

This glossary has been created for the primary purpose of assisting students enrolled in the CAM Pre-licensure course to identify and define words and terms that appear in the course's text.

Given the broad scope of the course and of the duties of community association managers, the glossary includes legal, accounting, insurance, governmental, environmental, and maintenance references, as well as industry related, terms.

In general, the words and terms are defined as they relate to Florida community associations but may have other, unrelated but pertinent, definitions.

Governmental agencies and laws are usually listed by name without reference to their jurisdiction. For example, the Florida Condominium Act will be listed as Condominium Act.

**A**

**Abandoned condominium unit:** a unit is presumed to be abandoned if the following circumstances apply:

- the unit is subject of a foreclosure action and no tenant appears to have resided in the unit for at least four continuous weeks without prior written notice to the association or
- no tenant appears to have resided in the unit for two consecutive months without prior written notice to the association, and the association is unable to contact the owner or determine the whereabouts of the owner after reasonable inquiry.

**Abstain:** formally decline to vote either for or against a proposal or motion.

**Abstention:** in parliamentary procedure, the term describing the act of a member who is present during a vote but does not vote.

**Acceleration of assessments:** the right of a community association, upon the failure of a member to pay an assessment on time, to declare all of the budget year's assessments due and payable on the date a claim of lien is filed.

**Access:** the right to exit or enter property.

**Accessibility (disability):** refers to the design of products, devices, services, or environments for people with disabilities.

**Access ramp:** a ramp that creates an accessible pathway from one level to another.

**Accessory rights:** see appurtenance.

**Accommodation (timeshare):** defined by the Florida Vacation Plan and Timesharing Act (F.S. 721) as any apartment, condominium or cooperative unit, cabin, lodge, hotel or motel room, campground, cruise ship cabin, houseboat or other vessel, recreational or other motor vehicle, or any private or commercial structure which are real or personal property and designed for overnight occupancy by one or more individuals.

**Account:** see Chart of Accounts and line item.

**Accounting:** the systematic and comprehensive recording of financial transactions pertaining to a business. Accounting also refers to the process of summarizing, analyzing, and reporting these transactions to oversight agencies, regulators, and tax collection entities.

**Accounting software:** a type of computer software used by accounting professionals to manage accounts and perform accounting operations.

**Accounts receivable:** money which is owed to an association by its members.

**Accrual based accounting:** a method of accounting that recognizes income when it is earned and expenses when they are incurred, regardless whether cash or cash equivalents were actually disbursed or received.

**Accrue:** increase

**Acoustics:** the properties or qualities of a room or building that determine how sound is transmitted in it.

**Actionable:** providing sufficient legal grounds for a lawsuit.

**Action in partition:** a court action to divide property. The action commonly occurs as a result of a dispute about the division of jointly owned property. .

**Active CAM license:** CAM has satisfied DBPR continuing education and fee requirements.

**Actual cash value:** cost of replacing damaged or destroyed property with comparable new property, minus depreciation and obsolescence. For example, a 10-year-old sofa will not be replaced at current full value because of a decade of depreciation.

**ADA:** see Americans with Disabilities Act.

**Additional insured:** one or more individuals or entities (other than those named in an insurance policy) who are protected under the terms of the same policy. Additional insureds are added by either endorsement or are listed as additional insureds in the policy.

**Ad hoc committee:** a committee formed for a specific task or objective and dissolved after the completion of the task or achievement of the objective. Most committees (other than the standing committees) are ad hoc committees.

**Adjourn:** to end or postpone a meeting.

**Adjudication:** a legal ruling or judgement by a judge or arbitrator.

**Administration:** the performance or management of business operations and decision making, as well as the efficient organization of people and other resources, to direct activities toward common goals and objectives. Often used interchangeably with management.

**Administrative late fee:** see late fee.

**Admitted carrier or insurer:** an insurance company that is authorized to operate in a particular state and is subject to the laws and regulation of the state. In the event of insolvency, the state or its authorized agent (in Florida, the Florida Insurance Guaranty Association or FIGA) will pay claims up to the maximum amount established by statute. Also known as authorized carrier.

**ADR:** see alternative dispute resolution.

**Ad valorem tax:** a tax amount based on the value of a transaction or of property.

**Adverse possession:** a method of gaining legal title to real property by the actual, open, hostile, and continuous possession of it to the exclusion of its true owner for the period prescribed by state law. Real property obtained under adverse possession does not require the claimant to pay for that land. See color of title.

**Advisory opinion:** an opinion stated by a judge or a court upon the request of a legislative body or government agency. An advisory opinion does not have force of law.

**AED:** see automated external defibrillator.

**Affidavit:** a written statement confirmed by oath or affirmation, for use as evidence in court.

**Affirmation:** a formal declaration by a person who declines to take an oath for reasons of conscience.

**Affirmative action policies:** employment programs required by federal statutes and regulations designed to remedy discriminatory practices in hiring minority group members. They include positive steps designed to eliminate existing and continuing discrimination, to remedy lingering effects of past discrimination, and to create systems and procedures to prevent future discrimination; commonly based on population percentages of minority groups in a particular area. Factors considered are race, color, sex, creed, and age.

**Agenda:** a list of items to be discussed at a formal meeting.

**Agent:** a person or entity that has the power and authority to act on behalf of another person or entity.

**Aggregate limit:** a contract provision used in insurance to limit the amount that can be paid in the policy period. An aggregate limit is the maximum dollar amount your insurer will pay to settle the insured's claims, regardless of the number of claims.

**Aggrieved party:** a party to a legal dispute alleging unjust treatment, denial, deprivation, or infringement of legal rights or claims, or having been wronged or injured. See responding party.

**Ageing report:** a periodic accounts receivable report that lists the amounts owed by delinquent members by the length of time the money has been outstanding (e.g. 30, 60, 90, 180 days and greater).

**Agreement for deed:** a written contract that is used in the sale of timeshare estates that provides that legal title will not be conveyed to a buyer until the contract price has been paid in full and the terms of payment of which extend for a period in excess of 180 days after either the date of execution of the contract or the date of completion of construction, whichever occurs later.

**AICPA:** see American Institute of Certified Public Accounts (AICPA).

**Air Carrier Access Act:** see Federal Air carrier Access Act.

**All risk insurance policy:** a policy that covers anything that is not specifically excluded.

**Alternative dispute resolution (ADR):** a term used to describe several different methods of resolving legal disputes, including mediation and arbitration, without going to court.

**Amendment:** a change, addition, or deletion designed to improve a document, such as a covenant, bylaw or law.

**Amenity:** a feature of a property whose existence increases the value or desirability of that property. An amenity can be either tangible, such as a swimming pool or fitness center, or intangible, such as proximity to a school or shopping center.

**American Institute of Certified Public Accounts (AICPA):** the national professional organization of Certified Public Accountants in the United States. It sets ethical standards for the profession and U.S. auditing standards for audits of private companies, non-profit organizations, federal, state and local governments. It also develops and grades the Uniform CPA Examination.

