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A bill to be entitled An act relating to mobile home park tenancies; amending s. 723.003, F.S.; defining the term "prospectus"; amending s. 723.006, F.S.; requiring the Division of Florida Condominiums, Timeshares, and Mobile Homes to provide notice to the homeowners' association of a proposed amendment to a prospectus before approving such amendment; amending s. 723.011, F.S.; removing the use of an offering circular; amending s. 723.012, F.S.; removing the use of an offering circular; requiring that additional information be provided in the prospectus which advises the customer of consequences if the land use is changed; amending s. 723.014, F.S.; removing the use of an offering circular; amending s. 723.032, F.S.; requiring the division to enforce certain rental agreement provisions; amending ss. 723.035, 723.041, and 723.059, F.S.; removing the use of an offering circular; amending s. 723.061, F.S.; requiring a park owner to provide certain information to residents who are displaced as a result of a mandatory eviction due to a change in use of the land; amending ss. 73.072 and 723.031, F.S.; conforming cross-references to changes made by the act; providing an effective date.

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

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Section 1. Section 723.003, Florida Statutes, is reordered and amended to read:

723.003 Definitions.—As used in this chapter, the <u>term</u> following words and terms have the following meanings unless clearly indicated otherwise:

(2) (1) The term "Division" means the Division of Florida Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation.

 $\underline{(3)}$ (2) The term "Lot rental amount" means all financial obligations, except user fees, which are required as a condition of the tenancy.

(4) (3) The term "Mobile home" means a residential structure, transportable in one or more sections, which is 8 body feet or more in width, over 35 body feet in length with the hitch, built on an integral chassis, designed to be used as a dwelling when connected to the required utilities, and not originally sold as a recreational vehicle, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein.

(5) (4) The term "Mobile home lot rental agreement" or "rental agreement" means a any mutual understanding or lease, whether oral or written, between a mobile home owner and a mobile home park owner in which the mobile home owner is entitled to place his or her mobile home on a mobile home lot for either direct or indirect remuneration of the mobile home

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park owner.

- (6) (5) The term "Mobile home owner" or "home owner" means a person who owns a mobile home and rents or leases a lot within a mobile home park for residential use.
- (7) (6) The term "Mobile home park" or "park" means a use of land in which lots or spaces are offered for rent or lease for the placement of mobile homes and in which the primary use of the park is residential.
- (8) (7) The term "Mobile home park owner" or "park owner" means an owner or operator of a mobile home park.
- (9) (8) The term "Mobile home subdivision" means a subdivision of mobile homes where individual lots are owned by owners and where a portion of the subdivision or the amenities exclusively serving the subdivision are retained by the subdivision developer.
- (10) (9) The term "Operator of a mobile home park" means either a person who establishes a mobile home park on land which is leased from another person or a person who has been delegated the authority to act as the park owner in matters relating to the administration and management of the mobile home park, including, but not limited to, authority to make decisions relating to the mobile home park.
- (11) (10) The term "Pass-through charge" means the mobile home owner's proportionate share of the necessary and actual direct costs and impact or hookup fees for a governmentally mandated capital improvement, which may include the necessary

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and actual direct costs and impact or hookup fees incurred for capital improvements required for public or private regulated utilities.

- (12) (11) The term "Proportionate share" as used in subsection (10) means an amount calculated by dividing equally among the affected developed lots in the park the total costs for the necessary and actual direct costs and impact or hookup fees incurred for governmentally mandated capital improvements serving the recreational and common areas and all affected developed lots in the park.
- (13) "Prospectus" means a disclosure document provided to a prospective mobile home owner regarding his or her legal rights and financial obligation in leasing a mobile home lot.
- $\underline{\text{(15)}}$ (12) The term "Unreasonable" means arbitrary, capricious, or inconsistent with this chapter.
- (16) (13) The term "User fees" means those amounts charged in addition to the lot rental amount for nonessential optional services provided by or through the park owner to the mobile home owner under a separate written agreement between the mobile home owner and the person furnishing the optional service or services.
- (1)(14) The term "Discrimination" or "discriminatory" means that a homeowner is being treated differently as to the rent charged, the services rendered, or an action for possession or other civil action being taken by the park owner, without a reasonable basis for the different treatment.

