



**2025 STATUTORY CHANGES
AFFECTING CONDOMINIUM ASSOCIATIONS, COOPERATIVE
ASSOCIATIONS, HOMEOWNERS ASSOCIATIONS
AND ALL COMMUNITY ASSOCIATIONS**

This memorandum is furnished without charge to our community association clients.

The information in this update is a summary of recent changes in Florida Statutes. It is intended to provide general information and is not intended as legal advice to your particular community association. You are urged to contact your association's attorney regarding the specific applicability of this information to your association.

Prepared by Robert Burr, Esq., Florida Bar Board Certified in Condominium and Planned Development Law. References to the "Statute" refer to the applicable Statute(s) being amended. References to the "Division" refer to the Division of Florida Condominiums, Timeshares and Mobile Homes. The term "CAM" refers to a licensed community association manager. At the end of each area, we state in brackets [] the effective date, the applicable Statute(s) being changed or created, and the Senate Bill or House Bill creating the changes.

All these changes are contained in House Bill 913. The changes take effect July 1, 2025.

The term SIRS means a Structural Integrity Reserve Study. The term CAM means a Community Association Manager.

I. CHANGES SPECIFICALLY AFFECTING CONDOMINIUM ASSOCIATIONS: The Florida Legislature has made a number of changes affecting condominium associations as follows:

Clarification of Condominiums Which Must Have Milestone Inspections: The existing Statute provided that a condominium or cooperative building that is 3 stories or more in height must have milestone inspections performed. The Statute was amended

to clarify that this applies to condominiums and cooperatives which have 3 or more "habitable" stories. The Statute was further amended to require counties and municipalities to adopt an ordinance requiring owners to perform repairs if required following a milestone inspection report. [Applicable Statute F.S. 553.899]

Milestone Inspections and Repairs Thereafter -- Conflict of Interest: An architect or engineer who bids to perform a milestone inspection for a condominium or cooperative must disclose his or her intent to bid on any services related to maintenance, repair or replacement which may be recommended by the milestone inspection. This disclosure includes any person or party related to the architect or engineer. If the disclosures are not made, the contract is voidable and the professional may be subject to discipline from the state for failure to provide the disclosure. [Applicable Statute F.S. 553.899]

Local Enforcement Agency Must Report to the State Regarding Milestone Inspections: By December 31, 2025 and each year thereafter the local enforcement agency must report to the Department of Business and Professional Regulation information regarding the buildings that have performed milestone inspections. [Applicable Statute F.S. 553.899]

Material Alterations -- Newly Created Non-Residential Condominiums: For non-residential condominiums created after July 1, 2025, the declaration of condominium may be amended to change the configuration or size of a unit, and materially alter or modify the appurtenances to the unit or change the percentage by which unit owners share in the common expenses if the record owners of all affected units and all lienholders on affected units join in the execution of the amendment. [Applicable Statute F.S. 718.110(4)]

Licensure of Community Association Manager or Management Firm: Directors and officers of a condo association have a duty to ensure that the CAM and the community association management firm are properly licensed before entering into a contract. If a CAM or a community association management firm has his/her/its license suspended or revoked, the condo association may terminate the contract. [Applicable Statute F.S. 718.111(3)]

Property Insurance: Condo associations are required to maintain "adequate property insurance" for the "full insurable value, replacement cost or similar coverage." There is some ambiguity in the Statute, but the Statute appears to require the replacement cost to be determined by an insurance appraisal performed at least every three years. [Applicable Statute F.S. 718.111(11)]

Official Records: Under the official records statute F.S. 718.111(12), condo associations are required to maintain records of receipts and expenditures. This provision was amended to include all bank statements and ledgers as official records

which must be maintained. Also, with regard to official records, all affidavits required by Chapter 718 must be maintained as records, which refers to affidavits of meeting notices and other affidavits. [Applicable Statute F.S. 718.111(12)]

Director or Community Association Manager Liability Regarding Records: A director or CAM who willfully and knowingly or intentionally violates the official records statute can be guilty of a misdemeanor in the second degree. Any person who willfully and knowingly or intentionally defaces or destroys accounting records required to be maintained or who willfully or knowingly or intentionally fails to create and maintain accounting records commits a misdemeanor in the first degree. [Applicable Statute F.S. 718.111(12)]

Official Records Posted on Website within 30 Days: If a document/record is required be made available on the website or on a mobile app, that must be made available within 30 days after the association receives or creates the official record. [Applicable Statute F.S. 718.111(12)]

Records Which Must Be Posted on the Website: The list of what official records must be posted on the website has been amended to include additional items. All affidavits required by Chapter 718 (affidavits of meeting, notice having been given, etc. must be posted on the website). Approved minutes of all board meetings over the preceding 12 months must be posted on the website.

