LEGISLATIVE PETITION RE: HB 1149
LEGISLATIVE PETITION RE: HB 213

**JUDGES MUST HAVE AUTHORITY TO ISSUE SANCTIONS FOR FORECLOSURE DELAYS**

**THE ORDER TO SHOW CAUSE PROVISION MUST BE EXTENDED TO ASSOCIATIONS IN MORTGAGE FORECLOSURE CASES**

Community associations suffer when homes in their communities (whether single family, townhome or condominium unit) are involved in foreclosure lawsuits if the lawsuits are not handled on an expedited basis. The Miami Herald recently reported there are more than 100,000 foreclosure cases backlogged in the court system. Many of these cases linger for two to three years without any action. The mortgagee safe harbor provision in Chapters 718 and 720, Florida Statutes leave the association without any hope of collecting desperately needed assessments, forcing the remaining owners to absorb those expenses.

HB 213 contains important provisions that will somewhat alleviate the financial loss to associations during this time. This bill:

- requires the mortgagee to notify the association if it gives the debtor more time to respond;
- allows the association to notify the court when all parties have been served and when the time runs to file a response; and
- allows the court to enter defaults and to set specific timelines for the case.

The provision creating Section 702.12 is very important. It says that the court shall award damages and expenses (which can include reimbursement of attorney's fees and compensation for losses sustained) to an association if the association can show that any action taken in the case was primarily for the purpose of unreasonable delay.

HB 1149 contains an important provision that would benefit associations stuck in the foreclosure process. It modifies Section 702.10, Florida Statutes to allow any junior lienholder (which is typically the association) to request an Order to Show Cause for the entry of Final Judgment. This process would require a hearing within 60 days to determine whether any valid defenses exist. If the Judge finds that the evidence supports the entry of a Final Judgment, Judgment will be entered that day ordering the Clerk of Court to conduct a foreclosure sale. This portion of the bill gives associations an important tool to expedite foreclosures and thereby minimize financial loss.

I/We support these provisions. We need a way to move these cases forward faster, especially when the property is vacant.

| **NAME** | **ASSOCIATION** | **POSITION** (e.g. Board Member, Unit Owner) | **DATE** |
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