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(14) (15) The term "Resale agreement" means a contract in which a mobile home owner authorizes the mobile home park owner, or the park owner's designee, to act as exclusive agent for the sale of the homeowner's mobile home for a commission or fee.

Section 2. Subsection (8) of section 723.006, Florida Statutes, is amended to read:

723.006 Powers and duties of division.—In performing its duties, the division has the following powers and duties:

- (8) The division may has the authority by rule to authorize amendments permitted by this chapter to an approved prospectus which are permitted by this chapter or offering circular. Before approving an amendment to an approved prospectus, the division shall provide notice to the homeowners' association of the proposed amendment in order to solicit feedback from the homeowners' association.
- Section 3. Paragraph (b) of subsection (1) and subsections (2) through (4) of section 723.011, Florida Statutes, are amended to read:
- 723.011 Disclosure prior to rental of a mobile home lot; prospectus, filing, approval.—

(1)

(b) The division shall determine whether the proposed prospectus or offering circular is adequate to meet the requirements of this chapter and shall notify the park owner by mail, within 45 days after receipt of the document, that the division has found that the prospectus or offering circular is

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adequate or has found specified deficiencies. If the division does not make either finding within 45 days, the prospectus shall be deemed to have been found adequate.

- or offering circular together with all of the exhibits thereto to each prospective lessee. Delivery shall be made prior to execution of the lot rental agreement or at the time of occupancy, whichever occurs first. Upon delivery of a prospectus to a prospective lessee, the lot rental agreement is voidable by the lessee for a period of 15 days. However, the park owner is not required to furnish a copy of the prospectus or offering circular if the tenancy is a renewal of a tenancy and the mobile home owner has previously received the prospectus or offering circular.
- (3) The prospectus or offering circular together with its exhibits is a disclosure document intended to afford protection to homeowners and prospective homeowners in the mobile home park. The purpose of the document is to disclose the representations of the mobile home park owner concerning the operations of the mobile home park.
- (4) With regard to a tenancy in existence on the effective date of this chapter, the prospectus or offering circular offered by the mobile home park owner shall contain the same terms and conditions as rental agreements offered to all other mobile home owners residing in the park on the effective date of this act, excepting only rent variations based upon lot location

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and size, and shall not require any mobile home owner to install any permanent improvements.

- Section 4. Section 723.012, Florida Statutes, is amended to read:
- 723.012 Prospectus or offering circular.—The prospectus or offering circular, which is required under to be provided by s. 723.011, must contain the following information:
 - (1) The front cover or the first page must contain only:
 - (a) The name of the mobile home park.

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- (b) The following statements in conspicuous type:
- 1. THIS PROSPECTUS CONTAINS VERY IMPORTANT INFORMATION REGARDING YOUR LEGAL RIGHTS AND YOUR FINANCIAL OBLIGATIONS IN LEASING A MOBILE HOME LOT. MAKE SURE THAT YOU READ THE ENTIRE DOCUMENT AND SEEK LEGAL ADVICE IF YOU HAVE ANY QUESTIONS REGARDING THE INFORMATION SET FORTH IN THIS DOCUMENT.
- 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE LESSEE SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.
- 3. ORAL REPRESENTATIONS SHOULD NOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE PARK OWNER OR OPERATOR. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.
- 4. UPON DELIVERY OF THE PROSPECTUS TO A PROSPECTIVE LESSEE, THE RENTAL AGREEMENT IS VOIDABLE BY THE LESSEE FOR A PERIOD OF 15 DAYS.
 - 5. UPON A CHANGE OF LAND USE, YOU MAY BE EVICTED AND

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ORDERED TO MOVE YOUR MOBILE HOME WITHIN 6 MONTHS OR FORFEIT YOUR

MOBILE HOME.

