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July 25, 2018

Via Electronic Mail to rthompson2@thezenith.com (w/o enclosures) and 1st Class Mail (with enclosures)

Richard Thompson, Vice President
Hideaway Bay Beach Club
Condominium Association, Inc.
c/o Sunstate Association Management
P.O. Box 18809
Sarasota, Florida 34276

Re: Review and Comparison of Florida Statute Chapter 718, also known as Florida Condominium Act (1986) and Florida Statute Chapter 718 (2017) (hereinafter the "2017 Act")

Dear Mr. Thompson:

Pursuant to your request, I provide the following for the Document Committee's review and consideration:

1. Florida Statute Chapter 718 (1985 Version);
2. 1986 Supplemental to Florida Statutes 1985 for certain portions of Chapter 718;
3. Florida Statute Chapter 718 (2017 Version);
4. Brief summary of revisions and comparison of 1986 and 2017 versions of Chapter 718, Florida Statutes.

In connection with the enclosed summary, I have omitted certain provisions of the Florida Condominium Act. Those provisions include (1) Part II which relates to rights and obligations of developers; (2) Section 718.301 which relates to transferring association control for the developer to the unit owners; (3) Part IV which relates to special types of condominiums; (4) Part V which relates to regulations and disclosure prior to sale of residential condominiums; (5) Part VI which relates to conversion of existing structures to condominiums; and (6) Part VII which relates to distressed condominium relief, as these provisions did not appear to be applicable to Hideaway Bay Beach Club Condominium at this junction. However, I have included the entire text of the statutes for the Document Committee's review and if the Committee determines there are certain provisions for which they would like a more detailed explanation or analysis, please advise me immediately.

PERSONAL INJURY ♦ WRONGFUL DEATH ♦ CRIMINAL DEFENSE ♦ MEDIATION
CIVIL LITIGATION ♦ REAL ESTATE LITIGATION ♦ COMMERCIAL LITIGATION
CONDOMINIUM & COMMUNITY ASSOCIATION LAW ♦ REAL ESTATE LAW ♦ BUSINESS / CORPORATE LAW



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Please also note the enclosed summary is not intended to be a line by line analysis or comparison of the 1986 Act and the 2017 Act but is merely intended to be a brief synopsis of each Act and a cursory comparison of same. Also, please advise the Committee the question of whether a provision is substantive or procedural is often a matter of some debate. As stated above, should the Committee require a more detailed analysis of any specific provision of any statute, kindly advise me at your earliest convenience and I will be happy to prepare same.

Finally, I enclose both versions of the Amended and Restated Condominium Documents without and with the "amended from time to time" language.

Upon your review of the foregoing and enclosed materials, please provide me with any comments you may have.

Very truly yours,



Ernest W. Sturges, Jr., Esq.
Of Goldman, Tiseo & Sturges, P.A.

EWS/kfg

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Enclosures

FLORIDA CONDOMINIUM ACT
SUMMARY OF REVISIONS AND COMPARISON OF
1986 AND 2017 VERSIONS OF THE ACT

Florida Statute Section	Brief Summary of Revisions	Procedural/Substantive
718.101	No revisions	Not Applicable
718.102	No revisions	Not Applicable
718.103	Numerous definitional revisions and additions	Substantive
718.1035	No revisions	Not Applicable
718.104	Creation of condominium and contents of declaration	Both
718.1045	No revisions	Not Applicable
718.105	Recording of declaration	Procedural
718.106	Transfer of rights of owner to tenant when unit is leased	Substantive
718.107	No revisions	Not Applicable
718.108	No revisions	Not Applicable
718.1085	Newly created regarding non-retroactive application of certain regulations in connection with handrail and guardrail retrofitting	Procedural
718.109	No revisions	Not Applicable
718.110	Revisions related to mortgagee consent to certain amendments; Prohibition of amendment related to renting of units in particular circumstances without owner affirmative consent; and reclassification of limited common elements	Both
718.111	See Attached Addendum No. 1	See Addendum No. 1
718.112	See Attached Addendum No. 2	See Addendum No. 2
718.1124	Creation of form notice of intent to apply for receivership in the event the association fails to fill vacancies on the board of directors to create a quorum	Procedural
718.113	See Attached Addendum No. 3	See Addendum No. 3
718.114	Creation of procedural requirements regarding association entry into agreements to acquire leaseholds, membership or possessory interests in facilities, such as country clubs, golf courses, marinas and other recreational facilities	Procedural
718.115	See Attached Addendum No. 4	See Addendum No. 4
718.116	See Attached Addendum No. 5	See Addendum No. 5
718.117	Complete revision to process of termination of condominium because of economic waste or impossibility; Creation of ability of optional termination, policy and procedure; Provision for plan of termination and allocation of proceeds of sale; Provision for right of owners to contest termination	Both
718.118	No revisions	Not Applicable
718.119	No significant revisions	Not Applicable

