

Florida's Future...

DBPR

Report and Recommendations

Senate Bill 1556

October 2006

Division of Florida Land Sales, Condominiums and Mobile Homes

Department of Business and Professional Regulation

Jeb Bush
Governor

Simone Marstiller
Secretary

1940 North Monroe Street
Tallahassee, Florida
32399

www.MyFlorida.com/dbpr



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Senate Bill 1556

Condominium Termination

Introduction

On June 7, 2006, Governor Bush vetoed Senate Bill 1556 which substantially amended Florida law pertaining to the termination of condominiums. Currently, Chapter 718, Florida Statutes, requires consent of all unit owners and lien holders to terminate a condominium, unless the condominium declaration provides otherwise. It also grants a unit owner the right to petition the court for equitable relief, including termination, if all or a substantial part of the condominium property is destroyed or substantially damaged. Senate Bill 1556 (Appendix A) would have significantly changed current law by reducing the required vote for termination not related to natural disasters or change in land use regulations to 80 percent of the unit owners. The bill also addressed termination due to economic waste and change in land use regulations, allowing such terminations to occur by a simple majority vote of the unit owners.

While expressing approval of the bill's treatment of termination in the context of natural disasters and change in land use regulations, Governor Bush enumerated several concerns in his veto message:

1. The bill allowed optional termination if 80 percent of unit owners vote to approve or, failing 80 percent approval, if fewer than 20 percent of unit owners vote to disapprove, thus permitting termination by a small fraction of total voting interests.
2. The lowered approval requirement made it possible for a developer to terminate a condominium, with the goal of redevelopment, by purchasing 80 percent of the units.
3. The bill provided only minimal procedural safeguards for objecting unit owners.
4. The majority voters could be prejudiced by a court-determined termination plan and apportionment of proceeds without the ability to retract their votes.
5. Service of process by publication for absentee owners who live outside Florida did not provide sufficient notice of termination-related litigation.
6. Requiring objecting unit owners to shoulder the costs of contesting apportionment would have been unduly burdensome for the many residents on fixed incomes living in older condominiums likely to be terminated under the new law.

7. The bill would have diminished owners' existing rights because it retroactively applied to all condominiums already in existence.

Governor Bush directed the Department of Business and Professional Regulation's (DBPR) Division of Land Sales, Condominiums and Mobile Homes to conduct a series of meetings to obtain public input regarding the issue of condominium termination. The Governor further directed the department to provide its findings to the Condominium Ombudsman, Danille Carroll, for review and comment, and to include her comments, along with proposals to improve the bill, in a report to the Governor, the President of the Senate and the Speaker of the House by October 1, 2006.

The department conducted eight town hall meetings in condominium-populated areas across the state. The meetings were publicized in a variety of ways, including press releases, newspaper articles and radio announcements, and through the department's web site. An email address was also created so that citizens could easily submit their comments via the internet.

The department received a total of 86 comments from the public between July 2, 2006, and September 15, 2006. This includes 51 comments received by email. Further, 35 citizens offered testimony at the town hall meetings. The written comments from the public are attached to this report (Appendix C), as are the minutes of the town hall meetings (Appendix D) and a summary of citizen comments (Appendix E).

Optional Termination

Senate Bill 1556, amended section 718.117(3), Florida Statutes, to provide for optional termination not related to changes in land use regulation or substantial damage to the condominium. Under these provisions, 80 percent of the unit owners could choose to terminate the condominium for any reason. Additionally, in changes to section 718.117(4)(a), Florida Statutes, even if 80 percent approval is not obtained for a plan of termination, the plan may be approved unless more than 20 percent of the unit owners vote *against* it.

This provision would, as indicated in the Governor's veto message, permit a developer to enter a condominium, purchase 80 percent of the units, and terminate the condominium, thereby forcing the non-consenting 20 percent of the residents to vacate their homes.

In general, public input was not favorable regarding this provision. Many individuals opposed optional termination with a vote of less than 100 percent of the owners, and others suggested that the percentage needed for optional termination should be somewhere in between 80 percent and a 100 percent of the total voting interests. Much of the input also acknowledged the difficulty of obtaining 100 percent approval of the unit owners. Questions were also raised

as to whether any optional termination provision could be applied to rights under existing declarations that typically require 100 percent approval for termination.

Public input regarding the part of the bill that allowed for optional termination as long as less than 20 percent of the voting interest were opposed to the termination was mixed, and not all fully understood this portion of the bill language. Some citizens acknowledged the Governor's concern that the optional termination provision could allow a small minority of the unit owners to control the fate of the condominium.

Recommendation

The department recommends that Legislature not permit optional termination under either of the terms provided in SB 1556: when 80 percent of the voting interests approve the termination or when less than 20 percent of the total voting interests vote against it.

Plan of Termination

When unit owners object to a plan of termination, the bill provided minimal procedural safeguards and restricted the owners' right to contest the plan to the distribution of proceeds of the sale. The bill provided that unless otherwise stated in the declaration, the association must first allocate the proceeds between the aggregate value of the units and the value of the common elements, based on their respective fair market values immediately before the termination. It also provided that the portion of the proceeds allocated to the units is "deemed" fair and reasonable if it is determined by the unit owners approving the plan of termination and based on any of the following methods:

1. The respective values of the units based on the fair market values of the units immediately before the termination, as determined by one or more independent appraisers selected by the association or termination trustee.
2. The respective values of the units based on the most recent market value of the units before the termination, as provided in the county property appraiser's records.
3. The respective interests of the units in the common elements specified in the declaration immediately before the termination.

Finally, the bill provided that a unit owner contesting the plan had the burden of proving the plan was not fair and reasonable.

The bill attempts to provide the courts with a set of conditions by which the distribution of proceeds is "deemed" reasonable. However, there may be circumstances in which one or more of the three methods provided is not fair and reasonable. For example, if one person owns a substantial number of units as

might be the case with a developer takeover, that person would likely control the process and select the method that best suited their interests while also selecting the appraiser. If the law provides that the method is “deemed” fair and reasonable, it would be more difficult for the contesting owners to overcome the presumption.

DBPR did not receive any direct public input on this issue.

Recommendation

The department recommends that the presumption of reasonableness be removed from proposed legislation, but the three factors mentioned above remain as required criteria for the court to consider in determining the reasonableness of the termination plan. These factors should not be “deemed” reasonable as a matter of law because it removes the court’s discretion and presents a difficult legal hurdle for a contesting unit owner to overcome. Additional criteria might include the submission of expert testimony or a determination as to whether the plan works a manifest injustice on any of the parties.

The department also recommends that the unit owners should be given the right to contest any aspect of the plan, including distribution of proceeds, which affect their substantial interests without having to meet an additional burden of proof that the plan was not fair and reasonable.

Judicial Modification of the Plan of Termination

As discussed above, the bill would have allowed a judge to modify a plan of termination and to apportion the proceeds in a manner that he or she deemed fair and reasonable. This provision could prejudice the rights of a majority of the owners by permitting the court to apportion a greater amount of the proceeds to the holdouts. The court is also authorized to modify or void the plan if it is found to not be fair and reasonable.

The department received no direct public input on this issue. While the bill does require the plan of termination to conform to certain objective criteria, in the final analysis it is the judge who is given ultimate authority to approve, reject or modify the plan.

Recommendation

The department does not have further recommendations regarding this issue. By allowing unit owners to contest all aspects of the plan and removing the presumption of reasonableness burden as stated in recommendation three, the department believes the interests of all persons can be adequately addressed by the court.

Notification to Unit Owners

Under changes in the bill to section 718.117(4)(b), Florida Statutes, where a plan of termination is disputed by an owner or owners, the association or any unit owner may file a petition in court seeking approval of the plan of termination. The lawsuit must name all non-consenting owners, and the bill provides that service of process on the unit owners may be by publication.

Public input received on this issue rejected service of process by publication in a newspaper, and favored requiring personal service of process (by sheriff or process server) on the unit owners. The use of certified mail was also favored as an additional option due to the fact that many unit owners are part-time residents who live abroad or in other states where personal service of process may be difficult, expensive, or perhaps impossible for the association to obtain. In the latter case, service by certified mail – return receipt requested at the last known address of record provided by the unit owner should be available as an option.

Recommendation

Service of process by publication allows a notice to the unit owners regarding the plan of termination to be placed in a local newspaper. This is the type of notice that is least likely to get to the unit owners. Due to the substantial interests at stake with respect to unit owners, the department recommends that service of process by publication be removed from future legislation. Personal service or service via certified mail to the last known address or emergency contact address provided by the unit owners should be included.

Burden of Costs, Prevailing Party Fees

Under proposed changes to section 718.117(17), Florida Statutes, the unit owner who contests the plan has the burden of proving that apportionment of the proceeds from the sale is not fair and reasonable. This burden of proof may have to be met by hiring economists, certified public accountants, appraisers, and other expert witnesses to testify in the court action.

These costs would be borne initially by the owners seeking to contest the plan and could be recouped along with attorney's fees if the unit owner prevails in the action. However, many unit owners in older communities are on a fixed income and may not be able to bear the initial burden of these expenses. If they lose the case, they cannot pay the association's and other parties' costs and fees. This burden could be substantial, if the litigation involves joining numerous lien holders and other unit owners as parties in the lawsuit.

No public comments were received regarding this issue. However, the economic interest of unit owners, especially those on fixed incomes, is so important that a recommendation for judicial apportionment of costs is included below.

Recommendation

The department recommends that future legislation be revised to require the judge to apportion costs and fees in an equitable manner, taking into account certain factors including the merits of the case, the financial status of the parties in relation to each other, the outcome of the case, and other factors deemed relevant.

Retroactive Application of the Amendments

All proposed amendments to section 718.117, Florida Statutes, including the optional termination provisions, would apply to pre-existing condominiums. Governor Bush noted that individuals who purchased their units prior to the effective date of the changes in the law would have their existing rights under their current declarations diminished. The Governor's veto letter further indicated that retroactivity should only apply in the case of hurricane damaged facilities.

The public input on this issue was varied, but a number offered comments that optional termination not involving hurricane damaged properties should be extended only to new condominiums.

Recommendation

The department recommends that the Condominium Act be amended to allow termination-for-cause based on change in land use regulation or substantial destruction of the property as provided in the bill. This means that all condominiums, regardless of when they were created and whether or not the declaration requires the consent of 100 percent of the voting interests may be terminated under the conditions for cause as provided in the bill.

Optional termination provisions, if adopted at all, should apply only to condominiums created after the effective date of the bill. This would remove constitutional objections that may arise as a result of a potential impairment to the vested rights of unit owners.

Comments and Recommendations **Office of the Ombudsman, Danille Carroll**

In Governor Bush's veto letter for Senate Bill 1556, he directed the Department of Business and Professional Regulation, Division of Florida Land Sales, Condominiums and Mobile Homes (the department) to conduct a series of town

hall meetings to discuss Senate Bill 1556, the Governor's concerns and proposals to improve the bill. The department was also directed to provide a copy of its findings to the Condominium Ombudsman for comment.

The department invited me to attend and participate in the eight town hall meetings conducted throughout Florida. I was able to attend all but one of the town hall meetings, which gave me the opportunity to hear and ask questions of those who provided input on Senate Bill 1556 and the Governor's comments. As directed, the department provided me with a copy of its findings.

Although many condominium unit owners believe that termination of hurricane damaged properties should require less than a 100 percent vote of the units in a condominium; a majority of the public input was strongly opposed to the idea of allowing optional termination. Many condominium unit owners feared that allowing termination for situations other than a catastrophic event would open the door for possible abuse by developers. Many of the public also felt that allowing service of process by publication for absentee owners was an unacceptable solution for notifying unit owners regarding condominium termination.

After reviewing the department's findings, I agree with the recommendations made because the division appears to adequately address and protect the unit owners property rights unless or until such time as a true representative proportion of condominium unit owners weigh in on this subject.

There was a concern about the lack of publicity regarding the town hall meetings and the requested public input for Senate Bill 1556. Although I know that the department publicized the town hall meetings, turnout for the meetings was sparse and public input was minimal for the number of condominium unit owners that live in Florida. Many condominium unit owners appeared to have not been aware of the meetings and/or the existence of the bill or knowledgeable regarding all of the language in the bill. Most comments focused on the optional termination portion of the bill. There was also a concern that many of Florida's part time residents did not return to Florida until after Labor Day and therefore did not have the opportunity to comment.

Since the department had an October 1, 2006, deadline to submit its report, it did not have any flexibility to allow an extension of time to gather public input. However, I recommend that the department continue gathering public input through the department's website and, at a future date, provide an addendum to this report. As this bill affects every condominium unit owner in the State of Florida, it is very important to ensure that as many people as possible have been given an opportunity to have a voice in the process.

Exhibits

Appendix “A” Bill Text

Appendix “B” Governor’s Veto Letter

Appendix “C” Public Comments

Appendix “D” Meeting Minutes – Town Hall Meetings

Appendix “E” Summary of Public Input

APPENDIX "A"

1
2 An act relating to condominiums; amending s.
3 718.117, F.S.; substantially revising
4 provisions relating to the termination of the
5 condominium form of ownership of a property;
6 providing legislative findings; providing
7 grounds for termination; providing powers and
8 duties of the board of administration of the
9 association; waiving certain notice
10 requirements following natural disasters;
11 providing requirements for a plan of
12 termination; providing for the allocation of
13 proceeds from the sale of condominium property;
14 providing powers and duties of a termination
15 trustee; providing notice requirements;
16 providing a procedure for contesting a plan of
17 termination; providing rules for the
18 distribution of property and sale proceeds;
19 providing for the association's status
20 following termination; allowing the creation of
21 another condominium by the trustee; specifying
22 an exclusion; providing an effective date.

23
24 Be It Enacted by the Legislature of the State of Florida:

25
26 Section 1. Section 718.117, Florida Statutes, is
27 amended to read:

28 (Substantial rewording of section. See
29 s. 718.117, F.S., for present text.)
30 718.117 Termination of condominium.--

31

1 (1) LEGISLATIVE FINDINGS.--The Legislature finds that
2 condominiums are created as authorized by statute. In
3 circumstances that may create economic waste, areas of
4 disrepair, or obsolescence of the condominium property for its
5 intended use and thereby lower property tax values, the
6 Legislature further finds that it is the public policy of this
7 state to provide by statute a method to preserve the value of
8 the property interests and the rights of alienation thereof
9 that owners have in the condominium property before and after
10 termination. The Legislature further finds that it is contrary
11 to the public policy of this state to require the continued
12 operation of a condominium when to do so would constitute
13 economic waste or when the ability to do so is made impossible
14 by law or regulation. The provisions of this section shall
15 apply to all condominiums in this state in existence on or
16 after the effective date of this act.

17 (2) TERMINATION BECAUSE OF ECONOMIC WASTE OR
18 IMPOSSIBILITY.--

19 (a) Notwithstanding any provision to the contrary in
20 the declaration, the condominium form of ownership of a
21 property may be terminated by a plan of termination approved
22 by the lesser of a majority of the total voting interests or
23 as otherwise provided in the declaration for approval of
24 termination in the following circumstances:

25 1. When the total estimated cost of repairs necessary
26 to restore the improvements to their former condition or bring
27 them into compliance with applicable laws or regulations
28 exceeds the combined fair market value of all units in the
29 condominium after completion of the repairs; or

30
31

1 2. When it becomes impossible to operate or
2 reconstruct a condominium in its prior physical configuration
3 because of land-use laws or regulations.

4 (b) Notwithstanding paragraph (a), a condominium in
5 which 75 percent or more of the units are timeshare units may
6 be terminated only pursuant to a plan of termination approved
7 by 80 percent of the total voting interests of the association
8 and the holders of 80 percent of the original principal amount
9 of outstanding recorded mortgage liens of timeshare estates in
10 the condominium, unless the declaration provides for a lower
11 voting percentage.

12 (3) OPTIONAL TERMINATION.--Except as provided in
13 subsections (2) and (4) or unless the declaration provides for
14 a lower percentage, the condominium form of ownership of the
15 property may be terminated pursuant to a plan of termination
16 approved by at least 80 percent of the total voting interests
17 of the condominium. This subsection does not apply to
18 condominiums in which 75 percent or more of the units are
19 timeshare units.

20 (4) JURISDICTION FOR PLAN-OF-TERMINATION REVIEW.--

21 (a) If 80 percent of the total voting interests fail
22 to approve the plan of termination but fewer than 20 percent
23 of the total voting interests vote to disapprove of the plan,
24 the circuit court shall have jurisdiction to entertain a
25 petition by the association or by one or more unit owners and
26 approve the plan of termination, and the action may be a class
27 action.

28 (b) All unit owners and the association must be
29 parties to the action. The action may be brought against the
30 nonconsenting unit owners as a class action. Service of
31 process on unit owners may be by publication, but the

1 plaintiff must furnish each unit owner not personally served
2 with process a copy of the petition and plan of termination,
3 and after entry of judgment, a copy of the final decree of the
4 court, by mail at the owner's last known address.

5 (c) After the consideration of whether the rights and
6 interests of unit owners are equitably set forth in the plan
7 of termination as required by this section, the plan of
8 termination may be approved or rejected by the court.
9 Consistent with the provisions of this section, the court may
10 also modify the plan of termination to provide for an
11 equitable distribution of the interests of unit owners prior
12 to approving the plan of termination.

13 (d) This subsection does not apply to condominiums in
14 which 75 percent or more of the units are timeshare units.

15 (5) EXEMPTION.--A plan of termination is not an
16 amendment subject to s. 718.110(4).