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- (2) The next page must contain all statements required to be in conspicuous type in the prospectus or offering circular in a summary form.
- (3) A separate index of the contents and exhibits of the prospectus.
- (4) Beginning on the first page of the text, the following information:
- (a) The name and address or location of the mobile home park.
- (b) The name and address of the person authorized to receive notices and demands on the park owner's behalf.
- (c) A description of the mobile home park property, including, but not limited to:
- 1. The number of lots in each section, the approximate size of each lot, the setback requirements, and the minimum separation distance between mobile homes as required by law.
- 2. The maximum number of lots that will use shared facilities of the park; and, if the maximum number of lots will vary, a description of the basis for variation.
- (5) A description of the recreational and other common facilities, if any, that will be used by the mobile home owners, including, but not limited to:
- (a) The number of buildings and each room thereof and its intended purposes, location, approximate floor area, and

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- (b) Each swimming pool, as to its general location, approximate size and depths, and approximate deck size and capacity and whether heated.
- (c) All other facilities and permanent improvements which will serve the mobile home owners.
- (d) A general description of the items of personal property available for use by the mobile home owners.
- (e) A general description of the days and hours that facilities will be available for use.
- (f) A statement as to whether all improvements are complete and, if not, their estimated completion dates.
- (6) The arrangements for management of the park and maintenance and operation of the park property and of other property that will serve the mobile home owners and the nature of the services included.
- (7) A description of all improvements, whether temporary or permanent, which are required to be installed by the mobile home owner as a condition of his or her occupancy in the park.
- (8) The manner in which utility and other services, including, but not limited to, sewage and waste disposal, cable television, water supply, and storm drainage, will be provided, and the person or entity furnishing them. The services and the lot rental amount or user fees charged by the park owner for the services provided by the park owner shall also be disclosed.
 - (9) An explanation of the manner in which the lot rental

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235 amount will be raised, including, but not limited to:

- (a) Notification of the mobile home owner at least 90 days in advance of the increase.
 - (b) Disclosure of any factors which may affect the lot rental amount, including, but not limited to:
 - 1. Water rates.

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- 2. Sewer rates.
- 3. Waste disposal rates.
- 4. Maintenance costs, including costs of deferred maintenance.
 - 5. Management costs.
 - 6. Property taxes.
 - 7. Major repairs or improvements.
 - 8. Any other fees, costs, entrance fees, or charges to which the mobile home owner may be subjected.
 - (c) Disclosure of the manner in which the pass-through charges will be assessed.
 - (10) Disclosure of all user fees currently charged for services offered which the homeowner may elect to incur and the manner in which the fees will be increased.
 - (11) The park rules and regulations and an explanation of the manner in which park rules or regulations will be set, changed, or promulgated.
 - (12) A statement describing the existing zoning classification of the park property and permitted uses under such classification.

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(13) A statement of the nature and type of zoning under which the mobile home park operates, the name of the zoning authority which has jurisdiction over the land comprising the mobile home park, and, if applicable, a detailed description of any definite future plans which the park owner has for changes in the use of the land comprising the mobile home park.

(14) Copies of the following, to the extent they are applicable, as exhibits:

- (a) The ground lease or other underlying leases of the mobile home park or a summary of the contents of the lease or leases when copies of the same have been filed with the division.
- (b) A copy of the mobile home park lot layout showing the location of the recreational areas and other common areas.
- (c) All covenants and restrictions and zoning which will affect the use of the property and which are not contained in the foregoing.
- (d) A copy of the rental agreement or agreements to be offered for rental of mobile home lots.
- Section 5. Section 723.014, Florida Statutes, is amended to read:
- 723.014 Failure to provide prospectus <u>before</u> or offering circular prior to occupancy.—
- (1) If a prospectus or offering circular was not provided to the prospective lessee $\underline{\text{before}}$ prior to execution of the lot rental agreement or before $\underline{\text{prior}}$ to initial occupancy of a new

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mobile home, the rental agreement is voidable by the lessee until 15 days after the receipt by the lessee of the prospectus or offering circular and all exhibits thereto.

- (2) To cancel the rental agreement, the mobile home owner shall deliver written notice to the park owner within 15 days after receipt of the prospectus or offering circular and shall thereupon be entitled to a refund of any deposit together with relocation costs for the mobile home, or the market value thereof including any appurtenances thereto paid for by the mobile home owner, from the park owner.
- Section 6. Subsection (2) of section 723.032, Florida Statutes, is amended to read:
- 723.032 Prohibited or unenforceable provisions in mobile home lot rental agreements.—
- (2) Any provision in the rental agreement is void and unenforceable to the extent that it attempts to waive or preclude the rights, remedies, or requirements set forth in this chapter or arising under law. Notwithstanding s. 723.005, the division shall enforce this subsection pursuant to s. 723.006.
- Section 7. Subsection (2) of section 723.035, Florida Statutes, is amended to read:
 - 723.035 Rules and regulations.-
- (2) A No rule or regulation may not shall provide for payment of any fee, fine, assessment, or charge, except as otherwise provided in the prospectus or offering circular filed under s. 723.012, if one is required to be provided, and until

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313 after the park owner has complied with the procedure set forth in s. 723.037.