**Americans with Disabilities Act (ADA):** a federal law that provides civil rights protections to persons with disabilities similar to the protections that are granted to persons on the basis of race, color, sex, national origin, age, and religion. It guarantees equal opportunity for persons with disabilities in public accommodations, employment, transportation, state and local government services, and telecommunications.

**Ancillary operation:** of secondary or subordinate financial importance such as laundry rooms, valet service, parking, or vending machines.

**Annual budget:** see budget.

**Annual Corporate Report:** a report that every Florida corporation must file with the Florida Secretary of State, Division of Corporations, on an annual basis, that provides the names and addresses of the corporation's registered agent, corporate officers, and directors.

**Annual financial report or statement :** a report created annually that quantifiably describes the financial viability of a company or organization. Community associations must comply with the provisions of the applicable statute with respect to the level of detail required.

**Annualized interest rate:** the interest rate that is actually earned or paid on an investment, loan or other financial product due to the result of compounding over a given time period. It is also called the effective interest rate, the effective rate or the annual equivalent rate.

**Annual meeting or annual membership meeting:** a meeting required by statute, for all community associations to conduct business on behalf of the association. Its primary purpose is for members to elect individuals to the board of directors.

**Annual report to DBPR (condominium only):** the annual report required from all condominium associations providing the names of all financial institutions in which they have accounts.

**Application for Employer Identification Number (EIN):** also known as the Federal Employer Identification Number or the Federal Tax Identification Number, is a unique nine-digit number assigned by the Internal Revenue Service to business entities operating in the United States for the purposes of identification. When the number is used for identification rather than employment tax reporting, it is usually referred to as a Taxpayer Identification Number, and when used for the purposes of reporting employment taxes, it is usually referred to as an EIN.

**Application of payment:** the order, established by statute, in which money received from a member is applied to the member's outstanding debits. Currently, interest, late fees, fees to the management firm (administrative fee), attorney fees and court costs, and assessments (routine and special).

**Appraisal:** the act of estimating the value of real estate by a licensed appraiser. A real estate appraisal may take into account the quality of the property, values of surrounding properties, and market conditions in the area.

**Appraised value:** an evaluation of a property's value based on a given point in time that is performed by a professional appraiser.

**Appraiser:** a practitioner who has the knowledge and expertise necessary to estimate the value of an asset, or the likelihood of an event occurring, and the cost of such an occurrence. Ideally, an appraiser acts independently of the buying and selling parties in a transaction in order to arrive at the fair value of an asset without bias.

**Appurtenance:** rights that are attached and incidental to the ownership of an association unit. Examples of such rights are:

- right to use the common areas

- right of access to easements
- right to run for the association board of directors
- right to vote
- right to attend meetings
- right of access to available licensed cable television.

**Appurtenant property:** any right or restriction which goes with that property, such as an easement to gain access across the neighbor's parcel or a covenant (agreement) against blocking the neighbor's view. Any subsequent owner has the same right or restriction.

**Arbitration:** a form of alternative dispute resolution, either voluntary or mandatory, pursuant to a contract or statute, in which the parties to the dispute refer it to one or more persons (the arbitrators, arbiters, or arbitral tribunal), who will render a decision. The decision may or may not be legally binding. See mandatory non-binding arbitration and alternative dispute resolution.

**Architect:** a person who designs buildings and structures, and in many cases, also supervises their construction. Professional requirements for architects vary from place to place, but usually consist of three elements: a university degree or advanced education, a period of internship or training in an office, and examination for registration with a jurisdiction.

**Architectural change:** see architectural modification.

**Architectural control:** refers to the powers and duties of a community association to review and approve plans and/or specifications for alteration of a structure (typically restricted to its exterior) or grounds to ensure the alteration conforms to the governing documents regarding location, size, and appearance.

**Architectural control or review committee:** the committee of a community association that reviews, evaluates, and approves or denies applications for changes to a unit's or parcel's exterior appearance. Such committees are restricted to approving only changes that conform to a community's standards and guidelines as described in its governing documents.

**Architectural modification:** a change to the structure or visual appearance of the exterior of a unit or parcel or that requires prior approval of the association.

**Arm's length transaction:** a transaction in which the buyers and sellers of a product or service act independently and have no relationship to each other. In such a transaction it is both parties in the deal are acting in their own self-interest and are not subject to any pressure or duress from the other party.

**Articles of Incorporation:** the legal document which establishes the corporate entity responsible for the management, maintenance, and operation of the community association. The articles designate the corporate name, identifies the mailing address, describes the purpose of the corporation, and determines whether the corporation is to be for profit or not-for-profit. Also known as the corporate charter.

**Artificial entity:** a corporation, trust, or any entity that is not a natural person.

**ASME:** abbreviation for American Society of Mechanical Engineers. It provides a safety code for elevators that has been adopted for use by the Bureau of Elevator Safety within the Division of Hotels and Restaurants.

**Assembly:** see deliberative assembly.

**Assessed value:** the dollar value of an asset assigned by a public tax assessor for the purposes of taxation.

**Assessment:** the periodic payment that is required of every member of a community association to pay the cost of the operation and maintenance of the association. Also referred to as maintenance fee or dues.

**Asset:** any item of economic value owned by an individual or other legal entity, especially that which could be converted to cash. Examples are cash, securities, accounts receivable, inventory, office equipment, real estate, a car, and other property.

**Assignee:** a person to whom a right or liability is legally transferred.

**Assistance animal:** an animal that works, provides assistance, or performs tasks for the benefit of a person with a disability, or provides emotional support that alleviates one or more identified symptoms or effects of a person's disability. An assistance animal differs from a service animal in that an assistance animal is not recognized by the ADA, even if it is trained and certified as to the tasks it can perform.

**Association:** in addition to any entity responsible for the operation of common elements owned in undivided shares by members, any entity which operates or maintains other real property in which members have use rights, where membership in the entity is composed exclusively of members or their elected or appointed representatives and is a required condition of unit ownership.

**Association member:** see member.

**Association property:** furniture, fixtures, and equipment. Personal property rather than real property.

**Assumption agreement:** an agreement with another insurance company to contractually move insurance policies from Citizens to a private insurer. An assumption period is the time during which these policies may be transferred.

**Attorney or attorney at law:** 1. a person admitted to practice law in at least one jurisdiction and authorized to perform criminal and civil legal functions on behalf of clients. 2. a person, typically an attorney, appointed to act for another in business (see attorney-in-fact). The terms attorney and lawyer are often used interchangeably in the United States.

**Attorney ad litem:** an attorney appointed by a court to act as an advocate in a particular legal action.

**Attorney-client privilege:** a client's legal privilege to refuse to disclose, and to prevent any other person from disclosing, confidential communications between the client and his or her attorney. Such privilege protects communications between attorney and client that are made for the purpose of furnishing or obtaining professional legal advice or assistance.

