

1 A bill to be entitled

2 An act relating to residential property sales;
3 creating s. 689.263, F.S.; requiring a seller of
4 residential property to provide written notification
5 to a prospective buyer of the seller's intent to
6 retain subsurface rights; providing the form for such
7 notification; providing definitions; providing for
8 rescission of a contract under certain circumstances;
9 specifying jurisdiction and venue for enforcement;
10 providing penalties; providing an effective date.

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

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14 Section 1. Section 689.263, Florida Statutes, is created
15 to read:

16 689.263 Sale of residential property; disclosure of
17 seller's intent to retain subsurface rights.-

18 (1) Notwithstanding any other provision of law, a seller
19 who intends to retain any subsurface rights as part of a
20 contract or deed for the sale of residential property shall
21 provide to the prospective purchaser, and the prospective
22 purchaser's real estate agent if the prospective purchaser is
23 using a real estate agent, written notification of the property
24 interest that the seller is seeking to retain. The prospective
25 purchaser must receive a copy of the written notification at
26 least 3 business days before entering into any sales contract

27 for the purchase of the residential property and must
 28 acknowledge receipt of the written notification by his or her
 29 signature.

30 (2) The written notice required under this section shall
 31 be provided on a sheet of paper that is 8 1/2 inches by 11
 32 inches, shall address no other subject, shall be double-spaced,
 33 and shall include the following information in a font size of at
 34 least 12 points:

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 36 RETENTION OF SUBSURFACE RIGHTS

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 38 AS REQUIRED BY FLORIDA LAW, ... (SELLER'S NAME) ... HEREBY
 39 PROVIDES 3 BUSINESS DAYS' NOTICE TO ... (PROSPECTIVE PURCHASER'S
 40 NAME) ... THAT THE SELLER, AS PART OF THE TRANSFER OF THE
 41 RESIDENTIAL PROPERTY LOCATED AT ... (PROPERTY ADDRESS) ... ,
 42 INTENDS TO SEVER, RETAIN, RESERVE, OR OTHERWISE KEEP CERTAIN
 43 SUBSURFACE RIGHTS AS PART OF THE SALE OF THAT PROPERTY. THESE
 44 RIGHTS MAY INCLUDE THE RIGHT TO PHOSPHATE, MINERALS, METALS,
 45 PETROLEUM, OR OIL THAT MIGHT BE IN, ON, OR UNDER THE RESIDENTIAL
 46 PROPERTY. BY THIS NOTICE, THE PROPSECTIVE PURCHASER MAY
 47 RENEGOTIATE THE CONTRACT TERMS TO REFLECT THE DIMINUTION OF
 48 VALUE RESULTING FROM THE SEVERANCE OF THOSE SUBSURFACE PROPERTY
 49 INTERESTS.

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 51 (3) As used in this section, the term:

52 (a) "Residential property" includes real estate on which

53 there is located, or will be located, any single-family
54 dwelling, duplex, triplex, quadruplex, or condominium.

55 (b) "Subsurface rights" includes rights to the phosphate,
56 minerals, metals, petroleum, or oil that is or may be in, on, or
57 under any land being transferred to the prospective purchaser.

58 (4) A purchaser has 3 business days after the contract or
59 deed is fully executed to rescind the contract or deed if a
60 seller fails to provide the notice as required by this section.
61 The rescission notification must be provided in writing to the
62 seller.

63 (5) If a court establishes that proper notice as required
64 by this section was not given to the prospective purchaser, the
65 court shall issue an order declaring that the provision in the
66 contract or deed that reserved, retained, or severed the
67 property interest is void.

68 (6) Jurisdiction and venue for enforcement of this section
69 is in the circuit court of the county where the subject real
70 property is located.

71 (7) A seller who knowingly violates this section commits a
72 misdemeanor of the first degree, punishable as provided in s.
73 775.082 or s. 775.083.

74 Section 2. This act shall take effect July 1, 2014.