If the association conducts board meetings, owner meetings or committee meetings by video conference, the video recording or hyperlink to the video recording or any such video conferences over the preceding 12 months must be posted on the website. [Applicable Statute F.S. 718.111(12)]

Year-End Financial Reporting: The deadline by which the association must provide owners with the year-end financial report is expanded from 120 days to 180 days after the end of the fiscal year. If a condo association wants to take a unit owner vote to approve a less rigorous form of year-end financial reporting (example: a compilation or review instead of an audit), the unit owner vote requirement has increased. Approval by a majority of the total voting interests (a majority of the total number of units voting yes) is required. [Applicable Statute F.S. 718.111(13)]

Investment of Association Funds: A new Section 718.111(16) has been created regarding investment of association funds. A condo board shall in fulfilling its duty to manage operating and reserve funds, use its best efforts to make prudent investment decisions that carefully consider the risk and reward in an effort to maximize returns on investment funds. A condo association may invest funds in certificates of deposit or in depository accounts at a community bank, savings bank, commercial bank, savings and loan association or credit union without a vote of the unit owners. [Applicable Statute F.S. 718.111(16)]

Video Conference Meetings -- Requirements:

The Statute has been amended to specifically provide that board of directors meetings and unit owner meetings may be conducted by video conference (Zoom, etc.). The Statute requires the Division of Florida Condominiums to adopt rules governing the requirements for such meetings.

The notice for any association meeting conducted by video conference must have a hyperlink and call-in conference telephone number for unit owners to attend **and must have a physical location where unit owners can attend the meeting in person.** All meetings conducted by video conference must be recorded, and such recording must be maintained as an official record of the condo association for 12 months. Please also see the requirement above regarding posting on the website. Please see the section below regarding unit owner meetings. [Applicable Statutes F.S. 718.103(33), 718.111(12), 718.112(2)(c) and 718.112(2)(d)]

Unit Owner Meetings -- Location: The annual members' meeting must be conducted within 15 miles of the condominium property or within the same county as the condominium property. [Applicable Statute F.S. 718.112(2)(d)]

Conducting Unit Owner Meetings, Including Annual Meeting and Meetings by Video Conference: The Statute provides that unit owner meetings, including annual members' meetings, may be conducted in person or by video conference. If the annual members' meeting (unit owners meeting) is conducted by video conference, a quorum of the board of directors must be physically present at the physical location where unit owners can attend the annual meeting. The physical location must be provided in the association bylaws and, if the bylaws are silent as to the physical location, the meeting must be held within 15 miles of the condominium property or within the same county as the condominium property. If the unit owner meeting is conducted by video conference, the video conference must be recorded and the recording must be maintained as an association official record for 12 months. If a unit owner meeting is conducted by video conference, a unit owner may vote electronically in the manner specified in Chapter 718. The Statute requires the Division to adopt rules regarding meetings via video conference. [Applicable Statute F.S. 718.112(2)(d)]

Posting Meeting Notices: The Statute previously provided that if a condo had the ability to broadcast notices on cable tv, meeting notices could be broadcast instead of physical posting. The Statute was amended to require physical posting in addition to broadcasting on cable tv. [Applicable Statute F.S. 718.112(2)(d)]

Budget Meetings: The annual budget meeting may be conducted by video conference. In such situation, unit owners may attend via video conference or there must be a physical location for unit owners to physically attend in person.

If the meeting is conducted by video conference, a sound transmitting device must be used so that the conversations may be heard by board members or committee members attending in person as well as unit owners present. [Applicable Statute F.S. 718.112(2)(e)]

Budget Exceeding 115 Percent of Last Year's Budget: If the board proposes a budget which exceeds 115 percent of the assessments for the last year's budget, the board shall simultaneously propose a substitute budget which does not include any "discretionary expenditures that are not required to be in the budget." The substitute budget must be proposed at the budget meeting before adoption of the annual budget. The procedure has been revised to allow unit owners to adopt a substitute budget at the meeting. When determining whether the budget exceeds 115 percent of the last year's budget, reserves and structural integrity reserves are excluded. [Applicable Statute F.S. 718.112(2)(e)]

Items for Which the Association Is Called Upon to Establish a Reserve: All condominium associations are required to establish reserves for roof, painting and paving. The Statute also called for a reserve to be established for any major item costing over \$10,000.00 to replace. This amount has been increased to \$25,000.00 or the inflation-adjusted amount determined by the Division, whichever is greater. The Statute directs the Division of Florida Condominiums to annually adjust for inflation the \$25,000.00 threshold amount and post that inflation adjusted amount on the website. [Applicable Statute F.S. 718.112(2)(f)]

Structural Integrity Reserves -- Options to Fund: If a hi-rise condominium requires structural integrity reserves, the Statute has been amended to provide some options for funding. Structural integrity reserves may be funded by regular assessments, special assessments, lines of credit, or loans. A special assessment, a line of credit, or a loan for such funding requires approval by a majority of all unit owners.

