

CHAPTER 2023-117

Committee Substitute for Committee Substitute for Senate Bill No. 770

An act relating to residential loan alternative agreements; creating s. 475.279, F.S.; defining terms; specifying restrictions on residential loan alternative agreements for the disposition of residential real property; prohibiting a court from enforcing such agreements by certain means; providing that such agreements are void if listing services do not begin within a certain timeframe; prohibiting the clerk of the circuit court from recording such agreements; providing construction; providing that violations are unfair or deceptive trade practices; specifying penalties and remedies; providing an effective date.

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

Section 1. Section 475.279, Florida Statutes, is created to read:

475.279 Residential loan alternative agreements for the disposition of residential real property.—

(1) As used in this section, the term:

(a) “Disposition” means a transfer or voluntary conveyance of the title or other ownership interest in residential real property.

(b) “Residential loan alternative agreement” means a signed writing or a signed and written legal instrument or contract between a person and a seller or an owner of residential real property which:

1. Grants an exclusive right to a person to act as a broker for the disposition of the property;

2. Has an effective duration, inclusive of renewals, of more than 2 years; and

3. Requires the person to pay monetary compensation to the seller or owner.

(c) “Residential real property” means improved residential property of four or fewer residential dwelling units or unimproved residential real property on which four or fewer residential dwelling units may be built.

(2) A residential loan alternative agreement may not authorize a person to place a lien on or otherwise encumber any residential real property. A residential loan alternative agreement may not constitute a lien, an encumbrance, or a security interest in the residential real property. A court may not enforce a residential loan alternative agreement by a lien or

constructive trust in the residential real property or upon the proceeds of the disposition of the residential real property.

(3) A residential loan alternative agreement may not be assigned.

(4) A residential loan alternative agreement is void if listing services do not begin within 90 days after the execution of the agreement by both parties.

(5) A residential loan alternative agreement may not be recorded by the clerk of the circuit court.

(6) A residential loan alternative agreement must meet all of the requirements of this section or it is unenforceable in law or equity.

(7) Notwithstanding s. 501.212, a violation of this section is deemed an unfair or deceptive trade practice within the meaning of part II of chapter 501, and a person who violates this section is subject to the penalties and remedies provided therein.

Section 2. This act shall take effect July 1, 2023.

Approved by the Governor May 24, 2023.

Filed in Office Secretary of State May 24, 2023.