17 (6) MORTGAGE LIENHOLDERS.--Notwithstanding any
18 provision to the contrary in the declaration or this chapter,
19 approval of a plan of termination by the holder of a recorded
20 mortgage lien affecting a condominium parcel in which fewer
21 than 75 percent of the units are timeshare units is not
22 required unless the plan of termination will result in less
23 than the full satisfaction of the mortgage lien affecting the
24 condominium parcel. If such approval is required and not given
25 and if the holder of a recorded mortgage lien objects to the
26 plan of termination, such lienor may contest the plan as
27 provided in subsection (17). At the time of sale, the lien
28 shall be transferred to the proportionate share of the
29 proceeds assigned to the condominium parcel in the plan of
30 termination or as subsequently modified by the court.

31

- 1 (7) POWERS IN CONNECTION WITH TERMINATION.--The
2 association shall continue in existence following approval of
3 the plan of termination with all powers it had before approval
4 of the plan. Notwithstanding any contrary provision in the
5 declaration or bylaws, after approval of the plan the board
6 has the power and duty:
- 7 (a) To employ directors, agents, attorneys, and other
8 professionals to liquidate or conclude its affairs.
- 9 (b) To conduct the affairs of the association as
10 necessary for the liquidation or termination.
- 11 (c) To carry out contracts and collect, pay, and
12 settle debts and claims for and against the association.
- 13 (d) To defend suits brought against the association.
- 14 (e) To sue in the name of the association for all sums
15 due or owed to the association or to recover any of its
16 property.
- 17 (f) To perform any act necessary to maintain, repair,
18 or demolish unsafe or uninhabitable improvements or other
19 condominium property in compliance with applicable codes.
- 20 (g) To sell at public or private sale or to exchange,
21 convey, or otherwise dispose of assets of the association for
22 an amount deemed to be in the best interests of the
23 association, and to execute bills of sale and deeds of
24 conveyance in the name of the association.
- 25 (h) To collect and receive rents, profits, accounts
26 receivable, income, maintenance fees, special assessments, or
27 insurance proceeds for the association.
- 28 (i) To contract and do anything in the name of the
29 association which is proper or convenient to terminate the
30 affairs of the association.
- 31 (8) NATURAL DISASTERS.--

1 (a) If, after a natural disaster, the identity of the
2 directors or their right to hold office is in doubt, if they
3 are deceased or unable to act, if they fail or refuse to act,
4 or if they cannot be located, any interested person may
5 petition the circuit court to determine the identity of the
6 directors or, if found to be in the best interests of the unit
7 owners, to appoint a receiver to conclude the affairs of the
8 association after a hearing following notice to such persons
9 as the court directs. Lienholders shall be given notice of the
10 petition and have the right to propose persons for the
11 consideration by the court as receiver.

12 (b) The receiver shall have all powers given to the
13 board pursuant to the declaration, bylaws, and subsection (7),
14 and any other powers that are necessary to conclude the
15 affairs of the association and are set forth in the order of
16 appointment. The appointment of the receiver is subject to the
17 bonding requirements of such order. The order shall also
18 provide for the payment of a reasonable fee to the receiver
19 from the sources identified in the order, which may include
20 rents, profits, incomes, maintenance fees, or special
21 assessments collected from the condominium property.

22 (9) REPORTS AND REPLACEMENT OF RECEIVER.--

23 (a) The association, receiver, or termination trustee
24 shall prepare reports each quarter following the approval of
25 the plan of termination setting forth the status and progress
26 of the termination, costs and fees incurred, the date the
27 termination is expected to be completed, and the current
28 financial condition of the association, receivership, or
29 trusteeship and provide copies of the report by regular mail
30 to the unit owners and lienors at the mailing address provided
31 to the association by the unit owners and the lienors.

1 (b) The unit owners of the association in termination
2 may recall or remove members of the board of administration
3 with or without cause at any time as provided in s.
4 718.112(2)(j).

5 (c) The lienors of an association in termination
6 representing at least 50 percent of the outstanding amount of
7 liens may petition the court for the appointment of a
8 termination trustee which shall be granted upon good cause
9 shown.

10 (10) PLAN OF TERMINATION.--The plan of termination
11 must be a written document executed in the same manner as a
12 deed by unit owners having the requisite percentage of voting
13 interests to approve the plan and by the termination trustee.
14 A copy of the proposed plan of termination shall be given to
15 all unit owners, in the same manner as for notice of an annual
16 meeting, at least 14 days prior to the meeting at which the
17 plan of termination is to be voted upon or prior to or
18 simultaneously with the distribution of the solicitation
19 seeking execution of the plan of termination or written
20 consent to or joinder in the plan. A unit owner may document
21 assent to the plan of termination by executing the plan or by
22 consent to or joinder in the plan in the manner of a deed. A
23 plan of termination and the consents or joinders of unit
24 owners and, if required, consents or joinders of mortgagees
25 must be recorded in the public records of each county in which
26 any portion of the condominium is located. The plan of
27 termination is effective only upon recordation or at a later
28 date specified in the plan.

29 (11) PLAN OF TERMINATION; REQUIRED PROVISIONS.--The
30 plan of termination must specify:
31

- 1 (a) The name, address, and powers of the termination
2 trustee.
- 3 (b) A date after which the plan of termination is void
4 if it has not been recorded.
- 5 (c) The interests of the respective unit owners in the
6 association property, common surplus, and other assets of the
7 association, which shall be the same as the respective
8 interests of the unit owners in the common elements
9 immediately before the termination, unless otherwise provided
10 in the declaration.
- 11 (d) The interests of the respective unit owners in any
12 proceeds from any sale of the condominium property. The plan
13 of termination may apportion those proceeds pursuant to any of
14 the methods prescribed in subsection (13). If, pursuant to the
15 plan of termination, condominium property or real property
16 owned by the association is to be sold following termination,
17 the plan must provide for the sale and may establish any
18 minimum sale terms.
- 19 (e) Any interests of the respective unit owners in any
20 insurance proceeds or condemnation proceeds that are not used
21 for repair or reconstruction at the time of termination.
22 Unless the declaration expressly addresses the distribution of
23 insurance proceeds or condemnation proceeds, the plan of
24 termination may apportion those proceeds pursuant to any of
25 the methods prescribed in subsection (13).
- 26 (12) PLAN OF TERMINATION; OPTIONAL PROVISIONS;
27 CONDITIONAL TERMINATION.--
- 28 (a) The plan of termination may provide that each unit
29 owner retains the exclusive right of possession to the portion
30 of the real estate that formerly constituted the unit, in
31 which case the plan must specify the conditions of possession.

1 (b) In the case of a conditional termination, the plan
2 must specify the conditions for termination. A conditional
3 plan does not vest title in the termination trustee until the
4 plan and a certificate executed by the association with the
5 formalities of a deed, confirming that the conditions in the
6 conditional plan have been satisfied or waived by the
7 requisite percentage of the voting interests, have been
8 recorded.

9 (13) ALLOCATION OF PROCEEDS OF SALE OF CONDOMINIUM
10 PROPERTY.--

11 (a) Unless the declaration expressly provides for the
12 allocation of the proceeds of sale of condominium property,
13 the plan of termination must first apportion the proceeds
14 between the aggregate value of all units and the value of the
15 common elements, based on their respective fair-market values
16 immediately before the termination, as determined by one or
17 more independent appraisers selected by the association or
18 termination trustee.

19 (b) The portion of proceeds allocated to the units
20 shall be further apportioned among the individual units. The
21 apportionment is deemed fair and reasonable if it is
22 determined by the unit owners approving the plan of
23 termination by any of the following methods:

24 1. The respective values of the units based on the
25 fair-market values of the units immediately before the
26 termination, as determined by one or more independent
27 appraisers selected by the association or termination trustee;

28 2. The respective values of the units based on the
29 most recent market value of the units before the termination,
30 as provided in the county property appraiser's records; or
31

1 3. The respective interests of the units in the common
2 elements specified in the declaration immediately before the
3 termination.

4 (c) The methods of apportionment in paragraph (b) do
5 not prohibit any other method of apportioning the proceeds of
6 sale allocated to the units agreed upon in the plan of
7 termination. The portion of the proceeds allocated to the
8 common elements shall be apportioned among the units based
9 upon their respective interests in the common elements as
10 provided in the declaration.

11 (d) Liens that encumber a unit shall be transferred to
12 the proceeds of sale of the condominium property and the
13 proceeds of sale or other distribution of association
14 property, common surplus, or other association assets
15 attributable to such unit in their same priority. The proceeds
16 of any sale of condominium property pursuant to a plan of
17 termination may not be deemed to be common surplus or
18 association property.

19 (14) TERMINATION TRUSTEE.--The association shall serve
20 as termination trustee unless another person is appointed in
21 the plan of termination. If the association is unable,
22 unwilling, or fails to act as trustee, any unit owner may
23 petition the court to appoint a trustee. Upon the date of the
24 recording or at a later date specified in the plan, title to
25 the condominium property vests in the trustee. Unless
26 prohibited by the plan, the termination trustee shall be
27 vested with the powers given to the board pursuant to the
28 declaration, bylaws, and subsection (7). If the association is
29 not the termination trustee, the trustee's powers shall be
30 coextensive with those of the association to the extent not
31 prohibited in the plan of termination or the order of

1 appointment. If the association is not the termination
2 trustee, the association shall transfer any association
3 property to the trustee. If the association is dissolved, the
4 trustee shall also have such other powers necessary to
5 conclude the affairs of the association.

6 (15) TITLE VESTED IN TERMINATION TRUSTEE.--If
7 termination is pursuant to a plan of termination under
8 subsection (2), subsection (3), or subsection (4), the unit
9 owners' rights and title as tenants in common in undivided
10 interests in the condominium property vest in the termination
11 trustee when the plan is recorded or at a later date specified
12 in the plan. The unit owners thereafter become the
13 beneficiaries of the proceeds realized from the plan of
14 termination. The termination trustee may deal with the
15 condominium property or any interest therein if the plan
16 confers on the trustee the authority to protect, conserve,
17 manage, sell, or dispose of the condominium property. The
18 trustee, on behalf of the unit owners, may contract for the
19 sale of real property, but the contract is not binding on the
20 unit owners until the plan is approved pursuant to subsection
21 (2), subsection (3), or subsection (4).

22 (16) NOTICE.--

23 (a) Within 30 days after a plan of termination has
24 been recorded, the termination trustee shall deliver by
25 certified mail, return receipt requested, notice to all unit
26 owners, lienors of the condominium property, and lienors of
27 all units at their last known addresses that a plan of
28 termination has been recorded. The notice shall include the
29 book and page number of the public records in which the plan
30 was recorded, notice that a copy of the plan shall be
31

1 furnished upon written request, and notice that the unit owner
2 or lienor has the right to contest the fairness of the plan.

3 (b) The trustee, within 90 days after the effective
4 date of the plan, shall provide to the division a certified
5 copy of the recorded plan, the date the plan was recorded, and
6 the county, book, and page number of the public records in
7 which the plan was recorded.

8 (17) RIGHT TO CONTEST.--A unit owner or lienor may
9 contest a plan of termination by initiating a summary
10 procedure pursuant to s. 51.011 within 90 days after the date
11 the plan is recorded. A unit owner or lienor who does not
12 contest the plan within such 90-day period is barred from
13 asserting or prosecuting a claim against the association, the
14 termination trustee, any unit owner, or any successor in
15 interest to the condominium property. In an action contesting
16 a plan of termination, the person contesting the plan has the
17 burden of pleading and proving that the apportionment of the
18 proceeds from the sale among the unit owners was not fair and
19 reasonable. The apportionment of sale proceeds is presumed
20 fair and reasonable if it was determined pursuant to the
21 methods prescribed in subsection (13). The court shall adjudge
22 the rights and interests of the parties and order the plan of
23 termination to be implemented if it is fair and reasonable. If
24 the court determines that the plan of termination is not fair
25 and reasonable, the court may void the plan or may modify the
26 plan to apportion the proceeds in a fair and reasonable manner
27 as required by this section based upon the proceedings and
28 order the modified plan of termination to be implemented. In
29 such action, the prevailing party may recover reasonable
30 attorney's fees and costs.

31 (18) DISTRIBUTION.--

1 (a) Following termination of the condominium, the
2 condominium property, association property, common surplus,
3 and other assets of the association shall be held by the
4 termination trustee, as trustee for unit owners and holders of
5 liens on the units, in their order of priority.

6 (b) Not less than 30 days prior to the first
7 distribution, the termination trustee shall deliver by
8 certified mail, return receipt requested, a notice of the
9 estimated distribution to all unit owners, lienors of the
10 condominium property, and lienors of each unit at their last
11 known addresses stating a good-faith estimate of the amount of
12 the distributions to each class and the procedures and
13 deadline for notifying the termination trustee of any
14 objections to the amount. The deadline must be at least 15
15 days after the date the notice was mailed. The notice may be
16 sent with or after the notice required by subsection (16). If
17 a unit owner or lienor files a timely objection with the
18 termination trustee, the trustee need not distribute the funds
19 and property allocated to the respective unit owner or lienor
20 until the trustee has had a reasonable time to determine the
21 validity of the adverse claim. In the alternative, the trustee
22 may interplead the unit owner, lienor, and any other person
23 claiming an interest in the unit and deposit the funds
24 allocated to the unit in the court registry, at which time the
25 condominium property, association property, common surplus,
26 and other assets of the association are free of all claims and
27 liens of the parties to the suit. In an interpleader action,
28 the trustee and prevailing party may recover reasonable
29 attorney's fees and costs and court costs.

30 (c) The proceeds of any sale of condominium property
31 or association property and any remaining condominium property

1 or association property, common surplus, and other assets
2 shall be distributed in the following priority:
3 1. To pay the reasonable termination trustee's fees
4 and costs and accounting fees and costs.
5 2. To lienholders of liens recorded prior to the
6 recording of the declaration.
7 3. To purchase money lienholders on units to the
8 extent necessary to satisfy their liens.
9 4. To lienholders of liens of the association which
10 have been consented to under s. 718.121(1).
11 5. To creditors of the association, as their interests
12 appear.
13 6. To unit owners, the proceeds of any sale of
14 condominium property subject to satisfaction of liens on each
15 unit in their order of priority, in shares specified in the
16 plan of termination, unless objected to by a unit owner or
17 lienor.
18 7. To unit owners, the remaining condominium property,
19 subject to satisfaction of liens on each unit in their order
20 of priority, in shares specified in the plan of termination,
21 unless objected to by a unit owner or a lienor as provided in
22 paragraph (b).
23 8. To unit owners, the proceeds of any sale of
24 association property, the remaining association property,
25 common surplus, and other assets of the association, subject
26 to satisfaction of liens on each unit in their order of
27 priority, in shares specified in the plan of termination,
28 unless objected to by a unit owner or a lienor as provided in
29 paragraph (b).
30 (d) After determining that all known debts and
31 liabilities of an association in the process of termination

1 have been paid or adequately provided for, the termination
2 trustee shall distribute the remaining assets pursuant to the
3 plan of termination. If the termination is by court proceeding
4 or subject to court supervision, the distribution may not be
5 made until any period for the presentation of claims ordered
6 by the court has elapsed.

7 (e) Assets held by an association upon a valid
8 condition requiring return, transfer, or conveyance, which
9 condition has occurred or will occur, shall be returned.
10 transferred, or conveyed in accordance with the condition. The
11 remaining association assets shall be distributed pursuant to
12 paragraph (c).

13 (f) Distribution may be made in money, property, or
14 securities and in installments or as a lump sum, if it can be
15 done fairly and ratably and in conformity with the plan of
16 termination. Distribution shall be made as soon as is
17 reasonably consistent with the beneficial liquidation of the
18 assets.

19 (19) ASSOCIATION STATUS.--The termination of a
20 condominium does not change the corporate status of the
21 association that operated the condominium property. The
22 association continues to exist to conclude its affairs,
23 prosecute and defend actions by or against it, collect and
24 discharge obligations, dispose of and convey its property, and
25 collect and divide its assets, but not to act except as
26 necessary to conclude its affairs.

27 (20) CREATION OF ANOTHER CONDOMINIUM.--The termination
28 of a condominium does not bar the creation by the termination
29 trustee of another condominium affecting any portion of the
30 same property.

31

1 (21) EXCLUSION.--This section does not apply to the
2 termination of a condominium incident to a merger of that
3 condominium with one or more other condominiums under s.
4 718.110(7).

5 Section 2. This act shall take effect July 1, 2006.
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APPENDIX "B"



JEB BUSH
GOVERNOR

STATE OF FLORIDA

Office of the Governor

THE CAPITOL
TALLAHASSEE, FLORIDA 32399-0001

www.flgov.com
850-488-7146
850-487-0801 fax

June 7, 2006

Ms. Sue Cobb
Secretary of State
Department of State
R.A. Gray Building
500 South Bronough Street
Tallahassee, Florida 32399-0250

Dear Secretary Cobb:

By the authority vested in me as Governor of Florida, under the provisions of Article III, section 8 of the Florida Constitution, I do hereby withhold my approval of and transmit to you with my objections, Committee Substitute for Committee Substitute for Senate Bill 1556, enacted during the 38th session of the Legislature, convened under the Constitution of 1968, during the Regular Session of 2006, and entitled:

An act relating to condominiums...

The bill substantially amends current Florida law pertaining to the termination of condominiums. Currently, unless otherwise provided in the condominium declaration, section 718.117(1), Florida Statutes, requires consent of all unit owners and lien holders to terminate a condominium. Existing section 718.118 allows a unit owner to petition a court for equitable relief, including termination, in the event of substantial damage or destruction to all or substantial part of the condominium property. The legislation amends these statutes, requiring the consent of only 80 percent of the unit owners for optional termination of the condominium, and it provides a method for termination because of economic waste or impossibility by a majority vote. I wholeheartedly agree with providing for termination in circumstances where economic waste arises from a natural disaster.