**Attorney-in-fact:** someone specifically named by another through a written power of attorney to act for that person in the conduct of the appointer's business.

**At will employment:** a relationship in which an employee can be dismissed by an employer without having to establish "just cause" for termination, and without warning. Unless a written contract states otherwise the relationship between an employer and employee is understood to be at will.

**Audiotape:** magnetic tape on which sound can be recorded, often used to record a meeting.

**Audit:** a systematic and independent examination of books, accounts, documents and vouchers of an organization by a CPA to ascertain the degree to which the financial statements present a true and fair view of the organization. It also attempts to ensure that the books of accounts are properly maintained as required by law.

**Authorized carrier or insurer:** see admitted carrier or insurer.

**Authority Having Jurisdiction (AHJ):** that person or office charged with enforcing the Life Safety Code.

**Automated External Defibrillator (AED):** a portable electronic device that automatically analyzes the heart rhythm and that if it detects a problem that may respond to an electrical shock, delivers a shock to restore a normal heart rhythm.

**Automatic fire sprinkler system:** an active fire protection method, that operated with human intervention, consisting of a water supply system, providing adequate pressure and flowrate to a water distribution piping system, onto which fire sprinklers are connected.

**Automatic renewal clause:** a provision in an agreement under which it is renewed for another term after the expiration of the current term unless one of the involved parties gives a notice of its discontinuation.

**Automatic stay:** an automatic injunction that halts actions by creditors, with certain exceptions, to collect debts from a debtor who has declared bankruptcy.

**Automobile Liability Insurance:** coverage if an insured is legally liable for bodily injury or property damage caused by an automobile.

**Auxiliary aids and services:** aids and services required, under the ADA, to be provided by a public accommodation, to ensure that no individual with a disability is excluded, denied services, segregated or otherwise treated differently than other individuals, unless the public accommodation can demonstrate that taking those steps would fundamentally alter the nature of the goods, services, facilities, privileges, advantages, or accommodations being offered or would result in an undue burden, i.e., significant difficulty or expense.

**B**

**Background check:** the process of looking up and compiling criminal records, commercial records and financial records of an individual or an organization.

**Bad debt:** accounts receivable that will likely remain uncollectible and written off as a loss. An association will typically include an estimated amount (allowance) for bad debt as an expense in its annual budget.

**Bad faith:** intent to deceive

**Balance sheet:** an accounting term referring to a listing of a company's assets, liabilities and surplus as of a specific date.

**Ballot:** anything used to determine a voter's preference in an election, such as a piece of paper or an electronic transmission.

**Bank:** a financial institution licensed to receive deposits and make loans. Banks may also provide financial services, such as wealth management, currency exchange and safe deposit boxes.

**Bank account:** an arrangement made with a bank whereby one may deposit and withdraw money and in some cases be paid interest.

**Bankruptcy:** a legal status of a person or other entity that cannot repay debts to creditors. In most jurisdictions, bankruptcy is imposed by a court order, often initiated by the debtor.

**Bank statement:** a record, typically sent to the account holder every month, summarizing all the transactions in an account throughout the time from the previous statement to the current statement.

**Basic form:** a causes of loss form of insurance that provides coverage for the following named perils: fire, lightning, explosion, smoke, windstorm, hail, riot, civil commotion, aircraft, vehicles, vandalism, sprinkler leakage, sinkhole collapse, and volcanic action.

**Biennial:** occurring every two years.

**Beneficial interest:** an interest held by a beneficiary of a trust in the trust property, the legal title of which is held by the trustee. The beneficiary receives the advantages of ownership of the property which the trustee holds and distributes according to the terms of the trust agreement. An indirect beneficial interest occurs when someone, related to a beneficiary, but not a beneficiary, derives a benefit from the trust property.

**Beneficial use:** a legal term describing a person's right to enjoy the benefits of a specific property, especially a view or access to light, air, or water, even though title to that property is held by another person.

**Bequest:** a gift of personal property, as opposed to real property, made in a will.

**Betterment:** an improvement that increases an asset's, such as property, value. General repair or maintenance to maintain an asset's current value is not considered betterment.

**Bid:** a proposal to perform a service and/or provide material, equipment, or supplies for a particular price.

**Bid bond:** A bid bond ensures that on acceptance of a bid by the customer the contractor will proceed with the contract and will replace the bid bond with a performance bond. Otherwise, the guarantor will pay the customer the difference between the contractor's bid and the next highest bidder. See performance bond.

**Bid-rigging:** a form of fraud in which a commercial contract is promised to one party even though for the sake of appearance several other parties also present a bid.

**Binding arbitration:** a type of arbitration where the arbitrator's decision cannot be appealed.

**Blockbusting:** the illegal act of profiteering by inducing property owners to sell hastily and often at a loss by appeals to fears of depressed values because of a threatened minority encroachment and then reselling at inflated prices.

**Board:** see board of directors.

**Board meeting:** a meeting of the board to transact association business.

**Board member:** see director.

**Board of Accountancy (BOA):** the state board responsible for creating requirements for certification, licensure, and reciprocity of certified public accountants. It is under the Division of Certified Public Accounting, a division of the Department of Business and Professional Regulation.

**Board of administration:** see board of directors.

**Board of directors:** a body of elected or appointed members who jointly manage, operate, and govern the activities of a community association. Other names include board of governors and board of administration, or simply the board.

**Board of governors:** see board of directors.

**Board seat:** a position of membership of a board, especially a board of directors.

**Boiler and machinery coverage:** a form of insurance that provides coverage for losses resulting from the breakdown of equipment. It is also referred to as equipment breakdown insurance it covers the cost of

repairing or replacing the damaged equipment and financial losses incurred resulting from the equipment breakdown. This type of insurance can cover a wide range of equipment, including HVAC systems, ovens, boilers and furnaces, refrigeration units, elevators, and office equipment.

**Bond:** a fixed income investment in which an investor loans money to an entity (typically corporate or governmental) which borrows the funds for a defined period of time at a variable or fixed interest rate.

**Books of account:** the financial records, ledgers and journals that make up the accounts of a company. A company's books of account, or "books", represent the financial memory of the company, and are crucial for continuity, decision-making, analysis of company performance, and ensuring regulatory compliance.

**Breach of contract:** failure to perform any term of a contract, written or oral, without a legitimate legal excuse.

**Broadcast:** transmit (a program or some information) by radio or television.

**Broadcast notice:** a method of noticing an association meeting which uses an in-house television channel or an Internet site to provide meeting information.

**Budget:** an estimate of revenue and expenses for a set period of time, typically a year.

**Budget package:** the set of documents required to be sent to members of a community association prior to the annual budget meeting. It includes the proposed budget, fully funded reserve schedule, and the assessment for each type of unit or parcel.