Florida Statute Section	Brief Summary of Revisions	Procedural/Substantive
718.120	No significant revisions	Not Applicable
718.121	Creation of notice requirement prior to filing claim of lien and providing form	Procedural
718.122	Removal of restriction regarding statute of limitations and laches to unit owner right to maintain a cause of action for unconscionability of certain leases	Procedural
718.1224	Creation of prohibition of SLAPP (strategic lawsuits against public participation)	Both
718.1225	No revisions	Not Applicable
718.123	Relation back to revisions regarding tenant rights in Section 718.106(4)	Not Applicable
718.1232	No revisions	Not Applicable
718.124	No revisions	Not Applicable
718.125	No revisions	Not Applicable
718.1255	Expansion of definitions and procedures relating to mandatory non-binding arbitration and mediation of disputes, including election irregularities	Procedural
718.126	Designation of condominiums as residential property	Substantive
718.1265	Creation of association emergency powers when a state of emergency is declared	Procedural
718.127	Creation of requirement of unit owner of association receiver to notice all unit owners of his or her appointment	Procedural
718.128	Creation of ability to conduct voting through electronic internet online voting systems	Procedural
718.1302	No significant revisions	Not Applicable
718.3025	Creation of requirement of board member to disclose a financial or ownership interest in any contracting party with the association; Prohibition on parties contracting maintenance or providing management services or officers or board members of same from purchasing units at foreclosure sale	Procedural
718.3026	Creates requirement that contracts not fully performed within 1 year in connection with providing materials, equipment or services to the association must be in writing if the value of the contract in the aggregate exceeds 5% of the total annual budget of the association, including reserves; Providing requirement for competitive bidding; Providing requirements for exceptions to competitive bidding requirements; Providing requirements for disclosure by officers, directors or related parties in connection with contracts or other transactions with the association	Procedural

Florida Statute Section	Brief Summary of Revisions	Procedural/Substantive
718.3027	Creation of obligations of directors, officers and certain related parties to disclose conflicts of interest	Procedural
718.303	Creation of ability for tenants to be included in obligations of owners and occupants in connection with the condominium property and the governing documents; Creation for ability of association to suspend rights of owners, tenants, guests or invitees to use common facilities; Creation of right of association to levy fines and providing procedures for same; Providing ability of association to suspend unit owner voting privileges for failure to pay monetary obligations	Procedural

ADDENDUM NO. 1

Revisions Related To Florida Statute §718.111

Florida Statute §718.111 has been amended numerous times between 1986 and 2011 in connection with the following provisions:

Brief Summary of Revisions	Procedural/Substantive
Revised to describe fiduciary duty of officers, directors and agents to the association; Provides for criminal penalties and suspension of director or officer	Both
Prohibition against association hiring an attorney who represents management company	Procedural
Creation of association right of access to abandoned unit; Creation of assessment for charges related to above; Creation of right of association to have court appointed receiver lease abandon units for benefit of association	Both
Creation of right of association to hold title to personal property; Prohibition on association to acquire, convey, lease or mortgage association real property, except as provided in declaration or by supermajority owner approval	Procedural
Creation of limited right to convey portion of common elements to condemning authority	Procedural
Creation of right of association to purchase a unit at foreclosure sale resulting from the association's foreclosure of its own lien for unpaid assessments	Substantive
Creation of obligation of association to ensure all those portions of the condominium property as originally constructed by developer, plus like-kind replacements and approved alterations and additions; Creation of repair and replacement of association in the event of property loss caused by an insurable event	Both
Expansion and clarification of official records of association; Requirements for maintenance of official records; Penalties for failure to provide official records; and official records exempt from owner inspection	Both
Creation of right to comingle reserve funds	Procedural
Prohibition of use of debit cards by association	Procedural

ADDENDUM NO. 2

Revisions Related To Florida Statute §718.112

Florida Statute §718.112 has been amended numerous times between 1986 and 2011 in connection with the following provisions:

Brief Summary of Revisions	Procedural/Substantive
Creation of right to file a written inquiry by certified mail of unit owner	Procedural
Creation of prohibition of voting by general proxy; Outline time period for validity of proxy; Creation of right of member of board or committee to submit disagreement with any action taken at a meeting in writing if the board member/committee member did not attend the meeting; Creation of ability for board or committee members to participate in meeting through electronic means	Procedural
Creation of right to communicate by e-mail, but prohibition regarding voting of same; Creation of right of unit owner to tape record or video tape meetings; Creation of right to speak at board meetings by unit owner in reference to designated agenda items; Creation of right of association to adopt reasonable rules regarding frequency, duration and manner of unit owner statements at board meetings; Creation of right of owners to petition board to place item on agenda; Creation of 14 day notice for imposition of special assessment or revisions to condominium rules and regulations; Creation of obligation of committee who takes final action on behalf of board or makes recommendation to the board in connection with the budget to have open meetings; Creation of exemption to open meeting requirement for meetings with the association's attorney with respect to proposed or pending litigation or for discussing personnel matters	Both
Creation of requirement annual meeting be held within 45 miles of condominium property; Creation of procedure to fill vacancy on board by secret ballot; Creation of exemption for election if number of candidates does not exceed the number of vacancies; Removal of ability to nominate candidates for board of directors from the floor at the annual meeting; Creation of option to serve 2 year terms; Creation of term limit of 4 consecutive 2 year terms, unless approved by supermajority of the members of the association or unless enough candidates are not submitted; Creation of procedure to fill vacancies if insufficient number of candidates exist for election; Creation of eligibility requirements for board candidacy; Creation of requirement for election of board members by written ballot or voting machine; Prohibition of use of proxies for board elections; Creation of detailed procedure for notice, candidacy and election of	Procedural