I recognize that condominiums are creatures of statute and owners of units give up certain rights by agreeing to that method of ownership. I also realize that the majority of owners should receive the greatest economic benefit in the event of a termination, a benefit that may be diminished by the minority holdouts.

According to the legislative intent, this bill was created to address circumstances that may create economic waste, areas of disrepair, or obsolescence of the condominium property for its intended use and thereby lower property tax values. However, this bill, in its current form, may cause unintended consequences that could deprive



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condominium unit owners of their rights to remain in their units without adequate procedural safeguards. Thus, while there is a need to modify the condominium termination statute for situations calling for termination due to natural disasters, I am concerned that the bill goes too far.

Specifically, the bill raises the following concerns:

- (1) The bill permits for optional termination, on any basis, "if 80 percent of the total voting interests fail to approve the plan of termination but fewer than 20 percent of the total voting interests vote to disapprove." Consequently, this provision allows optional termination of a condominium by a small fraction of the total voting interests. The association or a unit owner have the right to seek court approval in this circumstance.
- (2) Among the potential unintended consequences is that the bill would permit one owner (such as a developer) to purchase 80 percent of the units in a condominium and seek termination, with the ultimate goal of redevelopment, in the absence of economic waste or impossibility. A possible remedy to this situation would be to require one vote per person, regardless of the number of units owned.
- (3) The bill provides minimal procedural safeguards for the objecting unit owners, limiting the right to contest to apportionment of the proceeds and creating a presumption that the valuation and apportionment are fair and reasonable.
- (4) The bill allows a judge, after the fact, to modify the termination plan and to apportion the proceeds in a manner he or she deems fair and reasonable. This provision could prejudice the majority owners by permitting the court to apportion a greater amount of the proceeds to the holdouts. Moreover, there is no provision in the bill for the majority to retract its votes if the court-modified termination plan is unacceptable.
- (5) Because the bill allows for service of process by publication, absentee owners who live in other states or countries are limited in their ability to receive notice. Instead, the bill should provide for actual notice or, at a minimum impose a requirement that due diligence be performed in contacting title owners before noticing by publication.
- (6) The bill shifts the cost of contesting the apportionment to the objecting owner, who may have to hire appraisers and who will be required to pay the attorneys' fees of the prevailing party if the contest is denied. Many residents of older condominiums that are likely to be terminated under the new law are persons on fixed incomes, who can ill-afford the cost of challenging the termination or finding a new place to live.
- (7) The bill applies retroactively to all condominiums in existence on or after the effective date. Persons who have bought condominiums prior to the effective date of the law will have their existing rights under their current documents diminished. Retroactivity should only apply to condominium terminations that relate to hurricane damaged facilities.

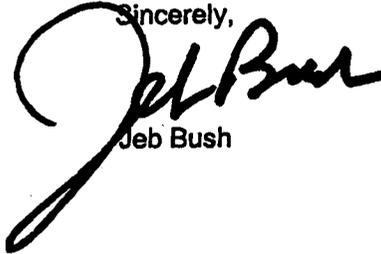
Ms. Sue Cobb
June 7, 2006
Page Three

I respect the work and good intentions of the persons who cooperated in the drafting of this bill but believe that direct input from individual condominium owners would be helpful in addressing some of these concerns. I direct the Department of Business and Professional Regulation, Division of Florida Land Sales, Condominiums and Mobile Homes to conduct a series of town hall meetings in areas throughout the state that are heavily populated with condominium owners to discuss the bill, including my expressed concerns and proposals to improve the bill. The department's findings shall be provided to the State's Condominium Ombudsman for review and comment. By no later than October 1, 2006, the department shall provide a report to the Governor, the President of the Senate, and the Speaker of the House, including the comments of the Ombudsman.

I have publicly expressed my views about and commitment to protecting private property rights. And, although I believe that this bill is well intended and it is necessary to provide for involuntary termination of condominiums in the aftermath of catastrophic events, the bill changes the default provision of requiring the consent of all unit owners for termination in existing law and permits voluntary termination in virtually any circumstance, thereby diminishing security in ownership of private property.

For these reasons, I withhold my approval of Committee Substitute for Committee Substitute for Senate Bill 1556 and do hereby veto same.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeb Bush". The signature is written in a cursive style with a large, looping initial "J".

Jeb Bush

APPENDIX "C"

Windham, Carol

From: Rick Lauzon [rdlauzon@setel.net]
Sent: Friday, September 15, 2006 12:27 PM
To: Condo Terminations
Subject: Fw: Seminole Ridge Property Owners Association, Inc.

I would like to make some comments as well as suggestions for Home Owner Associations. We also need some advise on how to get the developer to comply with the property owners after the transition of association control in the community.

The property owners of these associations need to be protected. The Developers in the state of Florida are taking advantage of people that know little or nothing about these associations. The following is a list of examples:

1. Agent, Realtor nor Closing agent disclose to purchaser that there is an association.
2. Developer collects assessment dues for years and spends little or no funds towards covenants as promised.
3. Developer sells property within an association and does not provide "Disclosure Summary" to purchasing agent.
4. Covenants not provided to purchasing prior to Closing.
5. Developers still have the authority to make changes to the association after turning it over to the Property Owners.
6. Developers do not turn over the association control after 90 percent of land or homes sold.
7. Developers do not turn over records, corporation books, bank statements, contracts, easements, agreements, deeds, permits, etc.
8. Developers do not provide annual reports to property owners.
9. Developers sale road right-of-ways and there is no emergency evacuation routes. Association members have no say so.
10. Developers do not provide Home Owners Association Insurance and leaves the property owners liable for damages and law suites.
11. Developers do not inform property owners of business contracts. Assessments go to these business that are usually family members or spouses to the Owner of the Developer.
12. Associations are a Not-For-Profit Corporation, Directors are volunteer and do not get paid for there services, Assessments are collected and paid to the developer, which in turn, developer contracts accounting services, road repair services, etc. out and pays them taxes, late fees and other fees that eat up all funds that are to be used for road maintenance or enhancement.
13. Developers collect assessment fees, misueses those fees and at time of transition turns over little or no money for costly repairs.
14. The association roads are private roads, but yet the County has placed green signs that indicate public roads. County will not maintain roads and it is the repsonibility of the property owners because we live in an association. With 5.77 miles of dirt roads, the owners can not afford to pay to maintain these roads.
15. Association members do not pay their assessments and in turn, the association does not have enough funds to pave roads or pay for insurance. Big Liability Issue.
16. Association members no longer live in a democracy, the now live under dictatorship.
17. Developer uses association as hay fields, collects assessments from property owner and sales the hay for profit placed into Developers account.
18. Developer states that this company pays assessment dues for property owners for service, hay, mowing and provides no documents, invoices, or statements as to prove funds were placed into Association account.

These are all situations that I have personally experienced with the association that I moved into in 2003. After the developer wrote us a note informing to elect new officers and take over the association, I was elected as Treasurer and have written a letter of request for documents, made phone calls to no avail. 17 months later, we still have no documents and the developers wife encourages us to consult and attorney. By the way, the wife owns an accounting service which charges us for services and we can not obtain a contract with her.

Well, I seen an attorney and was informed that these activities are against Florida Statues. The Developer appears to be untouchable in the county. Attorney recommends finding an attorney in another county. This naturally would throw out the case in the local county.

I have been to the county planning department, spoke with the planning Director and they can provide no answer as to why we have green county signs on our roads. They can not provide an answer as to why they don't pave the roads.

It appears to me that this Developer is abusing the assessment fees and the property owners are left with the liability. If anyone is actually reading these comments, we the property owners, would greatly appreciate information on who to call or how to force the developer to comply with Florida

9/19/2006

Statues.

Debra A. Lauzon
10300 Tomahawk Drive
Sanderson, Florida 32087
904-259-1381
rdlauzon@setel.net
Seminole Ridge Property Owners Association, Inc.
Baker County, Florida

9/19/2006

Windham, Carol

From: Doris Goldstein [dgoldstein@newtownlaw.com]
Sent: Friday, September 15, 2006 12:57 PM
To: Condo Terminations; HOAStudy, FLS
Subject: Comments on condominium and homeowner association issues

I am a Florida real-estate attorney who works primarily with developers of mixed-use communities and mixed-use condominiums. I frequently consult on projects out of state and am familiar with condominium and community association statutes in other jurisdictions.

There is a lot of sanity and wisdom contained within the uniform acts—the Uniform Condominium Act, the Uniform Planned Community Act and the Uniform Common Interest Ownership Act. They are coherent, well-organized and written for the most part in plain English.

Our Condominium Act, in contrast, is inflexible, disorganized and overlaid with special interest legislation. In the name of being pro-consumer or reacting to certain perceived abuses, it has become, over time, overlaid with provisions that are odd and treacherous and create their own unfairness.

For instance, buyers have a right of rescission if, after they sign an agreement to purchase a condominium unit, there is a change in the filing that is material and adverse to the buyer. Sounds fair enough. However, there is almost no guidance on what is material and adverse. Even expert condominium attorneys cannot agree on whether an increase in the projected budget due to increased insurance costs—something totally beyond the developer's control—is material and adverse. (I know. I recently polled some and got completely opposite answers.) If the budget increases after the buyer closes on the unit, then they are obligated to pay the increased assessment. Buying a condominium unit is an open-ended obligation to pay the unit's share of the association's expenses. However, if the increase occurs between the time the buyer signs the contract and the time he or she closes, the buyer may have a free walk. What happens to the developer, who has begun construction based on firm contracts? And the bank that has lent money based on those contracts?

Another provision that makes no sense in our law requires shares of ownership, and expenses, to be divided either equally by unit, or proportional to square footage. I am sure this was added to the act to address some perceived abuse, but it causes major problems. When units are of greatly disparate sizes, neither formula works. Imagine a condominium with units ranging in size from 800 square feet to 2400 square feet or more. Some costs, like insurance, clearly relate to square footage. Other costs, like administration of the association and use of the recreational facilities, are more reasonably assessed per unit. Should the larger unit pay three times what the smaller unit pays? Or equal? Either way sets up tension within the association because of the inequity. The UCIOA provision makes much more sense and allows the drafter to assess costs more fairly while still protecting the buyer: ³The declaration must state the formulas used to establish allocations of interests. Those allocations may not discriminate in favor of units owned by the declarant or an affiliate of the declarant.²

The issue of termination when, due to age or catastrophe, a building is beyond repair needs serious attention. There needs to be a legislative answer. Unfortunately there are a lot of poorly-written condominium documents out there that are almost impossible to amend. Also unfortunately, unless the declaration provided otherwise—and it seldom does—under the Florida act the shares of the owners following termination are the same as their undivided interests in the condominium. This means that the penthouse facing the ocean gets the same as the first-floor unit facing the parking lot. The UCIOA provides for distribution based on fair-market value, which is far more equitable.

Whether or not to bring in all non-condominium community associations into an act like the UCIOA is tough. Some community associations manage very little common property and require very little oversight or regulation. Many small associations exist only because the water management district required them to be formed to maintain a retention pond.

On the other hand, I see townhouses being sold without any provisions for common

maintenance, despite the fact that they have a common roof structure and a uniform appearance. The passage of time, much less the devastation of a hurricane, will saddle these owners with difficult problems because they were sold without provisions for insurance and common maintenance and reconstruction. However, even the provisions of the UCIOA might not help here. If they were sold without a requirement for common maintenance and therefore have a minimal budget, they would be exempt from the act.

Rewriting the condominium act is a huge undertaking. The State of Florida had one of the first condominium statutes and, as a result, it has been overwritten by generations of legislation. In the meantime, some of the best legal minds have taken the experience of Florida and other states and come up with a conceptually unified approach. I think there is much to be gained by joining them.

Doris Goldstein, Attorney
2656 Beauclerc Road
Jacksonville, FL 32257
Telephone: 904.730.2960
Fax: 904.730.2424
Website: www.newtownlaw.com
e-mail: dgoldstein@newtownlaw.com

Windham, Carol

From: Marcy Williams [mawilliams@ista-na.com]
Sent: Friday, September 15, 2006 1:07 PM
To: Condo Terminations; HOAStudy, FLS
Subject: FW: Fax from 7308867
Attachments: FAX162.pdf

State wants comments on condo, association issues

The state Department of Business and Professional Regulation is asking for comments on condominium and homeowner association issues to compile and send to Gov. Jeb Bush and the Legislature.

Officials are looking for comments about how to improve or expand existing dispute resolution programs, whether to modify protections for members of mandatory homeowner associations, and whether the state should consider a common-interest realty law. Friday is the deadline.

Bush directed the department to seek comment after vetoing legislation this year regarding those issues.

Comments can be sent to condo.terminations@dhpr.state.fl.us or FLS.HOASTudy@dhpr.state.fl.us or Department of Business and Professional Regulation, Division of Land Sales, Condominiums & Mobile Homes, 1940 N. Monroe St., Suite 16, Tallahassee, FL 32399-1029.

Sept 13, 2006

Subject: Homeowners Associations and lack of oversight

Dear Governor,

I was sued by my HOA several months after moving into my home. I had replaced 2 walls of diagonal cedar siding with horizontal hardi-plank to stop the severe water damage to my home. The first rain after I moved in caused flooding, causing drywall to fall off my walls and my second floor to start to collapse into my first floor. The Board told me that I had to take the horizontal siding down and replace it with diagonal. I could not find a professional who would guarantee it for more than 2 years. I was told that I had to follow the by-laws. However, the by-laws state that the board cannot withhold approval if they had allowed other residents to do it. 25% of the people in my neighborhood have non-diagonal siding on their homes, including 3 board members. I was told to change the color of my trim even though it was a color used in the past with approval, and was consistent with the by-laws that stated, "earth tone or subdued colors"

I lost my case even with documented proof that other homes had non-diagonal siding, other homes had different trim colors, board documents acknowledging that other people had different siding but that they had "turned a blind eye in the past" but wouldn't for me. Testimony by the Board President that there was no legally enforceable color code other than the by-laws was met with "but we can do anything we want". Also, there were depositions from previous board members stating that the suit against me was strictly punitive. While trying to prove that the suit was arbitrary and capricious against me, testimony that I was sued because "3 Board members didn't like me and wanted to teach me a lesson." was presented. A resident who had requested to replace his siding the same way but was denied, was later elected to the board. He said he was coerced to vote to sue me by the other members. The Judge actually declared that it had no bearing on the case!!

I was given the harshest sentence, told to replace all my siding, repaint all my trim and pay the board's legal fees, taxes, interest and anything else. I appealed. I believed that if I got to a judge who did not have a personal interest in the case, they would find the evidence, pictures, testimony, and by-laws in my favor and overrule the verdict. The Appellate court decided not to hear it. Legal fees against me increased.

When going to a different judge for the Final Summary Judgement, the Judge said she couldn't "un-ring a bell that had already been rung" but she would allow me to take as long as I needed to sell my house to pay the liens. My lawyer requested verification of fees actually spent before she made her decision, and also to consider the precedent set by Attorney General Charlie Christ stating that a HOA could not force into foreclosure a Homesteaded property for legal fees. In a sudden turnaround by the judge, the board was awarded \$75,000 in legal fees, a whole paragraph of other fees to be determined later, and that my house would be put on the auction block in 20 days!! HOA's are required by law to provide the Financial accounts to a resident when asked. My neighbor has been

trying to get this information, even with a lawyer, for 3 years and has not been given them. My Judge didn't even respond to my lawyers' request to verify amounts of payments, but granted them whatever amounts they asked for.

The basic problem is that I violated no by-laws, This was proven beyond the shadow of a doubt. The Board violated the by-laws by doing what they did to me. The legal system "turned a blind eye" to the by-laws, the law, under oath testimony, acknowledgments by the board that it was arbitrary in its actions, pictures documenting my position and all other proof.

I have sought help from everywhere. There is no help. No lawyer will go against a judges decision. The Judicial Qualifications Committee said they can't help me, I must litigate. Other lawyers say I can't get any legal change of the original judgement, regardless of my proof. Attorney Christs' office sent me to another department who in turn sent me to the Board of Regulation. They sent a letter stating that there are no laws governing HOA. Senator Wise' office was appalled to think that a 58 year old single constituent was losing her home because of 5 boards on her house. He got in touch with Legal Aid who was going to help me---they never called me back. Now everyone is too busy with elections to help a nobody like me keep from becoming homeless because of a rogue HOA and the notorious "Good old boy " system of (non) justice.

So since I moved here, the Board members have harrassed me continuously. I have endured threats to my life, my puppy was murdered, a second puppy was poisoned and barely survived, the police show up at my house periodically having gotten "anonymous" reports of disturbances at my house. I have been stressed to the point that I could not function at work and lost my job of 13 years. My health has deteriorated to the point that I was under "Stroke watch " by my Doctor after collapsing several times, I have been unemployed for 2 years. I have had to use my retirement money just to live. I now owe the IRS a large amount of money for taking out from my IRA. They don't consider being bankrupt, physically injured, unemployed, unjustly sued, needing to pay my expenses, buy food, pay for medial expenses and everything else that has happened to me to be legitimate grounds for using my retirement money. I am glad to know that I can send my children to college penalty free, though.

So the Governor doesn't think HOA's need legislation? How would he feel if it was his mother set out on the street, broke and homeless??