**Building code:** state, county or municipal regulations that set forth standards and requirements for construction, maintenance, and occupancy of buildings in the interest of the health, safety, and welfare of the public.

**Building footprint:** the area on a project site that is used by the building structure and is defined by the perimeter of the building plan. Parking lots, landscapes, and other nonbuilding facilities are not included in the building footprint.

**Building Maintenance and Replacement Report:** a report, required by the Condominium Act, to be provided to prospective buyers of new condominium developments and condominium conversions. The report must be issued under the seal of a state licensed architect or engineer. It describes the required maintenance, useful life, and replacement cost of common elements such as the roof, elevators, and drainage systems.

**Bulk assignee:** a buyer of units within a distressed condominium association who acquires more than seven parcels in a single association after July 1, 2010, and prior to July 1, 2018, as determined by county records, and receives assignment of some or all of the rights of a developer, as set forth in the declaration or statute, by a written document in the county records, or by a final judgment or certificate of title that is issued at a foreclosure sale.

**Bulk buyer:** a buyer of units within a distressed condominium association who acquires more than seven parcels in a single association after July 1, 2010, and prior to July 1, 2018, but does not receive assignment of developer rights other than the right to conduct sales, marketing, and leasing activities within the association, is exempt from payment of working capital contributions arising out of, or in connection with its acquisition of units, and is exempt from any rights of first refusal from the association.

**Bulk owner:** either a bulk buyer and bulk assignee.

**Bulk rate contract:** a contract in which an association negotiates and enters into on behalf of its members, for services such as television, Internet, and telephone for the purpose of obtaining a more favorable rate for its members than each member would be able to obtain by entering into an individual contract.

**Bulk rate services:** see bulk rate contract.

**Bulk services:** see bulk rate contract.

**Bureau of Compliance:** a section of the Division of Florida Condominiums, Timeshares, and Mobile Homes responsible for enforcing compliance with applicable laws and rules.

**Bureau of Standards and Registration:** a section of the Division of Florida Condominiums, Timeshares, and Mobile Homes responsible for the review and approval of all public disclosure documentation prepared by developers offering condominiums, cooperatives, timeshares, subdivided lands, and leased spaces in mobile home parks to the public.

**Business judgment rule:** a standard used by courts in lawsuits alleging a corporation's director violated his duty of care to the company. Under this standard, a court will not second guess the decisions of a director as long as they are made (1) in good faith, (2) with the care that a reasonably prudent person would use, and (3) with the reasonable belief that they are acting in the best interests of the corporation.

**Buyer:** any person who contracts to acquire an asset, such as real property, in return for some form of consideration.

**Bylaws:** the document that establishes the formal structure and procedures for governing and operating a community association. Among other provisions, they define the powers of the board of directors and its officers.

## **C**

**CAB:** see community association business.

**CAI:** see Community Associations Institute.

**CAM:** see community association manager or certified apartment manager.

**Candidate:** a person that is nominated and legally qualified to serve as a member of a board of directors.

**Candidate information sheet:** The Condominium and Cooperative Acts' administrative rules provide that upon the timely request of a candidate the association shall include, with the second notice of election a copy of an information sheet which may describe the candidate's background, education, and qualifications. The information contained therein shall not exceed one side of the sheet, which shall be no larger than 8 1/2 inches by 11 inches. Any candidate desiring the association to mail or personally deliver copies of an information sheet to the eligible voters must furnish the information sheet to the association not less than 35 days before the election.

**Capacity (legal definition):** the ability, capability, or fitness to do something; a legal right, power, or competency to perform some act. An ability to comprehend both the nature and consequences of one's act.

**Capital:** a term for financial assets or their financial value, as well as the tangible assets of production and facilities. A tangible asset is an asset that has a physical form such as equipment or a structure.

**Capital equipment:** an asset with an acquisition cost that exceeds a set amount, often \$5,000, and have a lifespan of more than a year.

**Capital expenditure:** any expenditure of funds for the purchase or replacement of an asset whose useful life is greater than one year or for the repair of an asset that will extend the useful life of the asset for a period greater than one year.

**Capital expense:** see capital expenditure.

**Capital project:** an expensive and often long-term project designed to improve upon, repair, or replace an asset.

**Carbon monoxide detector:** a device that detects the presence of carbon monoxide (CO) gas in order to prevent carbon monoxide poisoning.

**Carrier:** see insurance carrier.

**Carryover:** the surplus of an association at the end of its fiscal year, that may be applied as a revenue in the following year's budget, a proposed special assessment, or transferred to one or more reserve accounts. See surplus.

**Case law:** the law developed through the courts over time, based upon precedent. It is also referred to as common law and is distinguished from constitutional and statutory law. Case law is based on legal principles developed in earlier case law.

**Cash:** in economics, cash is money in the physical form of currency, such as banknotes and coins. In bookkeeping and finance, cash is current assets comprising currency or currency equivalents that can be accessed immediately or near-immediately.

**Cash basis accounting:** an accounting method that recognizes revenue and expenses at the time cash is actually received or paid out.

**Cash flow statement:** see statement of cash flows.

**Cash receipts report:** a cash basis report of income and expenses.

**Casualty insurance:** that type of insurance that is primarily concerned with losses caused by injuries to persons and legal liability imposed upon the insured for such injury or for damage to property of others. It also includes such diverse forms as plate glass, insurance against crime, such as robbery, burglary and forgery, boiler and machinery insurance and Aviation insurance. Many casualty companies also write surety business

**Casualty loss:** liability or loss resulting from an accident.

**Catastrophic Ground Cover Collapse:** defined by Florida law as geological activity that results in all of the following:

1. the abrupt collapse of the ground cover
2. a depression in the ground cover clearly visible to the naked eye
3. structural damage, other than settling or cracking, of a building or structure including the foundation.
4. the insured structure being condemned and ordered to be vacated by the government agency authorized by law to issue such an order for that structure.

See sinkhole.

**CAT Fund:** see Florida Hurricane Catastrophe Fund.

**Cause of action:** in law, a set of facts sufficient to justify a right to sue to obtain money, property, or the enforcement of a right against another party.

**CC&Rs:** see covenants, conditions & restrictions.

**CCTV:** see closed circuit television.

**CDC:** see Center for Disease Control and Prevention.

**CE:** see common element.

**CE:** see Continuing Education.

**Center for Disease Control and Prevention (CDC):** the federal agency whose main goal is to protect public health and safety through the control and prevention of disease, injury, and disability in the US and internationally.

**CEO:** see chief executive officer.

**Certificate holder:** the entity listed in the left-hand box at the bottom of a certificate of insurance that has requested the certificate. The certificate holder is not an additional insured unless they are listed as an additional insured in the policy or by endorsement. See certificate of insurance and additional insured.

**Certificate of amendment:** a certificate that must be filed by condominiums and HOA's and recorded by the clerk of the court for an amendment to its documents to become effective.