Section 8. Paragraph (a) of subsection (1) of section 723.041, Florida Statutes, is amended to read:

723.041 Entrance fees; refunds; exit fees prohibited; replacement homes.—

(1)(a) Entrance fees on new mobile home placements shall be specifically set forth in the prospectus or offering circular. Any such fee shall be clearly identified in writing at the time that the rental agreement is signed or otherwise concluded.

No new entrance fee may be charged for a move within the same park. This paragraph does not apply in instances in which the mobile home owner is evicted on the ground of nonpayment of rent; violation of a federal, state, or local ordinance; or violation of a properly promulgated park rule or regulation or leaves before the expiration date of his or her rental agreement. However, the sums due to the park by the mobile home owner may be offset against the balance due on the entrance fee.

Section 9. Subsections (3) and (4) of section 723.059, Florida Statutes, are amended to read:

723.059 Rights of purchaser.—

(3) The purchaser of a mobile home who becomes a resident of the mobile home park in accordance with this section has the right to assume the remainder of the term of any rental

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agreement then in effect between the mobile home park owner and the seller and shall be entitled to rely on the terms and conditions of the prospectus or offering circular as delivered to the initial recipient.

- (4) However, this section does not nothing herein shall be construed to prohibit a mobile home park owner from increasing the rental amount to be paid by the purchaser upon the expiration of the assumed rental agreement in an amount deemed appropriate by the mobile home park owner, as so long as such increase is disclosed to the purchaser before prior to his or her occupancy and is imposed in a manner consistent with the initial offering circular or prospectus and this chapter act.
- Section 10. Subsection (2) of section 723.061, Florida Statutes, is amended to read:
 - 723.061 Eviction; grounds, proceedings.-
- (2) In the event of eviction for a change in use of the land, homeowners must object to the change in use by petitioning for administrative or judicial remedies within 90 days after the date of the notice or they will be barred from taking any subsequent action to contest the change in use. In the event of a mandatory eviction for a change in use of the land, the park owner shall provide evidence of suitable, affordable, and comparable mobile home park accommodations for displaced mobile home park residents before governmental approval of such change in use. This subsection does not prevent any homeowner from objecting to a zoning change at any time.

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Section 11. Subsection (1) of section 73.072, Florida Statutes, is amended to read:

- 73.072 Mobile home parks; compensation for permanent improvements by mobile home owners.—
- (1) If When all or a portion of a mobile home park as defined in s. 723.003(6) is appropriated under this chapter, the condemning authority shall separately determine the compensation for any permanent improvements made to each site. This compensation shall be awarded to the mobile home owner leasing the site if:
- (a) The effect of the taking includes a requirement that the mobile home owner remove or relocate his or her mobile home from the site;
- (b) The mobile home owner currently leasing the site has paid for the permanent improvements to the site; and
- (c) The value of the permanent improvements on the site exceeds \$1,000 as of the date of taking.
- Section 12. Paragraph (b) of subsection (5) of section 723.031, Florida Statutes, is amended to read:
 - 723.031 Mobile home lot rental agreements.-
- (5) The rental agreement shall contain the lot rental amount and services included. An increase in lot rental amount upon expiration of the term of the lot rental agreement shall be in accordance with ss. 723.033 and 723.037 or s. 723.059(4), whichever is applicable, provided that, pursuant to s. 723.059(4), the amount of the lot rental increase is disclosed

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and agreed to by the purchaser, in writing. An increase in lot rental amount shall not be arbitrary or discriminatory between similarly situated tenants in the park. No lot rental amount may be increased during the term of the lot rental agreement, except:

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(b) For pass-through charges as defined in s. 723.003(10). Section 13. This act shall take effect July 1, 2014.

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