Patricia Reed Kelly
7822 Linkside Drive
Jacksonville, FL 32256

904-730-8867

Windham, Carol

From: Robert L Kappelmann [kapprl@juno.com]
Sent: Friday, September 15, 2006 5:14 PM
To: HOAStudy, FLS; Condo Terminations
Cc: bbert@bellsouth.net; CondoLaw@aol.com
Subject: Association abuse of power

Attachments: Sea Place II Report to Homeowners.doc



Sea Place II Report
to Homeown...

Dear Sirs:

I only learned of your request for information on problems between association leadership and their members this afternoon.

The problems I wish to alert you about concern the abuse of individuals and members of individual home owner associations that are also members of a Master Association. There are 2 HOA and 2 Condo associations on adjoining property that are under a Master Association. I have lived in one of the association communities for 8 years and have served on the board of directors for 6 years as vice president. The abuse of power and lack of due process exercised by the Master Board is shocking. Our members have to hire a lawyers numerous times to force the Master to follow state regulations (Right to Speak etc). Since they have deep pockets, they can deny us due process until we hire a lawyer to force them to "talk to their lawyer" who informs them that they must take the action requested.

Some recent examples: April of this year 10 of our homeowners were denied permission to build bulkheads to stop erosion of their property into the Master Association retention pond/lake. While we appealed the denial with in the 30 days required by our documents, the Master board President simply refused to set an appeal hearing date. When the President of our association called for a special meeting, also in April, to discussion the issue as specified in the documents, The Master Association President again refused to set the meeting.

I understand that we can file a compliant with the state and pay a lawyer and a mediation fee to force the Master Association to act properly, but the cost to the individual is not trivial. One of our members had to spend \$ 2500 in legal fees to finally get the Master to grant permission to built a bulkhead to protect his backyard. The Master Board also raises the threat of paying their legal fees if we don't prevail.

I have attached a copy of a letter to our members outlining the problems we have had with our Master Association over getting permission to build additional bulkheads to protect our property. Note we have already received SJRWMD approval of our bulkhead project in November of 2005 and have been delayed by Master Board delaying tactics since then.

I hope you are asking the question "Why the heck don't they let you build these bulkheads?" Answer, several of the Master Board member's wife don't like the way they look!

I have literally dozens of examples of abuse. Please let me know if you wish additional information.

Robert Kappelmann PE.

**Sea Place II Homeowner's
Association Board of
Directors**

To: Sea Place II Homeowners
From: Sea Place II Board of Directors (BOD)
CC: Interested Parties
Date: 9/19/2006
Re: Growing Financial Risk to Sea Place Home Owners.

Purpose: The Sea Place II Board of Directors (BOD) is writing this memo to inform the residents of the Sea Place II Community, both residential and absentee owners, of the problems that have faced the Sea Place Community. These were for the most part totally avoidable and have grown to a critical issue due to Master Board members putting their personal interest above that of the entire Sea Place Community. These problems are ongoing and have resulted in significant financial cost and liabilities falling on each and every Sea Place homeowner with much more likely to follow!

Pond Erosion Problem and Safety Issue: The Sea Place pond serves as the storm water runoff storage facility for the entire Sea Place Community. The pond was originally permitted by the Department of Pollution Control (DEP) in 1984 and had a fairly stable shoreline until the mid 1990's. At that time the developer of Sea Place III significantly expanded the pond with a major dredge and fill project. A records search with DEP and The St. John's River Water Management District (SJWMD) indicates that no permit for this project was issued. Since that time significant erosion has been occurring at the pond shoreline. Prior to the 1990s dredge and fill project, the pond shoreline was entirely on Master property. Today the erosion of the pond has resulted in the loss of over 15 feet of shoreline on parts of the Sea Place II side of the pond and in many cases has encroached on the property of as many as 10 Sea Place II pond side homeowners. (It is noted that several Sea Place III pond side properties have also had erosion encroach into their property. In addition, the slopes along the Sea Place II shoreline have become so steep that walking along the shoreline is a significant safety issue. *Sea Place II BOD has approached the Master Board on numerous occasions concerning the loss of both private and Master property due to the ongoing pond erosion with no satisfactory response.*

In response to the pond erosion problem, two Sea Place II pond side homeowners, who had experienced erosion into their property, received permission to construct bulkheads to protect their remaining property. One of the bulkheads was a replacement of an existing bulkhead originally built by the developer in 1988. It is noted that these bulkheads were designed to conform to the existing 20-year-old Clubhouse bulkhead.

Conflict of Interest and Abuse of Power? The Master Board ARB, St Johns County Building Department and the SJRWMD properly approved these bulkheads. Although the Master Board attorney confirmed the legality of the construction of the two bulkheads, a small group of non-Sea Place II residents initiated a formal complaint with the State of Florida against the Master Board for improperly approving the bulkheads. What is very troubling is that the majority of the complainants are the wives of sitting Master Board members. These

members have not only failed to abstain on voting matters related to the bulkhead issue but in fact have ignored the Board attorney's recommendations in order to advance the cause of their wives.

A Waste of Your Money? Instead of coming to grips with the erosion problem that impacts not just Sea Place II but also Master property, a small clique of Master Board members and their wives have exhausted over \$12,539.56 in legal fees to attempt to remove these **legally constructed bulkheads**. In addition, this group of Board members approved and paid \$3,500 for a pond survey that ultimately documented that the Sea Place II homeowners built on their own property, sacrificing some of their own property to the Master pond property. It is note worthy that the Sea Place II Board both verbally and in writing recommended that the survey include shoreline and slope elevations so the storm retention capacity of the pond could be determined and flooding risk for low elevation homeowners could be assessed. Although this could have been accomplished at little or no additional cost, the Master Board members controlling the survey, who also happened to be the husbands of the complainants, specifically limited the survey to only documenting the location of the bulkheads in relation to property lines. It is important to note that this information was readily available at no cost from the St. Johns County Building Department. It should also be noted that original applications to the Master ARB clearly indicated that the Sea Place II bulkheads would be built on the homeowner's own property.

Master Board members pay their wives: The use of the Master Board to achieve personal objectives has reached outrageous proportions in which Master Board members negotiated a settlement agreement in the State mediation of their wives complaints with their own wives. In this process they agreed to actions that the Master board attorney had previously advised them in writing was not likely legal and certainly not ethical. This did not stop them from agreeing to pay their wives \$1770 for legal fees and also agreeing to pay their cost for the mediation.

Your money wasted and more to come? Has your Master Board spent over \$15,000 to remove two legally constructed bulkheads on private property that the Master Board ARB approved just to appease their wives? We don't know the motivation. However, the \$15,000 is out of your pocket and a lot more will be spent. The blank check agreed to by the Master Board is likely to cost over \$50,000 for a voluntary removal of the bulkheads and many times that much if they pursue a legal action

The Master Board Fiddles while Common Property falls to disrepair: What is so unfortunate about this whole process is that the Master Board's attention has been so focused on removing these legally constructed bulkheads that they have failed to note the loss of over 15 feet of Master Property shoreline and the potential thousands of dollars damage to the pond's concrete spillways. In addition the Master Board waited over two years to act on the growing sinkhole in the middle of Sea Fair drive. Could it be that the location of this sinkhole in front of the Sea Place II Community and the bulkhead properties influenced their slow action?) Probably not since they took over two years to finally replace the broken and dangerous fencing around the Master bulkhead and pool.

Safety issues not only exist with the steep pond shoreline, but also with corroded light poles along Sea Fair Drive that are in danger of falling in a strong wind as well as the corroded and broken fence posts at the tennis courts.

Sea Place II has reached out on numerous occasions seeking a solution to this community wide erosion problem. We have been told by the Master Board that it is a "Sea Place II problem", but then the Master Board has done everything in it power to stop Sea Place II homeowners from developing a solution. For example the Master Board ordered its Pond Committee to not take any action on the pond erosion issue and then later disbanded the Pond Committee for taking "no action". Then at that same meeting without the benefit of an engineering study or an architect drawing, let alone a cost study, determined that Sea Place II pond side homeowners could protect their property by building bulkheads 10 feet behind their property lines. The Master Board did this with many of its members knowing that some Sea Place II home owners would have to remove their sunrooms to comply while others would have bulkheads one or two feet from the back of their homes. We don't know the genesis of this cynical solution and whether it was offered in good faith out of ignorance or designed malice, however, the destruction of what remains of the Sea Place II homeowner's backyards is no solution.

What is Sea Place BOD Doing? The Sea Place II BOD has formally incorporated the Ad Hoc Sea Place Pond Restoration Coalition (SPPRC) as a committee of the Sea Place II Board. The SPPRC has agreed to work under the authority of the Sea Place II BOD. This committee is now charged with coordinating the efforts to resolve the pond erosion problem related to Sea Place II. They are also instructed to follow all Sea Place II and Master Association procedures and protocols where appropriate to carry out their mission. We truly hope a change of attitude and/or membership of Master Board members will allow us to work in cooperation with the Master Board to solve what is truly a community wide problem. Regardless, we will proceed to work for the best interest of the Sea Place II homeowners.

Sea Place II Board of Directors

Betty Bertschy

President

Robert Kappelmann

Vice- President

Evelyn Hicks

Treasurer

Marjorie Wyzan

Secretary

Fred Rouge

Director

cc: May Management Co.

Windham, Carol

From: John Rutledge [usrutledge@comcast.net]
Sent: Friday, September 15, 2006 6:57 PM
To: Condo Terminations
Subject: Condominium Laws

I wanted to be sure that there is a provision in the law for more electronic methods of communicating between the Board of Directors of Condominium Associations and the owners. Specifically:

Association Websites

This can provide an INSTANT means of communicating with owners as well as providing access to Association documents. However, the extent of what can and cannot be put onto these websites must be addressed.

Electronic Mail

Needs to be better defined as to how this method of communication and be applied most effectively

Blogs

Could be used primarily as an "open forum.

To be completely legal however, all these forms of electronic communication need to be formally authorized in the Statute.

Thank you for your consideration

John

*John D. Rutledge
President and Webmaster, Forest Creek Condominium Association, Inc.
1730 Forest Lake Circle East
Unit 1
Jacksonville, Florida 32225
(904) 645-0316 – Home
904-673-5782 – Cell
president@forestcreekcondo.com
usrutledge@comcast.net*

Windham, Carol

From: Marcia Creviston [mcreviston@lifestylesrealtors.com]
Sent: Thursday, September 14, 2006 5:38 PM
To: Condo Terminations
Cc: HOAStudy, FLS
Subject: Condominium and Homeowner Assoc. Issues
Attachments: To The Department of Professional Regulation.doc

This e-mail message has been scanned for Viruses and Content and cleared by **NetIQ MailMarshal**

To The Department of Professional Regulation:

This in response to the request for comments regarding condominium and homeowner association issues.

I have been a condominium owner in Florida for 15 years. I am also a full-time licensed Real Estate agent, specializing in the sale and marketing of new and newly converted condominiums.

My experience as an owner, includes membership in just two Associations. I enjoyed a great living experience in the first association. There were no major disputes, the Budget and Reserves were always "right on target" each year that I owned my home there for 5 years. We never experienced increases in the monthly HOA, and NEVER had an assessment. We managed to completely renovate the interior and exterior of twin 22 story towers, without a special assessment. For more info. about the success of Oceans West Condominiums, check them out in Daytona Beach Shores!

Currently, I own an Oceanside condo in Ponte Vedra Beach. I have lived here for the past 9 years. The elected Board members have only run for their position to gain for their own interests. The current Rules & Regulations go ignored, so they are not being enforced. Our HOA fees have increased each year, and our Reserves are totally depleted. We have encored major Special Assessments over the years, and yet we are still "broke"!

My suggestions are as follows:

1. All elected Board Members should be required to be basically knowledgeable re: condominium law; condo documents contents; budgets; rules & regs, etc. Basic and updated classroom material needs to be given to, and read by each new and subsequent Board Member.
2. It is my opinion that the two agencies, the Condominium Association and Homeowner's Association should be kept separate, so that issues that apply only to that Agency can be dealt with more expediency and efficiency.
3. The Ombudsman Department that was recently formed should have more duties other than to oversee Board voting and ballot procedures. There is room here to establish a division of the Ombudsman Dept., to help oversee and resolve disputes between owners and/or Boards.
4. Rules and Regulations need to be enforceable by the condo owner if the Board Members do not want to involve themselves. For instance, a "universal rule could be incorporated into all Florida Condo., Rules and Regs., stating "that if an upper floor condo owner wants to install ceramic or hardwood flooring throughout their unit, then a certain thickness amount of an approved sub-flooring is to be installed prior." Any violation of this install process will result in the owner having to tear out the flooring, and re-install the flooring properly, at owner's expense. The terms simply must be precisely spelled out. The Board and the affected neighbors would each have more of a leg to stand on. If this were to become "standard" in all Florida Rules and Regs, it would also help with Buyer's decisions when considering the purchase of a lower level condo. It would be a "win, win situation for all parties.

Windham, Carol

From: carol wilson [pepsinow@gmail.com]
Sent: Thursday, September 14, 2006 2:06 PM
To: Condo Terminations
Subject: re:FI Times UNION-State wants comments on condo,associations issues

March 2006 State of Fl turns out a responsible and competent Board of directors that had a reasonable plan to repair this condo complex of 104 units. As a direct result of this action this complex remains in a state disrepair. Walks are rotten, one person has already fallen thru the boards injuring his foot. Roofs are leaking and have been for years. Ninety (90)% of the siding is rotten and leaking. Window frames are also rotten. (There is Unit in my building- (building # U) that is for sale and has been for a long time, a prospective buyer came to look at the unit and stuck hi car keys in to the siding and they went all the way in. He ask what was wrong with the siding and i replied "it is rotten" needles to say he wanted no part of this complex. After 4 years of leaks in my living room a new roof was put on--this by the way is still leaking and as the board has already paid for this no one has come to fix it. While putting this new roof on a workman fell off the 2nd story because he did not listen to me when i warned of the extremely rotten area over my sliding glass door - taking the rotten deck with him to the ground. A new deck was built but not to code --- this had to be "fixed" as the guy from the city said but the contractor has never aranged for a city inspection -----i ask could I get the inspection done? The answer was no it had to be done by the contractor and they always did this because they want to get paid.....This group has already PAID him ,so

The list goes on-----i have complained to the Div.of Land Sales,Condo etc-and MsMcLemore has been helpful but I dont see much changing in the near future.

You might think the answer would be to just sell this and move.....I thought the same until I went to a Real Estate Co ..and because of the upgades I had made I thought it would not be a hard sell....UNTIL a market survey was madeThere is NO MARKET....Seven units have been for sell, none have sold this year!!!!!! None have sold from NOV 2005 when this suite was filed.The real estate agent says nobody wants what is not going to be fixed even if is 1 block from the beach on Amelia Island...There are a lot of people in this complex that are senior citizens as well as myself..and we are going to lose a lot of money if this problem is not corrected soon.

I think it would be extremely helpful in the future when the State of Florida is looking at a vote on a REPAIR AND MAINTANCE issure to take into account whether the repairs need to be done not whether the unit owners do not want to pay the assessment because of lack of money or the fact that they can continue to rent their Units and not pay any money.

For those of us who live her and move to Fl to enjoy our homes, beach,sunshine and all the other wonderful things FLORIDA has to offer.....find ourselves amid rotten buildings leaking roofs unsafe walkways and all this paperwork just to get something fixed that should have been done and overwith.....

I hope someone can come up with a way to make my life and other thst are in the same situations in other parts of FLORIDA.....

Thank you for your time.

Carol

Carol Wilson
 2413 First Ave. # U 5
 Fernandina Beach, Fl
 32034

Forest Ridge Village Condo Asso.

Windham, Carol

From: Angel Lazo [lazoal@yahoo.com]
Sent: Tuesday, September 12, 2006 8:45 AM
To: Condo Terminations; HOAStudy, FLS
Subject: Department of Business and Professional Regulation S.B. 1556 and for H.B. 391Studies (Ideas and Suggestions)

Attention DBPR:

I suggest Statute 720 is updated to provide an Ombudsman to Homeowners Associations.

Regards,
Angel Lazo

1400 SE 23rd Drive
Homestead, FL 33035

Talk is cheap. Use Yahoo! Messenger to make PC-to-Phone calls. Great rates starting at 1¢/min.

Windham, Carol

From: Susan Burgess [sdburgess@earthlink.net]
Sent: Friday, September 08, 2006 10:37 AM
To: Condo Terminations
Subject: Protect owners from homeowner associations!!!!

Whatever you can do to protect condominium and homeowners from homeowner associations should be done. These associations are completely out of control, and have far too much authority. Their arrogance in dictating what can and can't be done approaches totalitarian regimes.

This is a shameful, disgusting situation that needs to be fixed. They are operating outside of laws that everyone else has to abide by.

Frankly, homeowner associations should be abolished and some other means of setting rules should be found. They unfortunately draw the type of person who wants control and dictatorship powers to become board members. This must be stopped.

Susan Burgess
Fort Pierce, Florida

Windham, Carol

From: abdibianca@aol.com
Sent: Thursday, September 07, 2006 1:56 PM
To: Condo Terminations
Subject: FI Senate Bill # 1556

Dear Sir or Madam,

I was unable to attend the town hall meetings regarding Senate bill # 1556 as I was out of town and was not made aware of them beforehand. I am sure very few condo owners attended as it seems the meetings were a well kept secret.

I am concerned that the effect on residents who purchased a condo that has a legal document insuring the 100 % requirement to terminate the association is being overridden by legislators who are influenced by real estate interests and have no concern about the condo owner.

When I bought my HOME I knew it would take 100% to terminate the association and I signed my purchase acknowledging that fact. That is one of the reasons why I purchased.