**Certificate of insurance:** a document issued by an insurance company/broker that is used to verify the existence of insurance coverage, under specific conditions, granted to listed individuals. The document lists the effective date of the policy, the type of insurance coverage purchased, and the types and dollar amount of applicable liability. A certificate of insurance is often demanded by community associations from a contractor or vendor in situations where liability and large losses are a concern. A certificate of insurance provides proof that losses caused by the contractor or vendor are covered by their liability insurance policy. It is also issued by an association to owners with mortgages to provide proof to their mortgage holders that the association's property and assets are adequately insured. See certificate holder and additional insured.

**Certificate of mapping:** a written assurance from a licensed mapper that the map has been prepared to a certain standard of care or practice.

**Certificate of operation:** an operating certificate is a category of license issued by a government agency allowing an individual or company to provide a controlled type of service. These certificates are generally issued for a limited time period.

**Certificate of survey:** a written assurance from a licensed land surveyor that the survey has been prepared to a certain standard of care or practice.

**Certification:** the action or process of providing someone or something with an official document attesting to a status or level of achievement.

**Certified Apartment Manager (CAM):** a person certified by the National Apartment Association as possessing the skills, knowledge, and ability to manage an apartment rental community and achieve the owners' investment goals.

**Certified mail:** a delivery service in which the sender receives a certificate indicating a letter or package has been sent and the recipient gives their signature when it has been delivered.

**Certified or registered process server:** a person that is certified and trained to deliver (serve) legal documents to individuals and companies, known as defendants or parties.

**Certified Public Accountant (CPA):** an accountant, licensed by the state, who is permitted to perform all the tasks of an ordinary accountant in addition to examining the books and records of a business organization, such as a corporation.

**CFR:** see Code of Federal Regulations

**Chain of command:** the order of hierarchy (a system by which employees are ranked as being higher or lower than other employees) by which an organization exercises and delegates authority and power from top management to every employee at every level of the organization.

**Chair, chairperson, or chairman:** the presiding officer of a deliberative assembly responsible for conducting meetings in conformance with the assembly's rules of order.

**Charged by indictment:** see indictment.

**Charged by information:** a formal criminal charge made by a prosecutor, without the necessity of obtaining a grand jury indictment.

**Chart of Accounts (COA):** a list of the accounts created and used by an organization to define each class of items for which money or the equivalent is spent or received. It is used to organize the finances of the entity and to segregate expenditures, revenue, assets, and liabilities in order to give interested parties a better understanding of the financial health of the entity.

**Check:** a written, dated, and signed document in which the writer orders their bank to pay to the receiver of the check a stated amount of money.

**Check ledger or register:** a cash disbursements journal used to record all of the checks, cash payments, and outlays of cash, during an accounting period.

**Chief Executive Officer (CEO):** the position of the most senior corporate officer, executive, leader or administrator in charge of managing an organization.

**Chlorinated isocyanurates:** chemical compounds used primarily as sanitizing agents for swimming pools, spas, and industrial water, and as disinfecting and bleaching agents for detergents, bleaches, and cleansers.

**Chose in action:** a property right or right of possession of something that can only be obtained or enforced through legal action.

**Circuit court:** the court in which the majority of jury trials in Florida take place. The circuit courts are sometimes referred to as courts of general jurisdiction, in recognition of the fact that most criminal and civil cases originate at this level. See county court.

**Circular E:** see Publication 15.

**Citation:** an instrument which is served upon a community association manager for the purpose of assessing a penalty for a minor violation of the statutes or rules regulated by DBPR and if there is no substantial threat to the public's health, safety, and welfare.

**Citizens Property Insurance Corporation (Citizens):** provides windstorm and general property insurance for homeowners who cannot obtain such insurance elsewhere. It was established by the Florida Legislature in Section 627.351(6) of Florida Statutes as a not-for-profit insurer of last resort.

**Civil cause of action:** see cause of action.

**Cladding:** see exterior insulation and finish system (EIFS).

**Claim:** see insurance claim.

**Claim of lien:** see lien.

**Claim of title:** an unwritten assertion of ownership.

**Claims-made basis insurance policy:** provides coverage for a claim that is brought within the policy period, no matter when the loss occurred.

**Class D license:** the license required, issued by the Florida Department of Agriculture, to operate as a security officer in Florida.

**Class G license:** the license required, issued by the Florida Department of Agriculture, to operate as an armed security officer in Florida.

**Class of members:** a group of community association members distinguished from other members of the same association by possessing differing rights and responsibilities typically for voting and assessment purposes, often based upon the size or type of their unit or parcel.

**Class voting:** see class of members.

**Clause (legal):** a section of a legal document.

**Clearance:** clear space allowed for a thing to move past or under another; a term used in ADA accessibility for disabled persons requirements in playgrounds.

**Clerk of the Court:** an officer of the court whose responsibilities include maintaining the records of the court.

**Closed circuit television (CCTV):** a system of televising by cable to designated viewing sets.

**Cloud computing or on-demand computing:** a type of Internet-based computing that provides shared processing resources and data to computers and other devices on demand.

**Code of Federal Regulations (CFR):** general and permanent rules that are published in the Federal Register by the executive departments and agencies of the federal government to interpret and implement federal laws.

**Coinsurance:** a provision of an insurance policy that provides that the insurance company and the insured will apportion between them any loss covered by the policy according to a fixed percentage of the value for which the property is insured. If a policy has a 100% coinsurance requirement the insurance company pays the entire claim up to the policy limits less any deductible.

**COLA:** see cost of living adjustment.

**Collateral:** something pledged as security for repayment of a loan, to be forfeited in the event of a default.

**Collection policy:** a detailed statement of steps to be taken regarding when and how past-due amounts are to be collected.

**Color of title:** in property law, refers to a claim to title which appears valid, but may be legally defective. It is often raised in adverse possession claims.

**Commercial lines insurance:** refers to insurance for businesses, professionals and commercial establishments. Community associations are businesses and are covered by commercial lines policies.

**Commercial residential insurance:** a term for property insurance provided to community associations, but not to individual owners within an association. See residential insurance.

**Commercial self-insurance fund:** see self-insurance fund.

**Commingle:** combine, typically used when referring to monies from different sources being combined into a single bank or financial account.

**Commissioner of Deeds:** an officer appointed by the Governor, with the authority to take acknowledgments, proofs of execution, and oaths in connection with the execution of any deed, mortgage, deed of trust, contract, power of attorney, or any other writing to be used or recorded in connection with a timeshare estate, personal property timeshare interest, timeshare license, any property subject to a timeshare plan, or the operation of a timeshare plan located within this state; provided such instrument or writing is executed outside the United States.

**Commission on Human Relations (CHR):** the state agency that provides services at the state level similar to those that the EEOC provides at the federal level. See Equal Employment Opportunity Commission.

