIATION.

32 2. THERE HAVE BEEN OR WILL BE RECORDED RESTRICTIVE
 33 COVENANTS GOVERNING THE USE AND OCCUPANCY OF PROPERTIES IN THIS
 34 COMMUNITY.

35 3. YOU WILL BE OBLIGATED TO PAY ASSESSMENTS TO THE
 36 ASSOCIATION. ASSESSMENTS MAY BE SUBJECT TO PERIODIC CHANGE. IF
 37 APPLICABLE, THE CURRENT AMOUNT IS \$.... PER

38 BE OBLIGATED TO PAY ANY SPECIAL ASSESSMENTS IMPOSED BY THE
 39 ASSOCIATION. SUCH SPECIAL ASSESSMENTS MAY BE SUBJECT TO CHANGE.
 40 IF APPLICABLE, THE CURRENT AMOUNT IS \$.... PER

41 4. YOU MAY BE OBLIGATED TO PAY SPECIAL ASSESSMENTS TO THE
 42 RESPECTIVE MUNICIPALITY, COUNTY, OR SPECIAL DISTRICT. ALL
 43 ASSESSMENTS ARE SUBJECT TO PERIODIC CHANGE.

44 5. YOUR FAILURE TO PAY SPECIAL ASSESSMENTS OR ASSESSMENTS
 45 LEVIED BY A MANDATORY HOMEOWNERS' ASSOCIATION COULD RESULT IN A
 46 LIEN ON YOUR PROPERTY.

47 6. THERE MAY BE AN OBLIGATION TO PAY RENT OR LAND USE FEES
 48 FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES AS AN
 49 OBLIGATION OF MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION. IF
 50 APPLICABLE, THE CURRENT AMOUNT IS \$.... PER

51 7. THE DEVELOPER MAY HAVE THE RIGHT TO AMEND THE
 52 RESTRICTIVE COVENANTS WITHOUT THE APPROVAL OF THE ASSOCIATION
 53 MEMBERSHIP OR THE APPROVAL OF THE PARCEL OWNERS.

54 8. THE STATEMENTS CONTAINED IN THIS DISCLOSURE FORM ARE
 55 ONLY SUMMARY IN NATURE, AND, AS A PROSPECTIVE PURCHASER, YOU
 56 SHOULD REFER TO THE COVENANTS AND THE ASSOCIATION GOVERNING
 57 DOCUMENTS BEFORE PURCHASING PROPERTY.

58 9. THE PROSPECTIVE PURCHASER ACKNOWLEDGES THAT HE OR SHE

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59 HAS BEEN PROVIDED A CURRENT COPY OF THE ASSOCIATION GOVERNING
 60 DOCUMENTS, THE MOST RECENT ASSOCIATION YEAR-END FINANCIAL
 61 INFORMATION, AND THE AGENDAS AND MINUTES FROM ALL ASSOCIATION
 62 BOARD MEETINGS THAT TOOK PLACE IN THE 12 MONTHS IMMEDIATELY
 63 PRECEDING THE EXECUTION OF THE CONTRACT FOR SALE ~~THESE DOCUMENTS~~
 64 ~~ARE EITHER MATTERS OF PUBLIC RECORD AND CAN BE OBTAINED FROM THE~~
 65 ~~RECORD OFFICE IN THE COUNTY WHERE THE PROPERTY IS LOCATED, OR~~
 66 ~~ARE NOT RECORDED AND CAN BE OBTAINED FROM THE DEVELOPER.~~

67
 68 DATE: PURCHASER:
 69 PURCHASER:
 70

71 The disclosure summary must be supplied by the developer, or by
 72 the parcel owner if the sale is by an owner that is not the
 73 developer. Any contract or agreement for sale must ~~shall~~ refer
 74 to and incorporate the disclosure summary and ~~shall~~ include, in
 75 prominent language, a statement that the prospective purchaser
 76 ~~potential buyer~~ should not execute the contract or agreement
 77 until he or she has ~~they have~~ received and read the disclosure
 78 summary required by this section.

79 (b) Each contract entered into for the sale of property
 80 governed by covenants subject to disclosure required by this
 81 section must contain in conspicuous type a clause that states:
 82

83 IF THE DISCLOSURE SUMMARY, CURRENT COPY OF THE ASSOCIATION
 84 GOVERNING DOCUMENTS, MOST RECENT ASSOCIATION YEAR-END FINANCIAL
 85 INFORMATION, AND AGENDAS AND MINUTES FROM ALL ASSOCIATION BOARD
 86 MEETINGS THAT TOOK PLACE IN THE 12 MONTHS IMMEDIATELY PRECEDING
 87 THE EXECUTION OF THIS CONTRACT, AS REQUIRED BY SECTION 720.401,

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88 FLORIDA STATUTES, HAVE ~~HAS~~ NOT BEEN PROVIDED TO THE PROSPECTIVE
89 PURCHASER BEFORE EXECUTING THIS CONTRACT FOR SALE, THIS CONTRACT
90 IS VOIDABLE BY THE PROSPECTIVE PURCHASER ~~BUYER~~ BY DELIVERING TO
91 THE SELLER OR THE SELLER'S AGENT OR REPRESENTATIVE WRITTEN
92 NOTICE OF THE PROSPECTIVE PURCHASER'S ~~BUYER'S~~ INTENTION TO
93 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
94 HOLIDAYS, AFTER RECEIPT OF SUCH DOCUMENTS ~~THE DISCLOSURE SUMMARY~~
95 OR BEFORE ~~PRIOR TO~~ CLOSING, WHICHEVER OCCURS FIRST. ANY
96 PURPORTED WAIVER OF THIS VOIDABILITY RIGHT HAS NO EFFECT. THE
97 PROSPECTIVE PURCHASER'S ~~BUYER'S~~ RIGHT TO VOID THIS CONTRACT
98 TERMINATES ~~SHALL TERMINATE~~ AT CLOSING.

99
100 (c) If the disclosure summary, current copy of the
101 association governing documents, most recent association year-
102 end financial information, and agendas and minutes from all
103 association board meetings that took place in the 12 months
104 immediately preceding the execution of a contract are ~~is~~ not
105 provided to a prospective purchaser before such ~~the~~ purchaser
106 executes a contract for the sale of property governed by
107 covenants that are subject to disclosure pursuant to this
108 section, the prospective purchaser may void the contract by
109 delivering to the seller or the seller's agent or representative
110 written notice canceling the contract within 3 days, excluding
111 Saturdays, Sundays, and legal holidays, after receipt of such
112 documents ~~the disclosure summary~~ or before ~~prior to~~ closing,
113 whichever occurs first. This right may not be waived by the
114 prospective purchaser but terminates at closing.

115 Section 2. This act shall take effect July 1, 2024.