While many features of Senate bill # 1556 are worthy, especially those relating to termination after a disaster, I strongly suggest eliminating the RETROACTIVE provision to change existing contracts that contain the 100% provision.

Please assist us owners in getting our voice through.

Thank you

Edna DiBianca
777 John Ringling Blvd # 36
Sarasota, FL 34236

Check out AOL.com today. Breaking news, video search, pictures, email and IM. All on demand.
Always Free.

9/13/2006

Windham, Carol

From: Windham, Carol
Sent: Wednesday, September 06, 2006 2:47 PM
To: 'wampy@att.net'
Cc: Condo Terminations
Subject: RE: Condo Termination Bill

Dear Mr. Friel:

Thank you for your recent email to Governor Jeb Bush regarding SB1556. Secretary Simone Marstiller has asked that our division respond directly to you on her behalf. We appreciate this opportunity to assist you.

As you are aware, the Governor's veto letter directed our department to hold town hall meetings in order to obtain public input on the condominium termination issue. We scheduled meetings at various locations across the state, including Pinellas County, Ft Myers, Miami and Palm Beach County. The meetings were publicized in a variety of ways, including press releases, newspaper articles, radio announcements, and through our department's website. We also continue to receive input every day from concerned citizens via our website. All of the comments and suggestions obtained at the public meetings and by email will be reviewed and included in our report to Governor Bush.

I encourage you or your neighbors to share any other suggestions about this legislation via email to Condo.Terminations@dbpr.state.fl.us. Those without access to email may send their comments to DBPR, Division of FL Land Sales, Condominiums and Mobile Homes, Condominium Termination Study, 1940 North Monroe Street, Tallahassee, FL, 32399.

It is our hope that condominium unit owners will continue to share their valuable insight with us on this important issue.

I hope this information is helpful. If you have any questions, please let me know.

Sincerely,

Carol Windham, Government Analyst I
Division of Florida Land Sales, Condominiums and Mobile Homes Department of Business and Professional Regulation

-----Original Message-----

From: Bernard P. Friel [<mailto:wampy@att.net>]
Sent: Friday, September 01, 2006 5:50 PM
To: Danille.carroll@dbpr.state.fl.us;
condo.termination@dbpr.state.fl.us; Governor Jeb Bush
Cc: John A. Anderson; bestasiesta@comcast.net; ajohnson@jcpgroup.com
Subject: Condo Termination Bill

Ladies & Gentlemen,

I'm writing to complain about the abject failure of those responsible for giving notice of and publishing information about the town meetings on the above matter for not having done so in an adequate or timely matter.

Unfortunately that is the kind of conduct many have come to expect from the Florida Administration the Legislature and their respective representatives.

I also write to object to this proposal which would undermine existing condominium contracts and impair the contract obligations which exist pursuant to such contracts. Furthermore the proposal is unfair and unconstitutional under the U.S. Constitution which provides that no State shall pass any bill "or Law impairing the Obligation of Contracts" which this proposal would do if adopted.

One would think that the Legislature would be more circumspect in view of the rejection by the Courts of its ill advised meddling in the Terry Schavio debacle.

Bernard P. Friel

Siesta Dunes Beach Condominiums
Unit 2-107
6234 Midnight Pass Rd.
Sarasota, FL 34242

--
Bernard P. Friel

Windham, Carol

From: Don Howard [donrhoward@comcast.net]
Sent: Sunday, August 27, 2006 2:57 PM
To: Condo Terminations; Danille.carrol@dbpr.state.fl.us
Subject: Bill 1556
Follow Up Flag: Follow up
Flag Status: Completed

I just learned of the public hearings regarding the Condo Termination Bill 1556, unfortunately the closest one to Sarasota and all other public hearings are past. I would have been very interested in attending one of these hearings if I had known about it. I read our local paper from cover to cover and saw nothing about the hearings.

I was very pleased that the governor vetoed the bill as it was passed. Most of it was very good except the Optional Termination clause which in effect gave developers a tool to take our homes without our consent. It was appalling to me that the bill was passed in the first place and from the interviews in the papers with local representatives it is obvious that they hadn't even read it.

What happens now? Will this bill be acted on again prior to the election this fall? How do we insure that such an unscrupulous bill does not get enacted into law?

Any help you can provide will be greatly appreciated.

Don R. Howard, President
Sarasota Harbour Apartments, Inc Condominium Association
767 John Ringling Blvd. Unit D31
Sarasota, FL 34236
Phone: 941-955-6072
Email: donrhoward@comcast.net

Malloy, Sharon

From: Cochran, Michael
Sent: Tuesday, September 19, 2006 4:31 PM
To: Malloy, Sharon
Subject: FW: Senate bill #1556

fyi

From: Carroll, Danille
Sent: Tuesday, September 19, 2006 4:11 PM
To: Cochran, Michael
Subject: FW: Senate bill #1556

From: Dick Thayer [mailto:rthayer@comcast.net]
Sent: Saturday, August 26, 2006 3:50 PM
To: Carroll, Danille
Subject: Senate bill #1556

MS Danille Carroll
FL Ombudsman

Dear Ms Danille Carroll:

I regret I was unable to express my opinions about Senate Bill # i556 at one of the Town Hall Meetings, since the events were not adequately publicized so the average condo owner did not know about it and therefore had no chance to attend. Probably builder and developer interests, with there lobbyists support, were well represented.

I am deeply concerned about Senate Bill # 1556 dealing with condominium termination as it relates to the number of unit owners required to reach a decision favorable to termination other than after a disaster (optional termination). SB # 1556 was vetoed by Governor Bush on 6/7/06. I am in full agreement with Governor Bush's reasoning. The bill in it's present wording diminishes security in ownership in private property. When I purchased my condo, when my husband was still alive, we discussed just this situation and resolved that it was not a problem since our condo documents required a 100% agreement for termination or an amendment of the termination clause (relative to other than disaster). With SB # 1556 I find that the condo documents that my husband and I signed over 19 years ago no longer protect my interests due to these inappropriate and perhaps even unconstitutional laws. I am very happy in my home and do not wish to move nor am I interested in a windfall profit.

Further, I would like to say the bill in it's present form, allowing optional termination by 80% of the owners, or even less under certain circumstances, will encourage speculators and investors, most of whom are not FL residents, to buy up units in desirable locations in anticipation of a takeover by a developer and consequently they will not be willing to maintain and or improve the property in the interim. The end result is to create the potential for economic waste.

In short this bill in it's present form is an ill conceived bill that will destroy many fully affordable well maintained condos and replace them with multi million dollar units, especially in desirable locations. Because of the homestead laws the people who are "forced out" will not be able to purchase comparable units in their area. A significant hardship. This legislation is a disguised form of Eminent Domain targeted at condominiums for developers to buy for tear down.

9/19/2006

I urge you to reconsider some of the content of this bill. SB # 1556 has many good features in it's original intent relating particularly to termination of a condominium after a disaster. However paragraph (3) Optional termination and (4) Jurisdiction which were inserted later should be eliminated and the existing provisions in the declarations (other than after a disaster) for all condos in existence before the law goes into effect should continue to be honored.

I am counting on your help to right this wrong with a favorable opinion and comments that support the wishes of many condo owners that are not aware of Senate bill #1556 and therefore are not able to express an opinion until it is too late. We do not have lobbyists so we look to the Ombudsman to represent our interests.

Sincerely

Renate Mamula

777 John Ringling Blvd. H 32
Sarasota Fl 34236
941- 953- 6838

9/19/2006

Windham, Carol

From: Dick Thayer [rthayer@comcast.net]
Sent: Saturday, August 26, 2006 2:16 PM
To: Condo Terminations
Subject: Senate bill #1556

To whom it may concern:

Department of Business and Professional Regulation:

Dear sir or madam:

I regret I was unable to express my opinions about Senate Bill # 1556 at one of the Town Hall Meetings, since the events were not adequately publicized so the average condo owner did not know about it and therefore had no chance to attend. Probably builder and developer interests, with their lobbyists support, were well represented. I hope your department will consider my written opinion even though it is past the deadline for public input since until today I was unaware that these meetings had come and gone.

I am deeply concerned about Senate Bill # 1556 dealing with condominium termination as it relates to the number of unit owners required to reach a decision favorable to termination other than after a disaster (optional termination). SB # 1556 was vetoed by Governor Bush on 6/7/06. I am in full agreement with Governor Bush's reasoning. The bill in its present wording diminishes security in ownership in private property. When I purchased my condo, when my husband was still alive, we discussed just this situation and resolved that it was not a problem since our condo documents required a 100% agreement for termination or an amendment of the termination clause (relative to other than disaster). With SB # 1556 I find that the condo documents that my husband and I signed over 19 years ago no longer protect my interests due to these inappropriate and perhaps even unconstitutional laws. I am very happy in my home and do not wish to move nor am I interested in a windfall profit.

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Sincerely

Renate Mamula

777 John Ringling Blvd. H 32
Sarasota FL 34236
941- 953- 6838

9/13/2006

Windham, Carol

From: Katie Asher [cea8033@yahoo.com]
Sent: Thursday, August 24, 2006 6:00 PM
To: Condo Terminations
Subject: RE: S.B. 1556 & House Bill 391 Study
Attachments: 383992282-ISO_DELINQ July 2006.pdf

My association has over \$166K in outstanding late assessments due. I have attached the report. Do they have an obligation to collect these monies owed?

Condo Terminations <Condo.Terminations@dbpr.state.fl.us> wrote:

Dear Ms. Asher:

It's certainly up to you if you choose to file a complaint or not. Some cases are resolved very quickly; others take longer, depending on the type of case. The penalties for violations are set forth in the law; typically, an association will not be fined unless it there is a repeat offense of a major violation.

If you would like to speak to someone before deciding whether to file a complaint, please feel free to give us a call.

Sincerely,

Carol Windham

From: Katie Asher [mailto:cea8033@yahoo.com]
Sent: Tuesday, August 15, 2006 9:36 AM
To: Condo Terminations
Subject: RE: S.B. 1556 & House Bill 391 Study

I appreciate your offer to file the complaint; however, I have been informed that those complaint investigations take a long time and if anything comes of them the association is simply fined (which means that I am fined). The association has very little funds and has already levied 2 special assessments since June 2006. Thus, any fine they receive will come from additional monies that I am forced to provide. It is sort of like fining myself.

Condo Terminations <Condo.Terminations@dbpr.state.fl.us> wrote:

Dear Ms. Asher:

Thank you for your input regarding this legislation. Your comments will certainly be utilized in our study. With regards to your specific concerns about your condominium association, you may wish to consider filing a complaint with our division. Our Bureau of Compliance investigates alleged violations of the Condominium Act (Chapter 718, Florida Statutes). I have attached a complaint form for your reference. If you have any questions about this process, or about condominiums in general, please contact us at 850.488.1122.

Again, thank you for taking the time to share your thoughts with us. If you have any other questions, please let me know.

Sincerely,

Carol Windham, Government Analyst I
Division of Florida Land Sales, Condominiums and Mobile Homes
Department of Business and Professional Regulation

From: Katie Asher [mailto:cea8033@yahoo.com]
Sent: Monday, August 14, 2006 6:19 PM
To: Condo Terminations; HOAStudy, FLS
Subject: S.B. 1556 & House Bill 391 Study

To Whom It May Concern:

I am deeply disappointed that Bush voted to veto both S.B. 1556 & House Bill 391.

Condo Associations run without any guidance or ramifications. For the most part, they squander money and make poor decisions. When residents attempt to attend condo board meetings, they are denied access. Their record keeping is poor at best (if it even exists).

Condos and condo associations need more regulations, more guidance and more officials reviewing their actions.

Personally, I moved into a condo in Brickell Key in Miami, FL 33131 in February 2006. Since that date, I have attended every condo owners meeting, attempted to attend condo board members meetings (but was denied access), solicited and reviewed all documents permitted under the Condominium Act. To date, my condo association is running at a budget-deficit, without reserve monies, failing to move forward to settle issues with the developer and the one-year turnover date is this August 18, 2006. Further, monies are missing from the financial statements and no audit has ever been conducted. The association attempts to discourage owners from attending meetings and reviewing the official records by intimidation and threats.

I think forcing condo associations and their board of directors to operate within the confines of the law and being subject to legal action for failure to do so can only help condo owners and the community at large.

K. Asher
Miami, FL 33131

Windham, Carol

From: gayle [bestasiesta@comcast.net]
Sent: Thursday, August 24, 2006 12:24 PM
To: Condo Terminations
Cc: Gayle Reynolds; helen; rthayer; ann kaplan; Nora Patterson; Governor Jeb Bush
Subject: Re: 1556 town meetings

Dear Miss Windham,

I am sorry, but I must demand an explanation as to why this subject has not had more publicity and more notification to those of us who will have the worst impact from this horrendous bill. Developers have much to gain and we have much, much more to lose than profit-we have our homes and our life's savings at stake and I demand we have more time for this bill to be brought to the attention of the condo owners, all condo owners.

I will not be dismissed by you on this subject nor will others as they learn of this hushed, rushed bill that smacks of eminent domain. **Our governor ordered a directive that your dept. did not follow.** We demand that you hold more properly announced meetings over the next 6 months to a year to notify all the people in Florida that will be affected by this condo bill.

Please answer my questions and explain to me why this matter can not be properly brought before the entire public in the next 6 months to a year. I am forwarding this to Governor Bush and other interested parties. I hope for a satisfactory answer to this inquiry.

Sincerely, Gayle Wardner

----- Original Message -----

From: Condo Terminations
To: gayle
Sent: Tuesday, August 22, 2006 4:19 PM
Subject: RE: 1556 town meetings

Dear Ms. Wardner:

Thank you for your input regarding this legislation. Your comments will certainly be utilized in our study.

Again, thank you for taking the time to share your thoughts with us. If you have any questions, please let me know.

Sincerely,

Carol Windham, Government Analyst I
 Division of Florida Land Sales, Condominiums and Mobile Homes
 Department of Business and Professional Regulation

From: gayle [mailto:bestasiesta@comcast.net]
Sent: Saturday, August 19, 2006 11:50 AM
To: Condo Terminations
Subject: 1556 town meetings

I am extremely distressed that the town hall meetings ordered by Jeb Bush were not publicized or announced in any way. I have contacted his office about the lack of announcements. This bill is a form of eminent domain. Most of us bought our condos with the intent of holding them til death and bought because of the 100% FI Statute law regarding votes required to terminate. This bill is preposterous! It is reversing what we bought into. It

9/13/2006

is stealing our property rights! This will affect thousands and thousands of homeowners. You have a duty to inform the condo public about this bill. It should not be a retroactive law. If the law is to be changed by the public, or legislature vote , it should pertain to new condos bought from the future date of passage so that at least new owners understand going in that they could lose their home in a 80% vote. But it should not pertain to those who carefully bought based on the 100% rule. They should be protected from future laws as they did their homework thinking they were protected from such a thing happening! Please understand you are stripping thousands of their property ownership if this horrendous law is passed.

Sincerely,
Gayle Wardner
Sarasota
941 504 3926

Windham, Carol

From: gayle [bestasiesta@comcast.net]
Sent: Saturday, August 19, 2006 12:06 PM
To: Condo Terminations
Cc: Governor Jeb Bush; jeannie
Subject: 1556

Again, I am voicing my concern over this very scary bill and the lack of notice of the town hall meetings ordered by the governor. This bill strips our property rights and should not be retroactive, in fact it should not even be considered as a law at all. Thousands will lose their homes. Is this the intent? Why don't you just kick everyone out of their older condos in the state and sell them to the highest bidder, developer or real estate investor? Then there will be no need for a law that will do it. I guess we condo owners will have no say in the matter as most of us don't even know about the meetings or the existence of this bill. I guess this is the intent, is it not? Gayle Wardner
5043926
Sarasota

Windham, Carol

From: gayle [bestasiesta@comcast.net]
Sent: Saturday, August 19, 2006 11:50 AM
To: Condo Terminations
Subject: 1556 town meetings

I am extremely distressed that the town hall meetings ordered by Jeb Bush were not publicized or announced in any way. I have contacted his office about the lack of announcements. This bill is a form of eminent domain. Most of us bought our condos with the intent of holding them til death and bought because of the 100% FI Statute law regarding votes required to terminate. This bill is preposterous! It is reversing what we bought into. It is stealing our property rights! This will affect thousands and thousands of homeowners. You have a duty to inform the condo public about this bill. It should not be a retroactive law. If the law is to be changed by the public, or legislature vote, it should pertain to new condos bought from the future date of passage so that at least new owners understand going in that they could lose their home in a 80% vote. But it should not pertain to those who carefully bought based on the 100% rule. They should be protected from future laws as they did their homework thinking they were protected from such a thing happening! Please understand you are stripping thousands of their property ownership if this horrendous law is passed.

Sincerely,
Gayle Wardner
Sarasota
941 504 3926

Windham, Carol

From: Carol Canovai [cacanovai@yahoo.com]
Sent: Thursday, August 17, 2006 9:57 PM
To: Condo Terminations
Subject: RE: SB 1556

Thank you for the information, but I have returned home (North Carolina) and do not think I can make it back for the meeting.

Sincerely, Carol Canovai

Condo Terminations <Condo.Terminations@dbpr.state.fl.us> wrote:

Dear Ms. Canovai:

I wanted to call your attention to an upcoming Town Hall Meeting on the condominium termination issue. The meeting will be held in Destin on August 22, 2006, at the Destin Community Center, from 4-8pm. The community center is located at 101 Stahlman Avenue.