**Committee:** typically, an advisory body composed of one or more persons, appointed by the board of directors, president, or other authorized person, to make recommendations regarding an issue or issues of concern. A committee may be granted decision making authority by the board. The authority to create committees is derived from the association's governing documents.

**Common area:** all real property within a homeowners' association which is owned or leased by an association or dedicated for use or maintenance by the association or its members. Also referred to as common property.

**Common area use fee:** see use fee.

**Common element:** the portions of the condominium or cooperative property not included in the units. Also referred to as common property.

**Common expense:** all expenses properly incurred by the association.

**Common interest community:** include condominiums, retirement communities, vacation timeshares, and other housing developments comprised of individually owned units, in addition to shared facilities and common areas. They are usually created through a set of legal documents drafted by the developer, which may change according to the community's needs. Typically, these types of communities are governed by an association made up of the individual members, most often through an elected board. Also known as a common-interest development or CID.

**Common interest ownership:** collective ownership of a property by two or more persons that is held in the name of a community association. See community association.

**Common interest realty association (CIRA):** see community association.

**Common law:** a body of unwritten laws based on precedents established by the courts. Common law influences the decision-making process in novel cases where the outcome cannot be determined based on existing statutes.

**Common law rules of employment:** provides that anyone who performs services for an employer is an employee if the employer can control what will be done and how it will be done. This is so even when the employer gives the employee freedom of action. What matters is that the employer has the right to control the details of how the services are performed.

**Common property:** see common element, common area.

**Common surplus:** the excess of all monies that are retained by the association after the deduction of all expenses that are incurred in carrying out the business of the association.

**Communication services:** see bulk rate contract.

**Community association:** Real or personal property, owned by two or more entities, based upon a legally binding agreement between the association and each member. A community association can be residential or non-residential. See legally binding agreement.

**Community association business (CAB):** is a corporation, limited liability company, partnership, trust, association, sole proprietorship, or other similar organization engaging in the business of community association management for compensation or remuneration. Also referred to as community association management firm.

**Community association concept:** the concept that a community association is established with principles similar to those of government, that its primary purpose is to preserve, maintain, and enhance the property, the association, and its assets, and to promote social harmony.

**Community association management firm:** see community association business.

**Community Association Manager (CAM):** a state licensed person who performs certain practices for a community association requiring substantial specialized knowledge, judgment, and managerial skill, for compensation or remuneration.

**Community association member:** see member.

**Community Associations Institute (CAI):** an international member organization that serves community associations through education, advocacy, and research.

**Community development master plan (CDMP):** a plan that shows an overall development concept that includes urban design, landscaping, infrastructure, service provision, circulation, present and future land use, and type and form of building structures. It consists of three-dimensional images, texts, diagrams, statistics, reports, maps and aerial photos that describe how a specific location will be developed. It provides a structured approach and creates a clear framework for developing an area.

**Companion animal:** see emotional support animal.

**Compensation:** receipt of money or any benefit for the provision of a specific service or services. Also referred to as remuneration.

**Competitive bidding:** a process by which an organization selects from among competing vendors or contractors who have submitted bids at the request of the organization. Bids are usually sealed and selection occurs through either an open bidding process, in which they are revealed in view of the bidders, or a closed bidding process, in which they are opened in a closed session. The process is designed to increase the competitiveness of pricing and minimize the preferential treatment.

**Compilation:** a financial report based on financial statements that are prepared or compiled by an organization's outside accountant and are based solely upon the representations of the organization. The financial statements are not reviewed or audited, and the accountant offers no opinion or assurances as to their accuracy or legality.

**Comprehensive master development plan (CDMP):** a plan made by a government or government agency to guide the long-term physical development of a particular area. It both expresses and regulates public policies on transportation, utilities, land use, recreation, and housing. Comprehensive plans typically encompass large geographical areas, a broad range of topics, and cover a long-term time horizon.

**Condominium:** a form of ownership of real property created pursuant to F.S. 718, which is comprised entirely of units that may be owned by one or more persons, and in which there is, appurtenant to each unit, an undivided share in common elements.

**Condominium Act (F.S. 718):** the statute governing the requirements for creating and operating a condominium, the rights and obligations of the developer and the association, the requirements for special types of condominiums, the requirements for the regulation of condominiums and for the conversion to condominiums, and the protections afforded to owners of distressed condominiums.

**Condominium association:** a legal organization of unit owners responsible for the maintenance of common areas and enforcement of the association's governing documents, rules and regulations, and regulated by the Condominium Act.

**Condominium conversion:** see conversion.

**Condominium governance form:** a form issued by the Bureau of Compliance of the Division of Florida Condominiums, Timeshares, and Mobile Homes to serve as an informal educational overview of condominium governance. It summarizes the role of the board in conducting the business of the association, as well as certain rights and responsibilities of members and the board.

**Condominium member coverage:** statutory insurance requirements for condominium members.

**Condominium Ombudsman:** an advocate, established by statute, for condominium association owners, board members, and associations. The Ombudsman is appointed by the Governor and serves at his or her pleasure.

**Condominium parcel:** a unit, together with the undivided share in the common elements appurtenant to the unit.

**Condominium property:** the lands, leaseholds, and personal property that are subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the condominium.

**Condominium questionnaire:** a document required by lenders who finance purchase of a condominium. The document provides evidence that the condominium project is in compliance with a lender's underwriting requirements.

**Condominium termination:** the dissolution of a condominium.

**Condominium timeshare:** a community association that is subject to both F.S. 718 and F.S. 721.

**Condominium unit:** a part of the condominium property, specified in the documents, which is subject to exclusive ownership, conveyed by deed. It is the air space within the perimeter walls, ceiling, and floor of the specified property, as well as the floor coverings or finishes, cabinets, and appliances.

**Condominium website:** a website created and maintained by a condominium association or a third-party provider. See website and web portal.

**Conflict of interest:** a term used to describe the situation in which a public official or fiduciary who, contrary to the obligation and absolute duty to act for the benefit of the public or a designated party, exploits the relationship for personal benefit, typically financial.

**Consanguinity:** the fact of being descended from the same ancestor. See third degree of consanguinity.

**Consideration:** anything of value promised to another when making a contract. It can take the form of money, physical objects, services, promised actions, abstinence from a future action, and much more.

**Constitutional law:** a body of law which defines the role, powers, and structure of different entities within a nation, namely, the executive, the parliament or legislature, and the judiciary; as well as the basic rights of citizens and, in federal countries such as the United States and Canada, the relationship between the central government and state, provincial, or territorial governments.

**Construction Defects Act (F.S. 558):** the statute requires an aggrieved homeowner to provide contractors and other responsible parties with prior written notice of alleged construction defects and provide an opportunity, through alternative dispute resolution, to resolve claims and/or correct construction defects before filing suit. This law applies to damage claims arising from defects associated with residential construction and excludes claims for personal injury and specific performance.