A turned over association that must have a structural integrity reserve study may secure a line of credit or loan to fund capital expenditures required by milestone inspections or a structural integrity reserve study. The line of credit or loan must be sufficient to fund the cumulative amount of any previously waived or underfunded portion of the reserve funding amounts required and the most recent structural integrity reserve study. Funding from the line of credit or loan must be immediately available for access by the board to fund the required repair or maintenance or replacement expenses without further approval by the unit owners. Disclosure and details of a special assessment, line of credit or loan for this funding must be delivered to unit owners and provided to prospective purchasers. This provision does not apply to developer-controlled associations, associations which have been in control over the developer for less than one year or an association controlled by one or more bulk assignees and bulk buyers.

Limited Ability to Pause or Reduce Reserve Fund Contributions to Fund Repairs Recommended by Milestone Inspection: For budget adopted on or before December 31, 2028, if the association has completed a milestone inspection report within the previous 2 calendar years, the board upon approval by a majority of all unit owners, may temporarily pause for not more than 2 consecutive annual budgets, reserve fund contributions or reduce the amount of reserve funding for the purpose of funding repairs recommended by the milestone inspection. This does not apply to developer-controlled associations, and an association in control from the developer for less than one year or an association controlled by bulk buyers or bulk assignees. An association that has paused reserve contributions must have a structural integrity reserve study performed before the continuation of reserve contributions in order to determine the reserve funding needs and recommend a reserve funding plan. [Applicable Statute F.S. 718.112(2)(f)]

Pooling of Reserves for Structural Reserve Components: The Statute authorizes pooling of the reserves for structural repairs -- items required by the SIRS. Reserves for SIRS components can only be pooled reserves for other SIRS components. The reserve funding stated in the budget must be sufficient to ensure that available funds meet or exceed projected expenses for all the components in the reserve pool based on the reserve funding plan or a schedule of the most recent SIRS. The Statute appears to state that a unit owner vote is not required for the board to change the accounting method for SIRS component reserves to a pooling accounting method or a straight-line accounting method. [Applicable Statute F.S. 718.112(2)(f)]

Disclosure by Professional Creating Structural Reserve Study: Any design professional who bids to perform a SIRS must disclose in writing his or her intent to bid on any maintenance, repair or replacements services that may be recommended by the SIRS. The disclosure requirement includes any person or party related to the design professional. There is a right for the association to terminate the contract if such disclosure is not made. [Applicable Statute F.S. 718.112(2)(g)]

Requirements for Structural Integrity Reserve Study: A SIRS must include a recommendation for reserve funding which is sufficient to maintain a reserve cash balance above zero. The Statute clarifies who may prepare a SIRS.

If the SIRS recommends reserves for any item for which reserves are not required, the amount of the recommended reserves must be separately identified in the SIRS.

The SIRS must take into account the funding method or methods used by the association to fund its maintenance and reserve funding obligations through regular assessments, special assessments, lines of credits or loans. If the SIRS is created before the association has approved a special assessment or secured a line of credit or a loan the SIRS must be updated to reflect the funding method used by the association and its effect on the reserve scheduling including any anticipated change in the amount

of regular assessments. The SIRS must be updated to reflect changes in the useful life of the items and the effect such repair or replacement will have on the reserve funding schedule. The association must obtain an updated SIRS before adopting any budget in which the reserve funding from regular assessments, special assessments, lines of credit or loans do not align with the funding plan of the most recent SIRS. [Applicable Statute F.S. 718.112(2)(g)]

Applicability of SIRS Funding: The requirements for SIRS funding do not apply to buildings less than 3 stories, single-family, two-family or two-family three-family or four-family dwellings with 3 or few habitable stories above ground. [Applicable Statute F.S. 718.112(2)(g)]

Deadline for SIRS: Association's existing before July 1, 2022 must have a SIRS completed by December 31, 2025 -- the Statute previously stated December 31, 2024. [Applicable Statute F.S. 718.112(2)(g)]

Delay Performance of a SIRS: If a condominium association completes a milestone inspection or an inspection completed for a similar local requirement, the association may delay performance of the required SIRS for no more than 2 consecutive years immediately following the milestone inspection in order to allow the association to focus its financial resources on completing the repair and maintenance recommendation of the milestone inspection. [Applicable Statute F.S. 718.112(2)(g)]

Officer or Director Acknowledge Receipt of SIRS: An officer or a director of a condominium association must sign an affidavit acknowledging receipt of the completed SIRS. [Applicable Statute F.S. 718.112(2)(g)]