Since you own a condominium in this region, I thought you and your neighbors might be interested in attending. For more information about these meetings, visit our website at http://www.myflorida.com/dbpr/lsc/condominiums/information/town_hall_meetings.pdf

If you have any questions, please let me know.

Sincerely,

Carol Windham, Government Analyst I
Division of Florida Land Sales, Condominiums and Mobile Homes
Department of Business and Professional Regulation

From: Carol Canovai [mailto:cacanovai@yahoo.com]
Sent: Monday, July 17, 2006 4:49 PM
To: Condo Terminations
Subject: SB 1556

I am in favor of the new condominium regulation concerning termination. Bill SB1556

Trying to get 100 % of the owners to be in agreement to terminate an association is utterly impossible.

Please, make every effort possible to pass this bill. Our condominium in Navarre Beach has been severely damaged and it would cost a lot more money than we could possibly put together to rebuild. In our case, having All the owners agree to terminate the association is not a possibility. Passing of this bill will help tremendously to solve an otherwise very difficult problem.

Please pass Bill SB 1556.

Thank you, Carol Canovai

Groups are talking. We're listening. Check out the [handy changes to Yahoo! Groups](#).

Get your email and more, right on the [new Yahoo.com](#)

Windham, Carol

From: Katie Asher [cea8033@yahoo.com]
Sent: Tuesday, August 15, 2006 9:36 AM
To: Condo Terminations
Subject: RE: S.B. 1556 & House Bill 391 Study

I appreciate your offer to file the complaint; however, I have been informed that those complaint investigations take a long time and if anything comes of them the association is simply fined (which means that I am fined). The association has very little funds and has already levied 2 special assessments since June 2006. Thus, any fine they receive will come from additional monies that I am forced to provide. It is sort of like fining myself.

Condo Terminations <Condo.Terminations@dbpr.state.fl.us> wrote:

Dear Ms. Asher:

Thank you for your input regarding this legislation. Your comments will certainly be utilized in our study. With regards to your specific concerns about your condominium association, you may wish to consider filing a complaint with our division. Our Bureau of Compliance investigates alleged violations of the Condominium Act (Chapter 718, Florida Statutes). I have attached a complaint form for your reference. If you have any questions about this process, or about condominiums in general, please contact us at 850.488.1122.

Again, thank you for taking the time to share your thoughts with us. If you have any other questions, please let me know.

Sincerely,

Carol Windham, Government Analyst I
Division of Florida Land Sales, Condominiums and Mobile Homes
Department of Business and Professional Regulation

From: Katie Asher [mailto:cea8033@yahoo.com]
Sent: Monday, August 14, 2006 6:19 PM
To: Condo Terminations; HOAStudy, FLS
Subject: S.B. 1556 & House Bill 391 Study

To Whom It May Concern:

I am deeply disappointed that Bush voted to veto both S.B. 1556 & House Bill 391.

Condo Associations run without any guidance or ramifications. For the most part, they squander money and make poor decisions. When residents attempt to attend condo board meetings, they are denied access. Their record keeping is poor at best (if it even exists).

Condos and condo associations need more regulations, more guidance and more officials reviewing their actions.

Personally, I moved into a condo in Brickell Key in Miami, FL 33131 in February 2006. Since that date, I have attended every condo owners meeting, attempted to attend condo board members meetings (but was denied access), solicited and reviewed all documents permitted under the Condominium Act. To date, my condo association is running at a budget-deficit, without reserve monies, failing to move forward to settle issues with the developer and the one-year turnover date is this August 18, 2006. Further, monies are missing from the financial statements and no audit has ever been conducted. The association attempts to discourage owners from attending meetings and reviewing the official records by intimidation and threats.

I think forcing condo associations and their board of directors to operate within the confines of the law and being subject to legal action for failure to do so can only help condo owners and the community at large.

K. Asher
Miami, FL 33131

Windham, Carol

From: PRIMESITES@aol.com
Sent: Tuesday, August 08, 2006 8:28 AM
To: Condo Terminations
Subject: S.B. 1556 and FLS.HOASudy

The abuse in "Developer Controlled Boards" must not be overlooked. We have been faced with a new community controlled by the Developer for over 2 years. Our lives have been horrendous with very little areas to reach for help. While complaints have been filed with the DPBR and each was found to have been violated there are no teeth in the enforcement of the Condominium By Laws and Florida Statues. The Developer controls the Board of Directors.

I am most happy to get involved, knowledgeable about the Statues and we have the perfect case study to use for showing how both lawyers and developers get around the system.
Thank you

Monette Klein O'Grady
305 285.0104
305 285.0650 fax
primesites@aol.com

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9/13/2006

Windham, Carol

From: Rsmith1123@aol.com
Sent: Saturday, August 05, 2006 4:21 AM
To: Condo Terminations
Subject: Senate Bill 1556

I would like to express my views concerning senate bill 1556.

1. An association seeking to terminate should have to show that it has made every reasonable effort to contact all owners. Certified mail should be use whenever possible.
2. Any vote to terminate should be based on the total number of votes cast and not the total number of owners. An abstention should not count as a negative vote.
3. The threshold for passing should be high like 80 or 85 percent in order to make it harder for profiteering developers to force people out of their homes just to make a profit.

Respectfully,
Richard Smith /President
Costa Del Sol Condominium Association.
Box 958 5801 North Banana River Boulevard
Cape Canaveral, Florida 32920
321-799-4575 Fax 321-799-4510

Windham, Carol

From: Dudley [dudley@sisna.com]
Sent: Thursday, August 03, 2006 12:35 PM
To: Condo Terminations
Subject: SB 1556

As a condominium owner in South Walton County, I am very concerned about the impact of hurricane damage to my property. I want to express my support of SB 1556, which would make it easier to terminate a condominium in the event of a major loss. Please help to get this bill passed.

Patricia Dudley
212 Blue Creek Trail
Carbondale, Co. 81623

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No virus found in this outgoing message.
Checked by AVG Free Edition.
Version: 7.1.394 / Virus Database: 268.10.5/406 - Release Date: 8/2/2006

Windham, Carol

From: Snsn4me@aol.com
Sent: Thursday, August 03, 2006 3:10 AM
To: Condo Terminations
Subject: review of SB1556 and comments

Good Day,

I will cut and paste my comments into the body of the email below. The review was started on July 21st and finished early this morning on August 3, 2006:

July 21, 2006

Review of SB 1556

Y. Babette Easley
2525 Lake Drive, #504
Riviera Beach, FL 33404

Condo Association: Condominiums on the Intracoastal, DBA Singer Island Yacht Club (currently under hostile takeover whereby 86% or better of units are owned now by development group under no less than 7 different LLCs and control our board of directors).

Section 1 Review:

Section 1 (1) Legislative Findings:

This section is a blatant oxymoron!

Firstly, where has the State shown "public policy" in providing by statute "a method to preserve the value of the property interests and the rights of alienation thereof that owners have...?" Let me explain a bit of my background. Until our hostile takeover, I was a full time university student in Northwood's fast track adult program with a spot on the Dean's List. Therefore, I would qualify myself as being educated and yet I cannot clearly picture what "value of the property interests" and "rights of alienation thereof" would mean. I'd be guessing, and if I'm guessing, what do you suppose elderly or less educated condo owners would be doing? In my guess on the meaning, I would presume that the state has a right to protect our condo owners from the aggressive manner in which our property has been overtaken by a developer. I have not found that to be the case. Owners were coerced out of their homes at an average of 10% below offers within an 8 month period that were greater in which they voted not to sell in overwhelming majority. Additionally, the DBPR has that information in detail and from around the 54% margin yet did nothing to stop the developers from continuing their pursuit via predatory tactics in which case they now have over 80%. Now, the DBPR has issued a warning letter telling the developer they would be violating their fiduciary duties if they

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continued those measures. That leaves remaining owners no options at all. We cannot offer our units for sell on the MLS or open market because the general public will be unable to finance a majority developer held property. We do not have enough owners to offer a package deal to another developer for the same reason. Nor, if the need should arise, would we be able to pursue selling our unit to the developers currently in majority. Yet, we will be subject without recourse and limitation in cost and management to their decisions while controlling/being our board of directors! This subsection gives all the power where it already is and none back to owners who so desperately need it. It's B.S. who's pocket is being filled by including it? Everyone passed this so that means none of them will get my vote next time around!

(2) Termination because of economic waste or impossibility

(a) "...by the lesser of a majority..." what does that mean? Oxymoron alert.

1. Review: Let's just start with the first paragraph – estimated costs exceeding combined fair market value after repairs... Again, my case can come into play here. Developers estimate that after hurricane Wilma, miraculously, our estimated costs rose to 7 million dollars for repairs! Yet we had a larger insurance settlement, another engineer's report, and 2 hurricanes in 2004, but our damages were not 7 million. Suddenly, we're a slum? Please! Let me spell it out again – we had 2 years of hurricanes, 2 engineer's reports, 2 insurance settlements, 3 hurricanes and only one period where we were told that our damages were excessive and building repairs would be extraordinary. That period was after developer's offers were rejected at offers 20 million and higher. According to a Sotheby's proposal that I've seen, our building could have been offered in a package deal in June of 2005 at 30 million. Okay, let's do the math. The base offer proposed to owners was 20 million (because the board did not want to confuse owners with all 4 offers that were on the table), proposed necessary repairs on the building according to our 2005 engineer's report (from Hurricane Wilma) was 7 million. I didn't see additions needed for something like sprinklers which we do not have and I'm of the opinion are now required for our size building (over 75 feet) in the engineer's report so let's figure in some bucks for that. How close would the state cut it before they called our 30 million dollar building a wash? Prices have taken somewhat a dive so let's say they call it even in 2006. We would be out of here, terminated. My point is that my engineer's report (yes, I hired my own) claims the repairs would be more like 3 million. I know where the state will draw the line and it won't be on the side of us owners. DBPR has already told me that much.

2. (second paragraph) – I won't restate what's written. My above explanation should be sufficient to provide a point of view here also. Who's determining this? What qualifies those people? We're talking about people's HOMES, their domain, their castles. These are people who are just people, not necessarily architects, planners, developers, engineers and such, as are their boards of directors (just people) with exception to cases like mine, or as in cases like mine where the board members stand to gain without recourse from their actions and sell for higher dollars than other individuals because

nothing is stopping them from selling out to developers. What qualifies the association to make these pertinent life decisions on behalf of others in their building who may or may not be more qualified but not be a board member? **“What percentage” was asked at the DBPR town hall meeting in my area (West Palm Beach). That’s really a moot point at this juncture. We need to find a lot better ways to increase the understanding of the owner’s options and protection while simplifying the language it’s written in first!**

3. 4. etc. I’m throwing out completely until I can provide some suggestions for the above! The mention of lawsuits is ridiculous! We have overloaded courts already. Who’s going to pay for that? Overburdened tax payers or already distressed condo owners? Better language will eliminate lawsuit potentials as would better owner protections and options.

Let me just stop here and say I continue to be furious at what I’m reading. Nor is this something I can review in short as I had hoped and provide a few suggestions. This is an atrocity. I would need to spend a considerable amount of time to come up with some of my suggestions. Time I do not have because DBPR is undoubtedly on some deadline. As am I, because I am back in University classes and have a lot of homework due in a short amount of time.

Other points in closing:

1. 14 days is not enough notification time for a state that has large majorities of dual residencies. Condo owners in our state are often out of state for a least half the year some living in foreign countries. 14 days barely gets to any of those out of area residents in time for them to read the information let alone respond in a timely manner.
2. Condominium associations are ownership in whole property, not unit portions. Appraisal values of a condominium’s fair market consideration should be on the property as a whole if the condominium owners did not intend to sell their units as individual owners. Owners in takeovers and forced sells or terminations should have consideration for the values of the property the condo association owns as per their rights of percentages of association ownership. Who exactly would be financially benefiting from the common elements in a termination or a takeover if appraisals on the whole of the property are not factored in and percentages of share ownership values then considered as with other corporate structures? It appears this is somewhat addressed in Section 15, but the language is such that the burden of proof is on the condo owners or as Section 17 says “...burden of pleading...” and requires “...initiating a summary procedure...,” which would require the unit owner(s) to come up with their own attorney and the funds to defend what is already rightfully theirs.
3. Furthermore, Section 18 appears to go on in a manner that assumes that most condos have a large portion of outstanding debts. The tallest building in West Palm Beach and the tallest building in Riviera Beach both stand condemned at this time from hurricane damages. Both of

those buildings were not, as far as I understand it, in serious debt until after their insurance companies failed to pay on insurance claims that both buildings were entitled to. The Tiara in Riviera Beach has only recently won judgment in their suit against their insurance company. The 1515 building in West Palm has yet to see any funds from their insurance company and now is forced to fight recently ordered demolition from the city because of it.

4. Finally, Section 20 gives the power to the trustee for creation of another condominium suggesting that singular power of determining and parting out of the condominium for financial gain would be in the hands of one particular group or individual at the expense of the others. This bill appears to suggest its for assisting those in need of termination due to unforeseen circumstances yet the allowance for a continuance of like kind suggests that termination may not have been necessary, but rather another a means for big business to force the hand of the unit owners. Specifically, the common elements areas that the trustee would be responsible for determining what is "...fair and reasonable..." as stated in Section 17 would appear to be up for grabs.

This review was done by Y. Babette Easley of 2525 Lake Drive, #504, Riviera Beach, FL 33404, a condominium owner in a 108 unit, six story intracoastal waterfront community on Singer Island.
E-mail contact: snshn4me@aol.com

Windham, Carol

From: cfdelmd@pol.net
Sent: Wednesday, August 02, 2006 9:26 AM
To: Condo Terminations
Subject: SB1556

We strongly support SB 1556 and urge you to join all condo owners. Carl F De Luca MD and Giusi R De Luca.

Windham, Carol

From: flymike@fayor.com

Sent: Sunday, July 23, 2006 1:10 AM

To: Condo Terminations

Subject: comments on SB 1556/HB 543 "Condo termination bill"

1. The current schedule for public hearings regarding this bill excludes winter residents, of which I am one. Is there a plan to hold more public hearings this coming winter?
2. I am opposed to any bill which would permit the termination of my condominium without 100% owner consent, except in extreme circumstances following catastrophic damage to the building. We cannot assume that all developer takeovers will be friendly, and their terms attractive to all owners. No legislation or rule can prevent developers from secretly acquiring a majority owner interest and, if a termination were permitted by simple majority, then a developer takeover could be significantly unfriendly to a minority.

Mike Halliday <flymike@fayor.com>
Lido Towers, Sarasota, FL.

Windham, Carol

From: kb3aqvdick@juno.com
Sent: Wednesday, July 19, 2006 6:25 PM
To: Condo Terminations
Subject: SB1556

We need an easier way to terminate a condominium than 100% requirement. Many owners will not be reachable during disasters do to scattering at that time. You will wind turning Florida into slum areas with many living on the streets as homeless.

Richard C. Merriken Sr.
Leisureville Fairway 12 Association
Pompano Beach, Florida

Windham, Carol

From: NANETTE J MEYER [n3nt@verizon.net]
Sent: Wednesday, July 19, 2006 12:04 PM
To: Condo Terminations
Subject: Sb1556

Positive vote for 80% approval.
Nanette J. Meyer
7105 Cedar Hollow Circle
Bradenton, FL 34203

Windham, Carol

From: Jim Baxter [jbaxter@homeftl.com]
Sent: Wednesday, July 19, 2006 11:02 AM
To: Condo Terminations
Subject: YES I SUPPORT BILL FB 1556 TO CHANGE THE VOTE NECESSARY TO 80% TO TERMINATE THE CONDOMINIUM...THANKS...

Jim Baxter
Real Estate Editor

HOME Miami
407 Lincoln Road #11F
Miami Beach FL 33139
305.673.2112 office
305.673.2101 fax

HOME Fort Lauderdale
445 North Andrews Avenue
Fort Lauderdale, FL 33301
954 566.2100 office
954 566.1688 fax

www.homeftl.com
www.homemia.com

--

Windham, Carol

From: Ruth Barry [RUTHBARRY55119@peoplepc.com]
Sent: Wednesday, July 19, 2006 1:43 AM
To: Condo Terminations
Subject: Termination of condominium

I am President of Fountains 111(condominium) at 5590 Rattlesnake Hammock Rd. In Naples, Florida. I have found that it is very hard to get the consent or approval of ALL unit owners. I would be in favor of SB1556 which would be 80% or the majority approval to terminate a condominium in the event of a natural disaster rendering the property uninhabitable.

Ruth
President-Fountains 111

 [FREE emoticons for your email click Here!](#)

Windham, Carol

From: JenKer1040@aol.com
Sent: Tuesday, July 18, 2006 7:16 PM
To: Condo Terminations
Subject: Senate Bill 1556

Dear Sirs and Madams:

"The measures of the fair Majority... ought always to be respected." --Thomas Jefferson to George Washington, 1792. ME 8:397

Thomas Jefferson did not say a 100% vote was necessary. Because to do so would mean, conversely, that the Minority, in its demand for such a full vote, had true control of the government.

The current provisions under Section 718.117(1) of the Florida Condominium Act require that 100% vote. A vote that is virtually impossible to achieve. Whereas Senate Bill 1556, would require that a "fair Majority of 80% of the owners and lien holders," could voluntarily terminate a condominium in the event of a natural disaster. Certainly, residents of Florida are well aware that such natural disasters are a possibility that we live with during every Hurricane Season. Condominium owners and lien holders need and deserve the right to terminate their condominium in the wake of such a disaster.