**Construction Lien Law (F.S. 713, Part I):** enables those who provide a construction related service or materials to a customer and have not been paid in full, the right to enforce their claim for payment by placing a construction lien against the customer's real property. It grants the same right to subcontractors and suppliers who have not been paid in full by the customer's contractor, even if the customer has paid the contractor in full.

**Construction of mechanic's lien:** a security interest in the title to property for the benefit of those who have supplied labor or materials that improve the property.

**Constructive Notice:** A fiction that a person received notice even though actual notice was not personally delivered. The legal advertisement of a summons in an approved newspaper is treated as constructive notice, just as if the summons had been served personally.

**Consumer Collection Practices: Prohibited Practices Generally (F.S. 559.72):** the section of F.S. 559 that describes prohibited debt collection practices.

**Consumer Price Index (CPI):** a U.S. Bureau of Labor Statistics index that expresses the current prices of a basket of goods and services in terms of the prices during the same period in a previous year, to show the effect of inflation on purchasing power.

**Consumer resale timeshare interest:** a timeshare interest owned by a purchaser, one or more reserved occupancy rights relating to a timeshare interest owned by a purchaser, or one or more reserved occupancy rights relating to, or arranged through, an exchange program in which a purchaser is a member.

**Contingent:** depending on an event (as an emergency) that may but is not certain to occur.

**Contingent loss:** A potential loss that is dependent upon some future event occurring or not occurring.

**Continuing Education (CE):** classroom, online, or correspondence courses, approved by DBPR. CAMs are required to complete 20 CE hours during the second and every subsequent licensure period after the initial licensure period to maintain their license in an active status. CE courses are categorized into four areas, human resources, insurance and financial management, legal update, and operations.

**Contract:** an agreement creating obligations enforceable by law. The basic elements of a contract are mutual assent, consideration, capacity, and legality.

**Contracts clause:** a clause in the Florida Constitution that prohibits the enactment of a law that impairs substantive rights within a contract.

**Contract for sale:** the form of agreement for sale or lease (cooperatives) of units that describes the terms of purchase and is executed by both the buyer and the seller.

**Contract of employment:** a legally enforceable agreement, either oral or written ... which defines terms and conditions of employment. The contract lists the rights, expectations and obligations of both the employer and the individual.

**Contractor:** a person or company that enters into a contract with another party to provide the party with materials or labor to perform a service.

**Contractual risk transfer:** a non-insurance contract or agreement between two parties in which one party assumes certain risks of financial loss from the other. Examples are indemnity and exculpatory agreements, and waiver of recovery rights

**Controlled substance:** a drug which has been declared by federal or state law to be illegal for sale or use, but may be dispensed under a physician's prescription. See drug free workplace.

**Conversion:** the process of converting the form of ownership of an existing structure to that of a specific type of community association.

**Conversion Engineering Report:** a report required by F.S. 718.616 and 719.616, issued under the seal of a state licensed engineer or architect, of the existing condition of a building that has been converted to a condominium or cooperative. The report describes the date and type of construction, the prior use of the building, whether there is termite damage or infestation and whether the termite damage or infestation, if any, has been properly treated, and the condition of specific components such as the roof, plumbing, and swimming pool. If the proposed condominium or cooperative is situated within a municipality, the disclosure shall include a letter from the municipality acknowledging that the municipality has been notified of the proposed creation of a residential condominium or cooperative by conversion of existing, previously occupied improvements and, in any county, acknowledging compliance with applicable zoning requirements as determined by the municipality.

**Converter reserve account:** a reserve account for capital expenditures and deferred maintenance a developer of a property intended to be converted to a condominium or cooperative is required to create and fund unless it provides warranties or post a surety bond in conformance with statutes.

**Convey:** the act of transferring an ownership interest in real property from one party to another. It also refers to the written instrument, such as a title, deed or lease that transfers legal title of a property from the seller to the buyer.

**Cooperative:** a form of ownership of real property wherein all real property is owned by a corporation, each member owns a share of the corporation, has a proprietary lease for the exclusive use of their unit, has the right of use of the common elements, as well as other appurtenances.

**Cooperative Act (F.S. 719):** the statute governing the requirements for creating and operating a cooperative, the rights and obligations of the developer and the association, the requirements for special types of cooperatives, the requirements for the regulation of cooperatives, and for the conversion to cooperatives.

**Cooperative association:** the corporation that owns the cooperative property and is responsible for its governance and management. It is regulated by the Cooperative Act.

**Cooperative property:** the lands, leaseholds, and personal property owned by a cooperative association.

**Cooperative timeshare:** a community association that is subject to both F.S. 719 and F.S. 721.

**Cooperative unit:** a part of the cooperative property which is subject to exclusive use and possession. A unit may be improvements, land, or land and improvements together, as specified in the cooperative documents. See improvement.

**Cooperative unit owner:** the person holding a share in the cooperative association and a lease or other muniment of title or possession of a unit that is granted by the association as the owner of the cooperative property.

**Coping:** a structural component located at the swimming pool edge, where the swimming pool wall meets the pool deck or the top of the pool. It serves as a cap or cover for the pool edges.

**Corporate charter:** see articles of incorporation.

**Corporate law:** the body of law governing the rights, relations, and conduct of persons, companies, organizations and businesses.

**Corporation:** a legal entity that is separate and distinct from its owners. Corporations enjoy most of the rights and responsibilities that an individual possesses; that is, a corporation has the right to enter into contracts, loan and borrow money, sue and be sued, hire employees, own assets and pay taxes.

**Corrective maintenance:** a maintenance task or operation that is performed to correct a particular fault, to restore a failed machine, equipment, or system to an operational condition.

**Correspondence:** any written or digital communication exchanged by two or more parties.

**Cost of living adjustment (COLA):** an act of adjusting wages to create economic balance for the changes in the cost of living. A COLA is measured by the Consumer Price Index (CPI or cost-of-living index), which calculates the changes in consumer prices.

**County:** a political and administrative division of a state, providing certain local governmental services. See municipality.

**County court:** a court whose jurisdiction is limited to civil disputes involving \$15,000 or less. The majority of non-jury trials in Florida take place before one judge sitting as a judge of the county court. The county courts are sometimes referred to as "the people's courts," probably because a large part of the courts' work involves voluminous citizen disputes, such as traffic offenses, less serious criminal matters (misdemeanors), and relatively small monetary disputes. See circuit court.

**Court:** a governmental body consisting of one or more judges who adjudicate disputes and administer justice in accordance with law.

**Court file:** see file.

**Court of competent jurisdiction:** a court that has the authority to perform a certain act or hear a certain dispute.

**Court order:** a direction issued by a court or a judge requiring a person or entity to do or not do something.

**Covenant:** an agreement or promise to engage in or refrain from a specified action.

**Covenants, conditions and restrictions (CC&Rs):** written rules, limitations and restrictions on use, mutually agreed to by all members of a community association.