Division to Adopt Rule for the SIRS: The Statute requires the Division of Florida Condominiums shall adopt "a form" for the SIRS. [Applicable Statute F.S. 718.112(2)(g)]

Hurricane Protection: The Statute previously provided that if a unit owner is responsible to remove or reinstall hurricane protection including windows and other items and the association does the removal or reinstallation the association could charge the unit owner for the work as an assessment. This paragraph has been removed. We note there is still lack of clarity as to this section. [Applicable Statute F.S. 718.113(5)]

Electronic Voting: Previously the Statute provided that if a board wants to adopt electronic voting for unit owners, the board had to send notice of the board meeting to adopt the process at least 14 days before the board meeting. The requirement to send notice of the board meeting 14 days before the meeting has been eliminated -- the inference is that the board can accomplish this with a 48 hour posted board meeting.

If 25% of the unit owners petition the board of directors to adopt a resolution allowing for electronic voting, the statute requires the board must hold a board meeting within 21 days regarding electronic voting.

Electronically Transmitted Ballots Without Formal E-Voting Process: The Statute provides for associations to receive and count election ballots sent via e-mail without the association adopting a formal e-voting process. There are requirements that must be satisfied. If the board of directors has not adopted a formal e-voting process, an association must designate an e-mail address for receipt of electronically transmitted ballots. There are requirements set forth in the Statute for electronic voting ballots including a space for the unit owner to type in the owner's unit number, first and last name. Typing in of the first and last name constitutes the signature of the unit owner for purposes of signing the ballot. There is a bold larger font disclosure language requirement in an electronically submitted ballot included in the new Statute -- this language addresses waiving the secrecy of the ballot. [Applicable Statute F.S. 718.128]

Termination of Contracts Before Turnover of Control by the Developer: The Statute provides for small non-residential condominiums (10 or fewer units) terminating contracts entered into before turnover of control by the developer. [Applicable Statute F.S. 718.302]

Mixed Use Condominiums: Where a portion of the building is not part of the condominium, the owner of the non-condominium portion must provide the association with a financial report of all costs for maintaining and operating the shared facilities. The Statute provides for the association to challenge the apportionment of costs. [Applicable Statute F.S. 718.407]

Duties of the Division of Florida Condominiums: The Statute revises the duties of the Division regarding milestone inspections, SIRS's and other matters. [Applicable Statute F.S. 718.501]

Association Required to Create and Maintain Online Account with the Division: By October 1, 2025, condominium associations are required to create and maintain an online account with the Division and include certain information as required by the Division and the Statute. There is a list of information required to be included on the online account. The association is required to provide the information within the time stated by the Division. [Applicable Statute F.S. 718.501]

II. CHANGES SPECIFICALLY AFFECTING COOPERATIVE ASSOCIATIONS: The Florida Legislature has made some changes affecting cooperative associations as follows.

Many of the changes above for condominium associations have been made to Chapter 719 governing cooperatives. These include investment of association funds, amounts of

reserves, milestone inspections, SIRS, pooling or reserves, design professionals, and the requirement of online account with the Division. These changes are primarily in Florida Statutes 719.104, 719.106, 719.128 and 719.501. Cooperative associations need to consult with counsel regarding the particular changes.

III. CHANGES AFFECTING ALL TYPES OF COMMUNITY ASSOCIATIONS: The Florida Legislature has made some changes affecting all community associations as follows:

Community Association Managers -- Revocation of License: A person who has had his or her community association manager (CAM) license revoked may not have an indirect or direct interest in or be an employee, partner, an officer, director or trustee of a community association management firm during the 10 year period after the effective date of the revocation. [Applicable Statute F.S. 468.432]

Community Association Managers -- Creation of Online Licensure Account: Each CAM must create and maintain an online licensure account with the Department of Business and Professional Regulation. The CAM must identify each community association for which he or she is the designated onsite community association manager. If a CAM has his or her license suspended or revoked, the DBPR must give written notice to the community association management firm and the community association for which the manager performs CAM services. [Applicable Statute F.S. 468.432]

Community Association Managers -- Violates Any State or Federal Law: A community association manager or community association management firm may not knowingly perform any act directed by a community association if such act violates any state or federal law. If a community association is subject to milestone inspection requirements or structural integrity reserve study requirements, the CAM and the management firm must comply with those sections. Any contract between a CAM or community association management firm must include certain disclosure language. A contract with a CAM or a management firm may not waive or limit the professional practice standards required by the Statute. A CAM is required to provide to members of a community association certain information regarding the hours and duties of the CAM. [Applicable Statute F.S. 468.4334]

Community Association Managers -- Conflict of Interest: The Statute clarifies and strengthens the requirements for disclosure when a community association management firm enters into a contract with an association for goods or services other than community association management services. [Applicable Statute F.S. 468.4335]

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