A vote against Senate Bill 1556 is a vote against the majority of the condominium owners and lien holders. **SUPPORT SENATE BILL 1556!**

Yours very truly,

Mildred Carr Willis
Cedar Hollow at Tara Condominium
7143 Cedar Hollow Circle
Bradenton, Florida 3203
E-Mail: JenKer1040@aol.com

Windham, Carol

From: Stan VITALE [stanvitale@msn.com]

Sent: Tuesday, July 18, 2006 4:01 PM

To: Condo Terminations

As an owner of a condominium I believe that Governor Bush is correct in vetoing SB1556 It should remain 100% of the owners before an condo association can be terminated. (718.117 (1))

Stanley S. Vitale
Greenwood Association, Inc.
Boynton Beach, Fl. 33435

Windham, Carol

From: jthom52449@bellsouth.net
Sent: Tuesday, July 18, 2006 10:57 AM
To: Condo Terminations
Subject: RE: RE: Termination of Condo Associations

Ms. Windham,

I can't make the meeting; however, a neighbor of mine is going. He will bring any handouts, etc. to me. Also, he is very aware of what went on in our condo building. His condo was one of the worse hit by the Hurricane Wilma. He lives on the 3rd floor, end unit. Roof, Walls and ceilings are down, is awful. He's been living in it since the storm. I will certainly stay tuned to this issue. Changes have to be made. Hurricane Wilma certainly made them obvious.

Thanks, again.

J. Thompson

>

> From: "Condo Terminations" <Condo.Terminations@dbpr.state.fl.us>
> Date: 2006/07/18 Tue AM 10:40:04 EDT
> To: <jthom52449@bellsouth.net>
> Subject: RE: RE: Termination of Condo Associations

>

> You are welcome. Be sure to look on our website for Advisory council meetings in your area; I know they would appreciate your input and additional discussion in person.

>

> Carol Windham

>

> -----Original Message-----

> From: jthom52449@bellsouth.net [mailto:jthom52449@bellsouth.net]
> Sent: Tuesday, July 18, 2006 10:21 AM
> To: Condo Terminations
> Subject: Re: RE: Termination of Condo Associations

>

> Thank you, Ms. Windham. I did misunderstand, and I appreciate the additional info that you sent. And for passing my recommendations to the advisory board concerning condo board members. It is a genuine issue that needs to be addressed.

> J. Thompson

>

>> From: "Condo Terminations" <Condo.Terminations@dbpr.state.fl.us>
>> Date: 2006/07/18 Tue AM 09:01:20 EDT
>> To: <jthom52449@bellsouth.net>
>> Subject: RE: Termination of Condo Associations

>>

>> Dear Ms. Thompson:

>>

>> Thank you for your input.

>>

>> I have included some information below that you may find helpful in explaining the "condominium termination" issue in more detail. It appears that you are under the impression that it means "to terminate the board members". Simply put, terminating a condominium means that the entire condominium structure and association relationship are terminated and the property is sold.

>>

>> Your other comments (regarding general condominium issues) will be passed on to the Advisory Council on Condominiums for their review and consideration.

>>

>> If you have any questions, please let me know.

>>

>> Sincerely,

>>

> > Carol Windham, Government Analyst I
> > Division of Florida Land Sales, Condominiums and Mobile Homes
> > Department of Business and Professional Regulation
> >
> >
> -----
> --
> > -
> > In his veto message for Senate Bill 1556, Governor Jeb Bush directed
> > the
> > department's Division of Land Sales, Condominiums and Mobile Homes
> > to obtain public input regarding the issue of condominium
> > termination as the proposed legislation would have significantly amended current law.
> >
> >
> > Currently, condominiums can be terminated only with 100 percent
> > consent
> > by the unit owners, unless the declaration provides for a lower
> > percentage, and allows for unit owners to petition a court for
> > relief, including termination, in the event of substantial damage or
> > destruction
> > to the property. SB 1556 reduced the requirement for optional
> > termination to consent of 80 percent of unit owners as well as
> > provided
> > for termination due to economic waste or impossibility of a majority
> > vote. In his veto letter, Governor Bush expressed concern that the
> > legislation went too far and could result in unintended consequences
> > depriving unit owners of their rights.
> >
> >
> -----
> --
> > ---
> > -----Original Message-----
> > From: jthom52449@bellsouth.net [mailto:jthom52449@bellsouth.net]
> > Sent: Tuesday, July 18, 2006 8:08 AM
> > To: Condo Terminations
> > Subject: Termination of Condo Associations
> >
> > TO WHOM IT MAY CONCERN:
> > I am unable to make it to the Dania Beach Town Meeting this evening;
> > however, I would like to make a few comments, they are as follows:
> >
> > 1. There should be term limits; however voted down this year.
> > REASON:
> > I live in a condo where there is a majority of Canadians on the
> > board, (last year all members were Canadian). They arrive in
> > October, and leave in mid April. Hurricane Wilma tore our roof off
> > causing a significant amount of damage to condos and the parked
> > autos. Our building was "red tagged". The board had not arrived,
> > and conducted business by fax, e-mail, and telephone (these expenses
> > are included in the overall budget). Keep in mind, their Florida
> > home is a second
> > home
> > to them.
> > 2. The roof was completed prior to their leaving in April.
> > However, the damaged condos had not been repaired. Those with mold
> > had been treated. Walls were removed, and not put back. In April,
> > the boardmembers left, and one board member resigned from his
> > secretary's position, and the board appointed a year round replacement.
> >
> > There have been no notices, etc. posted regarding reconstruction
> > efforts. Some of us are camping out in our condos without a/c, hot
> > water heaters, & appliances. The Canadians are conducting the
> > business
> > by fax, e-mail, and telephone without updates to the condo owners.
> > The
> > owner's who have damaged condos have been in touch with the City

> > Officials, contractors, etc. trying to find out what the status of
> > the repair to our homes (the only one we have).
> >
> > The only requirement for a condo boardmember is they can't be a
> > convicted felon. Condo boardmembers should be year round residents.
> I
> > know a lot of people will not serve as a boardmember; however, in
> > the case of my building, we have year round people that can't wait
> > to
> serve
> > on the board, they've had enough of "long distance" condo business
> being
> > conducted without follow up info provided to the year round condo
> > owners. I am familiar with the condo by-laws, etc. This long
> distance
> > method of conducting condo business is not lawful; however, our
> attorney
> > is always represents the board's side, not the owner's position. We
> > need some help, we are drowning.
> >
> > I use to call the prior ombudsman, and he was most helpful (he
> > helped the owners) but the Governor got rid of him. That was a mistake.
> That
> > should have been researched a lot more than it was.
> >
> > In my building, the Canadians have a majority on the condo board,
> > and the over all Phase (4 buildings combined), they have a majority
> > of
> board
> > members. If an American ran for the board, the Canadians have the
> > majority and can vote them down. This is a no win situation.
> >
> > My recommendation is: Think about the condo owner's position, not
> just
> > the board member's position. I have served as the Secretary and
> > Vice President for a total of approximately 4 years. What is going
> > on in
> our
> > building is NOT working. We need help, and I have outlined our
> problem.
> > Other Phases and buildings in our area are experiencing the same
> > problems. Hopefully, you are listening.
> >
> > If my aforementioned thoughts aren't addressed, I favor termination
> of
> > the condo board members. It would be in the best interest of our
> > building to get rid of the board if we can't have a board that is
> > present year round conducting the condo business with the owners
> present
> > at each meeting in order to voice their opinions. That is the
> American
> > way, correct?
> >
> > Thank you for your time.
> >
> > Janet Thompson
> > 3405 NW 48th Ave., J-410
> > Lauderdale Lakes, FL 33319
> >
> >
> >
> >
> >
> >
> >
> >
> >
> >

Windham, Carol

From: baypl@bellsouth.net
Sent: Tuesday, July 18, 2006 9:37 AM
To: Condo Terminations
Subject: SB-1556

As a condominium owner having seen the difficulties encountered by the older buildings unable to take care of their property and ending with the closures of their buildings I strongly favored the approval of SB 1556 and cannot understand how Gov. Bush could veto a Bill unanimously approved both by the House and the Senate that could save the homes of some many.

I urge DBPR to move this action again and get SB-1556 approved.

Nelly Zamora
1408 Brickell Bay Dr. #1211
Miami, FL 33131

Windham, Carol

From: Virginia [zvillesuzy@yahoo.com]

Sent: Monday, July 17, 2006 9:21 PM

To: Condo Terminations

Subject: Senate Bill 1556

We can appreciate Governor Bush's concern over terminating condominium associations as none of us want to deal with such a situation. However, if the circumstances are such that the condominiums are uninhabitable, there needs to be a way to "cut losses." We believe that an 80% vote is still a stringent number to obtain and that 100% would be virtually impossible so I hope that option will still be considered.

Carl and Virginia Smith
Egret Pointe Condominium Association
12274 SW Egret Circle #3502
Lake Suzy, FL 34269

Windham, Carol

From: Joseph L Braden [jbraden@emich.edu]
Sent: Monday, July 17, 2006 6:05 PM
To: Condo Terminations
Subject: Governor Bush's veto of Senate Bill 1556 □

The Governor should have SIGNED this Bill!

Dr. Joseph L. Braden
Emeritus Professor of Marketing
20135 Cheetah Lane
Esterro, FL 33928-2006
(239) 405-4200
joe.braden@emich.edu

Windham, Carol

From: Pat&Walt [patwalt@comcast.net]

Sent: Monday, July 17, 2006 5:55 PM

To: Condo Terminations

Subject: Current bill, same subject

We have a small (24) unit association and CANNOT acheive 100% agreement on any subject. I hate to think what it must be like to be a director on a large 50 unit or more association. This was a bad bill.

Windham, Carol

From: Paula [dblp@comcast.net]

Sent: Monday, July 17, 2006 5:47 PM

To: Condo Terminations

It is impossible to get 100% vote on any issue, large or small, and 80% would even be difficult to get, but is certainly more realistic.

Windham, Carol

From: Larry Ankeney [larryank@yahoo.com]
Sent: Monday, July 17, 2006 5:21 PM
To: Condo Terminations
Subject: Condominium termination requirements

Sir/Madam, As President of the Beach Condominium Owners Association, Of Navarre Beach, FL, I would like to speak for our owners and support the 80% rule for terminating a condominium Association. Our Condominium was severely damaged by Ivan and we are in the process of trying to get sufficient support to terminate and sell the property. It appears it will be impossible to even find our 1235 time share owners let alone get all of them to agree to sell. We were very disappointed in Gov. Bush's veto.

If you would hold a public meeting in NW Florida, I'm sure there would be many other Associations that would support the 80% rule change.

Thank you,

Lawrence A Ankeney
4092 Rocky Dr.
Niceville, Fl 32578

850-729-6729

Do you Yahoo!?
Get on board. You're invited to try the new Yahoo! Mail Beta.

Windham, Carol

From: rc.savage@comcast.net
Sent: Monday, July 17, 2006 5:08 PM
To: Condo Terminations
Subject: Termination Clause

Re: Senate Bill 1556

To whom it may concern:

Governor Bush vetoed the bill and hearing are being held to solicit input about language that allows voluntary termination. The present law requires a 100% vote which is virtually impossible. I think the vetoed bill is a step in the right direction. It provides for 80% or a simple majority if the condominium is uninhabitable due to a natural disaster or when economic waste has occurred. I favor the 80% for a natural disaster (2/3 would be OK too), but view the underlined clause as too general to be useful. The legislature could strike this clause or make it specific enough to be actionable.

Thank you for considering my views.

Robert C. Savage, Treasurer
Stratford Place Condominium Association

9/13/2006

Windham, Carol

From: Carol Canovai [cacanovai@yahoo.com]
Sent: Monday, July 17, 2006 4:49 PM
To: Condo Terminations
Subject: SB 1556

I am in favor of the new condominium regulation concerning termination. Bill SB1556

Trying to get 100 % of the owners to be in agreement to terminate an association is utterly impossible.

Please, make every effort possible to pass this bill. Our condominium in Navarre Beach has been severely damaged and it would cost a lot more money than we could possibly put together to rebuild. In our case, having All the owners agree to terminate the association is not a possibility. Passing of this bill will help tremendously to solve an otherwise very difficult problem.

Please pass Bill SB 1556.

Thank you, Carol Canovai

Groups are talking. We're listening. Check out the [handy changes to Yahoo! Groups.](#)

Windham, Carol

From: beritgarry@aol.com
Sent: Monday, July 17, 2006 4:24 PM
To: Condo Terminations
Cc: ewing@ewingsutherland.com
Subject: SB 1556

Dear Sir/Madam:

I have learned of Governor Bush's veto of SB 1556 and his request that there be public hearings. Since it will not be possible for me to attend the closest public hearing in Fort Myers, I am taking this opportunity to express my support for the passage of SB 1556.

It seems to me that it will be nearly impossible to obtain the consent of ALL unit owners and lien holders of record to terminate a condominium when a natural disaster has left a property uninhabitable. That is why I support SB 1556 which requires a more realistic and practical 80% level of owner approval.

Thank you for your consideration.

Sincerely yours,

Garry S. Moore
4005 Gulf Shore Blvd. N. #704
Naples, FL 34103

Check out AOL.com today. Breaking news, video search, pictures, email and IM. All on demand. Always Free.

Windham, Carol

From: SeaplaceMgr@aol.com
Sent: Monday, July 17, 2006 2:39 PM
To: Condo Terminations
Subject: Governor Bush's veto of Senate Bill 1556

I agree with the Governor's concerns.

Steven Grekowicz
Seaplace Association

9/13/2006

Windham, Carol

From: carrie.butler [carrie.butler@rahospitality.com]
Sent: Monday, July 17, 2006 1:13 PM
To: Condo Terminations
Subject: RE: Panama City Beach, Florida

Thank you for your quick response!

Carrie L. Butler
RAH Rental Manager
Top of the Gulf
office: 850-235-7701(7702)
fax: 850-233-8572
carrie.butler@rahospitality.com

For reservations:
1-800-327-0067 or
1-800-224-4853
getawaytothegulf.com

From: Condo Terminations [mailto:Condo.Terminations@dbpr.state.fl.us]
Sent: Monday, July 17, 2006 12:06 PM
To: carrie.butler
Subject: RE: Panama City Beach, Florida

Dear Ms. Butler:

Yes, there will be a Town Hall Meeting in the panhandle area. We are in the planning stages now; as soon as a date and location are determined, it will be posted on our website.

Thank you for your interest in this issue. If you have any questions, please let me know.

Sincerely,

Carol Windham, Government Analyst I
Division of Florida Land Sales, Condominiums and Mobile Homes
Department of Business and Professional Regulation

From: carrie.butler [mailto:carrie.butler@rahospitality.com]
Sent: Monday, July 17, 2006 1:00 PM
To: Condo Terminations
Subject: Panama City Beach, Florida

Will there be a meeting any where in the panhandle?

Carrie L. Butler
RAH Rental Manager
Top of the Gulf
office: 850-235-7701(7702)
fax: 850-233-8572
carrie.butler@rahospitality.com

For reservations:

9/13/2006

**1-800-327-0067 or
1-800-224-4853
getawaytothegulf.com**

Windham, Carol

From: Mgmppowergirl@aol.com
Sent: Monday, July 17, 2006 12:23 PM
To: Condo Terminations
Cc: lespaul_79@yahoo.com; ricknielsen40@hotmail.com
Subject: the Governor's veto of SB 1556, the ugly "eminent domain" bill for condos

Dear Representatives:

Please stop the abuse against hostile takeovers against condo owners. State Bill 1556 deprives condo owners of their right to protect their property. To deprive unit owners of their property rights due to hostile takeovers clearly violates our constitutional rights to condo property ownership. Please, stop the abuse before it is too late. Thanks for your help in the pursuit of justice.

Regards,

Maria Garcia
Condo Owner
Bayshore Yatch and Tennis Club
7904 West Dr., #415
Miami Beach, FL 33141

Windham, Carol

From: Karen Schoner [kas1543@adelphia.net]

Sent: Monday, July 17, 2006 11:34 AM

To: Condo Terminations

Thank you for vetoing this bill. We need protection from greedy investors in a hostile takeover. There are many problems in this state concerning condo owners and the associations that run them that are not problems in other states. The lawyers in this state have too much control in what is being presented to legislature and so on. They are making a killing financially at the condo owners expense. Many problems could be solved if the state stepped in to stop them. The condo commanders couldn't get away with so much if they knew they were going to be punished. Here in my complex the association just thumbs there nose at the state laws and no one does anything about it. Our president is the manager, self appointed, has no CAM license , and gets a salary for doing a voluntary job. It is a conflict or interest for her to be president and manager, but she gets away with it because the state doesn't uphold there own laws. She has been turned in many times and nothing comes of it. It is very frustrating. There has to be laws to protect us, the owners. I appreciate you again vetoing this terrible bill. Karen Schoner

9/13/2006

Windham, Carol

From: trudy page [tpagliaroni@comcast.net]

Sent: Sunday, July 16, 2006 8:14 AM

To: Condo Terminations

As condo owners we must be protected from having our condos taken from us without our agreement. There should be laws that make it necessary for 100% agreement of a particular condo assn by the owners before their condos to be sold.