directors; Creation of requirements to maintain board eligibility by board members; Creation of procedure to challenge election and statute of limitations; Creation of right of association to adapt reasonable rules regarding the frequency, duration and manner of unit owner participation; Creation of right of owner to tape record or video tape annual meetings; Creation of procedure to fill vacancies which occur mid-term	
Creation of procedure to adjust reserve account calculations in budget; Restriction on use for reserve funds for designated purposes unless approved by a majority of the members of the association; Creation of notice and procedure in connection with waiving or reducing reserves as provided in budget	Procedural
Revision to remove right of board to not certify recall and to petition for recall arbitration	Procedural
Creation of ability to obtain certificate of compliance regarding sprinkler retrofits	Procedural
Creation of limited power to convey common elements by association board	Procedural
Creation of ability to suspend director or officer who is more than 90 days delinquent in the payment of any monetary obligation of the association	Procedural
Creation of obligation to suspend director or officer who has been charged with felony theft or embezzlement offense involving the association's funds or property	Procedural
Prohibition on use of service providers who have conflict of interest with board member or officer	Procedural

ADDENDUM NO. 3

Revisions Related To Florida Statute §718.113

Florida Statute §718.113 has been amended numerous times between 1986 and 2011 in connection with the following provisions:

Brief Summary of Revisions	Procedural/Substantive
Creation of procedure to allocate expenses of maintenance of limited common elements to only those owners who use same	Procedural
Creation of default approval for material alternations or substantial additions if not provided in declaration	Procedural
Creation of right to display portable, removable U.S. flag	Substantive
Creation of board obligation to create hurricane shutter specifications	Both
Creation of right of owner to place small religious object on door of unit	Substantive

ADDENDUM NO. 4

Revisions Related To Florida Statute §718.115

Florida Statute §718.115 has been amended numerous times between 1986 and 2011 in connection with the following provisions:

Brief Summary of Revisions	Procedural/Substantive
Creation of ability to provide in declaration of condominium the cost of communication information services or internet services pursuant to a bulk contract is a common expense	Substantive
Creation of ability of association to cancel by majority vote a bulk services contract	Procedural
Designation of the expense of installation or replacement, operation or repair and maintenance of hurricane shutters, impact glass, code compliant windows or doors, or other types of hurricane protection as a common expense, unless provided the responsibility of the unit owner in the declaration of condominium	Substantive
Designation of cost of insurance acquired by the association as a common expense	Procedural
Allocation of unpaid share of common expenses extinguished by foreclosure or superior lien or deed in lieu of foreclosure as a common expense	Procedural

ADDENDUM NO. 5

Revisions Related To Florida Statute §718.116

Florida Statute §718.116 has been amended numerous times between 1986 and 2011 in connection with the following provisions:

Brief Summary of Revisions	Procedural/Substantive
Creation of exception for liability of first mortgagee as to unpaid assessments prior to the date of acquisition of title to the unit	Substantive
Creation of ability to charge late fees on delinquent installment of assessments	Both
Prohibition of use of restrictive endorsement in the payment of assessments by unit owner	Procedural
Authorization to include in declaration or bylaws the ability to approve or disapprove of proposed lease of unit on the basis of a delinquency of unit owner in payment of assessments	Substantive
Creation of forms regarding notice of contest of lien and release of lien and delinquent assessment	Procedural
Creation of time frames in connection with notice of recording claim of lien	Procedural
Creation of right to collect rent or appoint receiver to collect rent subsequent to entry of foreclosure judgment	Both
Creation of right of association to purchase condominium parcel at foreclosure sale and to hold lease mortgage to convey unit	Both
Reduction in time in which to provide estoppel certificate; Creation of form estoppel certificate; Designation of fees which may be charged to prepare estoppel certificate	Both
Creation of right to garnish rents of tenant occupying a unit whose owner is delinquent of monetary obligations to the association; Providing forms for same; Providing notice requirements; Providing for tenant immunity and compliance of demand; Providing for right of association to evict tenant	Both