Trudy page-pagliaroni

Windham, Carol

From: mark johnson [mikemark@bellsouth.net]
Sent: Tuesday, July 04, 2006 1:46 PM
To: Condo Terminations
Subject: Lack of protection / Tuesday / July 4th. 2006

I am finding that living in a condominium and following the rules and regulations only pertains to the membership and not the board of directors. I also find that the statutes and the laws that the membership / owners must follow are not always followed by it's own board of directors. And those departments that are set in place either thru the city or state to make sure that the condominium board of directors are following the laws and the statutes are their in name only and have no authority to enforce those statutes or laws that the board of directors break. With our current statutes and laws, no matter how small the infraction it's the owners that gets fined. Having caught the Board of Directors in hiring a unlicensed contractor, pulling no permits, misappropriation of funds, I am being sued by the board of directors for harassment and libel to catching them in the act and lying about it to the membership. And I have done nothing but tell the truth to the membership, to the boards actions and yet have received no support from the DBPR and it's supported departments. It just doesn't seem fair. Mark Johnson / Essex Tower / mikemark@bellsouth.net

Windham, Carol

From: Jan Bergemann [janberg@att.net]
Sent: Sunday, July 02, 2006 3:43 PM
To: Condo Terminations
Cc: Rep. J. Dudley Goodlette; Marsteller, Simone; Governor Jeb Bush
Subject: Public Input HB 543/SB 1556
Attachments: original version with amendments.doc

The original bill HB 543, as sponsored by Representative Goodlette, was a good bill and would have helped to sort out many problems that condo-owners were facing after their buildings suffered serious hurricane damage. Please note: **This bill was originally written to clarify condo dissolution after casualty.** Two amendments were proposed for further clarification by CCFJ, Inc. -- Line 186 and 216 -- and approved by the original sponsor, Representative Goodlette. See amended version attached!

All later amendments to the bill -- as can be seen in the Governor's veto letter -- had serious flaws and would have created an opportunity for developers to throw people out of their homes -- without their approval. We are seeing these kind of attempts in Sarasota, Miami Beach and on Singer Island -- in the moment.

We do need safeguards for condo owners after natural disasters, but not something like an "eminent domain" bill for condominiums. Suddenly the original bill wasn't just for dissolution after natural disaster any more -- it suddenly turned into a cash cow for developers, who would have been allowed to secretly buy unit after unit, grab hold of the board majority and push owners out of their homes in order to build bigger and more expensive condos on valuable beach property, making a financial killing at the expense of helpless condo-owners. **The original bill was good -- and should be revived for the next session. Relatively easy dissolution after casualty is very recommendable. Greed is not!**

Please confirm receipt of this e-mail as public input!

Warm Regards,
Jan Bergemann, President
Cyber Citizens For Justice, Inc.
<http://www.ccfj.net/>

APPENDIX "D"

Meeting Minutes
Senate Bill 1556 – Condominium Termination
July 17, 2006 @ 4:00 p.m.
Miami (Dade County)

Division Director Michael Cochran began the meeting by introducing attending staff of the Division of Florida Land Sales, Condominiums and Mobile Homes: Michael Cochran, Division Director; Danille Carroll, Condominium Ombudsman; and Sharon Malloy, Senior Management Analyst II. Mr. Cochran then explained the major provisions of Senate Bill 1556 on condominium terminations and Governor Jeb Bush's veto letter. The Governor's specific concerns regarding Senate Bill 1556 were read to the meeting attendees.

Approximately six persons attended the meeting; however, no attendees wished to provide input on the bill.

The meeting was adjourned and Division staff addressed issues unrelated to condominium termination.

Meeting Minutes
Senate Bill 1556 – Condominium Termination
July 18, 2006 @ 4:00 p.m.
Dania Beach (Broward County)

Division Director Michael Cochran began the meeting by introducing attending staff of the Division of Florida Land Sales, Condominiums and Mobile Homes: Michael Cochran, Division Director; Danille Carroll, Condominium Ombudsman; Jonathan Peet, Senior Management Analyst II; Sharon Malloy, Senior Management Analyst II. Mr. Cochran then explained the major provisions of Senate Bill 1556 on condominium terminations and Governor Jeb Bush's veto letter. The Governor's specific concerns regarding Senate Bill 1556 were read to the meeting attendees.

The meeting was attended by approximately 25 members of the public. The following members of the public attended the meeting, completed speaker forms and provided input on SB 1556. Their comments are summarized for purposes of providing minutes. A complete record of the public comments can be obtained by contacting the Division of Florida Land Sales, Condominiums and Mobile Homes at 1940 North Monroe Street, Tallahassee, Florida, Phone 850.488.1631.

Frances Ragusa – In favor of not changing current law. Unit owners need protection against the possibility of a developer taking over a condominium.

Maidi Genser – Wants to keep developers from taking over property like eminent domain. Not worried about percentages as much as needing protection for unit owners. Ms. Genser believed that there was not adequate notice of the meeting.

Leo Bentz, Esquire - Pleased that Legislature has taken some action, particularly in regard to catastrophic events. There should be a lower percentage (lower than 100%) approval for terminations in some situations. Was concerned about condominiums that included buildings constructed at different times.

Peter Viens - President of maintenance committee at his condominium. Should be easier to terminate a condominium when the cost of repair is more than the building is worth. Likes 80%.

Bob Mikes – Concerned when part of a condominium is uninsurable. Need state, courts or mediation to get involved in termination issues.

Helene Licursi - Question about process of workshops. Wanted to know what division was going to do with information from workshops.

Betty Jordan – Licensed CAM. Hard to get 100% vote on any major decision in a condominium. Needs to be some provision for those in hardship situations that don't want to lose their home. Sees more opportunity for developers to buy condominium property on beach areas than inland properties.

Ralph Viviano – Condominium board president. Impossible to get 100%, but concerned about 80% approval being too low. Felt 90% or 95% would be better. Bill is vague.

The meeting was adjourned and Division staff addressed issues unrelated to condominium termination.

Meeting Minutes
Senate Bill 1556 – Condominium Termination
July 19, 2006 @ 4:00 p.m.
West Palm Beach (Palm Beach County)

Jonathan Peet, Senior Management Analyst II began the meeting by introducing attending staff of the Division of Florida Land Sales, Condominiums and Mobile Homes: Danille Carroll, Condominium Ombudsman; Jonathan Peet, Senior Management Analyst II; Sharon Malloy, Senior Management Analyst II. Mr. Peet then explained the major provisions of Senate Bill 1556 on condominium terminations and Governor Jeb Bush's veto letter. The Governor's specific concerns regarding Senate Bill 1556 were read to the meeting attendees.

The meeting was attended by approximately 23 members of the public. The following members of the public attended the meeting, completed speaker forms and provided input on SB 1556. Their comments are summarized for purposes of providing minutes. A complete record of the public comments can be obtained by contacting the Division of Florida Land Sales, Condominiums and Mobile Homes at 1940 North Monroe Street, Tallahassee, Florida, Phone 850.488.1631.

Philip Shapkin – Ombudsman of Century Village representing 309 associations and 1,400 residents. Bill is a step in the right direction. Impossible to get 100% approval and would be in favor of less than 100%. Many owners are disinterested. Have to consider those owners who have no where else to go. Wants safeguards from abuse by developers – does not want to give profit seekers a tool to take advantage of unit owners.

Bill Schmalz – Thanked Governor for veto. Heard that a law firm drafted the bill and felt anytime attorneys got involved that it was self-serving and not in the benefit of owners.

Michael Gelfand – Attorney and represents Florida Bar, Real Property, Probate and Trust Law Section, Chair of Condominium and Planned Unit Development Committee. Mr. Gelfand provided information relating to the Committee's efforts to assist in the drafting of a workable bill in response to specific legislative requests. He addressed provisions of the bill and addressed each point of the Governor's veto letter. Discussed policy decisions regarding the 80/20 vote, notice requirements, non-catastrophic events, apportioning proceeds, voting rights, etc. One vote per person may be a taking of property. Have to have a way of addressing situations where a building has "run its course or lasted longer than intended. Regarding notice, unit owners have a duty to provide a good address but would think certified mail return receipt would be sufficient. Would not recommend using the term "actual" notice. Could use lawsuit notification methods. Likes the 80% as minimum approval - would not go lower.

Philip Castronova – Represents CCFJ, Area 9 (3,000 members) He agrees with the Governor's veto. Original bill should have been left alone (dealing only with catastrophic event). People have lost their homes with no place to go. Bill should only apply to catastrophic event with 70% approval. Regarding notice, should use actual notice by certified mail and other types of notice to make sure all unit owners are aware of what is going on.

Babette Easley – Involved in a hostile takeover at Singer Island Yacht Club (hotel conversion). Described situation for the audience. "Developer" came in and started buying units. Currently owns 86%. Control association. Percentage will not matter. If developer really wants building, they will get it. Grateful that Governor vetoed bill.

Ray Obregou – Lives in Century Village. Agrees with the Governor's veto of the bill. Bill is unethical.

Walter Lipiner – Lives at Golden Lakes Village. Is happy that the Governor vetoed the bill that uses eminent domain to take over condominium buildings and get rid of middle income people. Thinks termination should require 100% approval.

Representative Susan Bucher – Represents Century Village and Golden Lakes area. With escalating cost of property there will be many conversions and developers will start praying on condominium communities using strong arm tactics. Developers should not be able to kick people out of their homes. The greatest care should be taken to protect the average person. Hard to find 100% of owners in some projects.

Nancy Doney – Should reduce percentage approval for catastrophic events. Bill should only address catastrophic events. Believes 80% approval for catastrophic events best. Unlikely to get 100%.

Judy Merman - Approval needs to be less than 100%. Agrees with 80/20% provisions. Notice provisions should require certified letters, but it is the unit owners responsibility to keep association informed of address. Should not rely on newspaper publication.

Gerald Ward – Pleased with veto of the bill. Insurance industry is driving many of the problems. Forcing out existing unit owners is not good public policy. Restrictions need to be in place regarding non-catastrophic events.

Bob Turner – Senate Bill 1556 works against unit owners. Recommends leaving current law alone. State has to protect unit owners that want to stay in their condominiums or can't move due to their economic situation, possibly requiring new developers to reserve a unit for owners that do not want to sell.

The meeting was adjourned and Division staff addressed issues unrelated to condominium termination.

Jacksonville Beach
SB1556 Town Hall Meeting
July 27, 2006

Majority of speakers agreed with lowering the approval threshold in the event of a natural disaster or catastrophic event.

Diane Tropa

Opposed to 100% approval in event of catastrophe; suggests 70%. Also asked that notification of termination vote be made by certified mail.

Stephen Benjamin

100% approval too high; 80% would be reasonable.

Mario Cortese:

Approval for termination should be 80% of those who cast votes.

Jeri Benjamin

Opposed to 100% threshold in any termination situation, not just disaster. Feels 80% is appropriate.

Tim Campbell:

Feels that homesteaded unit owners should have larger say than others such as investors. In the event of a natural disaster, the homesteaded unit owners are the most affected.

Paul Wean:

Favors statutory language allowing condominiums to be rebuilt notwithstanding current zoning.

Meeting Minutes
Senate Bill 1556 – Condominium Termination
August 2, 2006 @ 4:00 p.m.
Clearwater Beach (Pinellas County)

Division Director Michael Cochran began the meeting by introducing attending staff of the Division of Florida Land Sales, Condominiums and Mobile Homes: Danille Carroll, Condominium Ombudsman; Karl Scheuerman, Senior Attorney; Sharon Malloy, Senior Management Analyst II. Mr. Cochran then explained the major provisions of Senate Bill 1556 on condominium terminations and Governor Jeb Bush's veto letter. The Governor's specific concerns regarding Senate Bill 1556 were read to the meeting attendees.

The meeting was attended by approximately 6 members of the public. The following members of the public attended the meeting, completed speaker forms and provided input on SB 1556. Their comments are summarized for purposes of providing minutes. A complete record of the public comments can be obtained by contacting the Division of Florida Land Sales, Condominiums and Mobile Homes at 1940 North Monroe Street, Tallahassee, Florida, Phone 850.488.1631.

William Ballard – Practices law in St. Petersburg. The Senate Bill was an excellent effort to address problems. Condominiums based upon communal efforts and one unit owner should not be able to prevent a sale of the property. Today's problem is 40 year old buildings with structural problems and most owners cannot pay assessments to maintain building. Disagrees with the one vote for one person recommendation. Could be impairment of contracts.

Travis Moore – Represents Community Associations Institute and Community Associations Leadership Lobby. 100% voter threshold is impossible to obtain. Impetus of bill was natural disasters. Need to address blighted areas also. Need to clarify economic waste and does it include blighted areas. Address natural disasters and economic waste (including blighted areas) but let declarations stand regarding other options for termination. A termination bill needs to be a priority. Believes that Governor is right that bill's threshold is too low for not for cause terminations.

Jerry Koenig – President of Ultimar III Condominium. Principal of bill is very good, but need to reexamine possible misuses. Should take a super majority not simple majority. 100% approval is too high. Maybe 2/3 or 3/4 of the voting interest. Provisions for notice are also important. Personal service should be required. There are people looking for financial advantage and in these cases the state should get involved.

The meeting was adjourned and Division staff addressed issues unrelated to condominium termination.

Meeting Minutes
Senate Bill 1556 – Condominium Termination
August 3, 2006 @ 4:00 p.m.
Ft. Myers (Lee County)

Division Director Michael Cochran began the meeting by introducing attending staff of the Division of Florida Land Sales, Condominiums and Mobile Homes: Danille Carroll, Condominium Ombudsman; Karl Scheuerman, Senior Attorney; Sharon Malloy, Senior Management Analyst II. Mr. Cochran then explained the major provisions of Senate Bill 1556 on condominium terminations and Governor Jeb Bush's veto letter. The Governor's specific concerns regarding Senate Bill 1556 were read to the meeting attendees.

The meeting was attended by approximately 8 members of the public. The following members of the public attended the meeting, completed speaker forms and provided input on SB 1556. Their comments are summarized for purposes of providing minutes. A complete record of the public comments can be obtained by contacting the Division of Florida Land Sales, Condominiums and Mobile Homes at 1940 North Monroe Street, Tallahassee, Florida, Phone 850.488.1631.

Glenn Cook – Against bill if it takes on any characteristics of eminent domain. Most people don't want to move out of their condominiums.

Joseph Folgo – Feels that the bill favors developers, but believes that 100% approval is hard to get.

Michael Bartlow – President of Eagle Ridge Lakes Association. Believes 100% approval is hard to get. Likes 80/20 approval for catastrophic events but sees problems with notification. Unit owners should get personal notice by certified mail with signed receipts. Needs to get some form of answer from every unit owners. Optional termination threshold should be higher, like 90% or 95% and have more restrictions. 100% approval is too hard to get.

Floyd Kron – Believes 100% approval is too hard to obtain.

The meeting was adjourned and Division staff addressed issues unrelated to condominium termination.

Meeting Minutes
Senate Bill 1556 – Condominium Termination
August 4, 2006 @ 4:00 p.m.
Cocoa Beach (Space Coast)

Division Director Michael Cochran began the meeting by introducing attending staff of the Division of Florida Land Sales, Condominiums and Mobile Homes: Danille Carroll, Condominium Ombudsman; Karl Scheuerman, Senior Attorney; Sharon Malloy, Senior Management Analyst II. Mr. Cochran then explained the major provisions of Senate Bill 1556 on condominium terminations and Governor Jeb Bush's veto letter. The Governor's specific concerns regarding Senate Bill 1556 were read to the meeting attendees.

The meeting was attended by approximately 35 members of the public. The following members of the public attended the meeting, completed speaker forms and provided input on SB 1556. Their comments are summarized for purposes of providing minutes. A complete record of the public comments can be obtained by contacting the Division of Florida Land Sales, Condominiums and Mobile Homes at 1940 North Monroe Street, Tallahassee, Florida, Phone 850.488.1631.

Harry Charles – (Provided written presentation) President of Space Coast Condominium Association. Need to seriously address possible purchase by developers. Does not see a problem with notice provisions. Retroactive application would change contract rights. Some people will find that they can no longer afford to live in a condominium and the law needs to take care of these people. He likes the 80/20 provisions but believes it should apply to disaster situations. For voluntary termination he would suggest 85%. It should not be as easy to terminate for voluntary reasons. For notice, he would suggest hand delivery or certified mail. State needs a sample termination plan to serve as a guide for people to use.

Arthur Nolan – Suggests ombudsman-like protection for unit owners.

The meeting was adjourned and Division staff addressed issues unrelated to condominium termination.

Meeting Minutes
Senate Bill 1556 – Condominium Termination
August 22, 2006 @ 4:00 p.m.
Destin (Panhandle Area)

Division Director Michael Cochran began the meeting by introducing attending staff of the Division of Florida Land Sales, Condominiums and Mobile Homes: Jonathan Peet, Senior Management Analyst II; and Sharon Malloy, Senior Management Analyst II. Mr. Cochran then explained the major provisions of Senate Bill 1556 on condominium terminations and Governor Jeb Bush's veto letter. The Governor's specific concerns regarding Senate Bill 1556 were read to the meeting attendees.

The meeting was attended by approximately 7 members of the public. Former Representative Jerry Melvin addressed the attendees; however, no attendees wished to address condominium terminations issues.

The meeting was adjourned and Division staff addressed issues unrelated to condominium termination.

APPENDIX "E"

Summary of Public Input
SB1556

Supports Bill	11
Agrees with Governor's veto	16
Believes that it is impossible to get 100% voter approval	24
Supports idea of termination for catastrophic events	17
Supports idea of termination for catastrophic events but believes percentage voter approval should be higher	12
Supports idea of optional termination	3
Supports idea of optional termination but believes percentage voter approval should be higher	3
Does not support optional termination	2
Likes 80% voter approval (Input did not indicate whether this approval percentage should apply to termination due to catastrophic event or optional termination)	9
Against retroactive application	5
Against retroactive application for optional termination	2
Against notice by publication	3
Suggested notice by certified mail or personal service	6

E-mails received 51
 Testimony at meetings 35