**Covenant revitalization:** the legal process by which a declaration of covenants or other governing documents, that may, or will in the future, have ceased to govern some or all parcels of a community association, may be revived.

**CPA:** see Certified Public Accountant.

**Credit:** an entry recording a sum received, listed on the right-hand side or column of an account. It is the opposite of debit.

**Crime insurance policy:** see fidelity bond.

**Criminal Self-Reporting Document:** a DBPR form required to be used by a CAM to report, within 30 days, their being convicted of a crime in any jurisdiction or of having pled nolo contendere or guilty to a criminal charge in any jurisdiction.

**Criteria:** a principle or standard by which something may be judged or decided.

**Culpable:** responsible for the commission of a fault or the breach of a duty imposed by law. It implies that an act performed is wrong but does not involve any evil intent by the wrongdoer.

**Culture:** see organizational culture.

**Curb ramp or curb cut:** a small ramp built into the curb of a sidewalk to make it easier for people using strollers or wheelchairs to pass from the sidewalk to the road.

**Current account:** in a community association, an up to date record of each member's debits and credits. Debits include assessments, late fees, and fines. Payments are credits. See ledger.

**Customer service:** the process of ensuring customer satisfaction with a product or service.

**Cybercrime or computer insurance:** a type of liability insurance that protects against financial loss resulting from the use of a computer to steal or alter data, or to gain unlawful use of computers or services.

## **D**

**D&O Insurance:** see directors' and officers' insurance.

**DBPR:** see Department of Business and Professional Regulations.

**Debenture:** an unsecured loan certificate or bond issued by a company, backed only by the general creditworthiness and reputation of the issuer, rather than by specified assets.

**Debit:** an entry recording an amount owed, listed on the left-hand side or column of an account. It is the opposite of credit.

**Debit card:** a bank card used in cash transactions, but which is not a credit card. In a debit card transaction, the amount of a purchase is withdrawn from the available balance in the cardholder's account. If the available funds are insufficient, the transaction is not completed.

**Debt:** something, typically money, that is owed or due.

**Declaration:** a legal document that includes covenants, conditions, and restrictions, which define and place limitations on the use of the property and facilities. A declaration runs with the land. See declaration of condominium, declaration of covenants, declaration of covenants, conditions and restrictions, and running with the land.

**Declaration of Condominium:** the document or set of documents that creates and names the condominium and establishes the covenants and restrictions that affect the property and govern the owners and residents. It includes any amendments that are made to it and all attached exhibits. It includes or contains the name of the association, an identification of each unit by letter or number, the percentage by which each unit will own the common elements and will share in the common expenses, a survey and plot plan. It includes, by exhibit, the articles of incorporation and bylaws. The declaration runs with the land. It is commonly referred to as the declaration.

**Declaration of Covenants:** is defined by the Florida Homeowners' Association Act as a recorded written instrument or instruments in the nature of covenants running with the land which subject the land comprising the community to the jurisdiction and control of an association or associations in which the owners of the parcels, or their association representatives, must be members. It typically designates the name of the association. The Declaration includes, typically as exhibits, the articles of incorporation, bylaws, a survey and plot plan, as well as any amendments that may be added. It is commonly referred to as the Declaration or governing documents.

**Declaration of Covenants, Conditions, and Restrictions (CC&Rs):** a legal document that establishes the formal rules for an association, as well as defining certain rights and imposing certain restrictions on the members and the community association. It subjects the land comprising the community to the jurisdiction and control of an association or associations and includes, typically as exhibits, the articles of incorporation, bylaws, a survey and plot plan, as well as any amendments that may be added.

**Declaration of servitude:** a declaration of a right of some benefit or beneficial use out of, in, or over the land of another.

**Declaratory statement:** a means for resolving a controversy or answering questions or doubts concerning the applicability of statutory provisions, rules, or orders over which the board, or department when there is no board, has authority

**Deductible:** a specified amount of money that the insured must pay before an insurance company will pay a claim.

**Deed:** the written document which transfers title (ownership) or an interest in real property to another person. The deed must describe the real property, name the party transferring the property (grantor), the party receiving the property (grantee) and be signed and notarized by the grantor.

**Deed in lieu of foreclosure:** a formal agreement, entered into by a mortgagor (borrower) and mortgagee (lender), in which the mortgagor deeds the collateral property (the home) back to the mortgagee (the lender) in exchange for the release of all obligations under the mortgage.

**Deed restriction:** private agreements that restrict the use of the real estate in some way, and, are listed in the deed. The seller may add a restriction to the title of the property. Often, developers restrict the parcels of property in a development to maintain a certain amount of uniformity.

**Defalcation:** misappropriation of money or funds that are held by an official, trustee, or other fiduciary.

**Default:** failure to fulfill an obligation, especially to repay a loan or appear in a court of law.

**Deferred maintenance:** any maintenance or repair that is performed less frequently than yearly and results in maintaining the useful life of an asset.

**Defibrillator:** see automated external defibrillator.

**Deficit:** a status of financial health in which expenditures exceed revenue.

**Deficiency judgment:** an unsecured monetary judgment against a borrower whose mortgage foreclosure sale did not produce sufficient funds to pay the underlying promissory note, or loan, in full.

**Deficiency notice:** a notice sent by DBPR to applicants for licensure whose application lacks sufficient information, requires correction, or is deficient in some manner.

**Deliberative assembly:** a body of people who come together to discuss a subject or subjects to make decisions.

**Delinquency:** a failure to pay an outstanding debt.

**Delinquent:** past due or overdue, as in failure to pay an assessment by the date established in the governing documents or by the association.

**Delinquent CAM license:** results from the first failure to renew on or before September 30 of a renewal year. Failure to renew a delinquent license results in an expired or null license.

**Department of Agriculture and Consumer Services (FDACS):** the state agency that, among many other functions, licenses and regulates pest control and security guard businesses.

**Department of Business and Professional Regulation (DBPR):** the state agency charged with licensing and regulating businesses and professionals in the State of Florida. The Department is under the executive branch of the Governor.

**Department of Economic Opportunity (DEO):** the state agency that administers the Labor Market Statistics Program, unemployment compensation, various workforce development programs, community planning and development, and economic incentives for businesses that create new jobs.

**Department of Financial Services (DFS):** the state agency that includes, among others, the Divisions of Consumer Services, Insurance Agent and Agency Services, Risk Management, State Fire Marshal, and Workers' Compensation.

**Department of Health (DOH):** the state agency that, among many other functions, regulates public swimming pools and bathing places for the purpose of disease and accident prevention. Its county health units are responsible for local enforcement of state laws and regulations.

**Department of Justice (USDOJ):** the federal agency responsible for the enforcement of the Americans with Disabilities Act.

**Department of Labor (DOL):** the federal agency responsible for occupational safety, wage and hour standards, unemployment insurance benefits, reemployment services, and some economic statistics.

**Department of Law Enforcement (FDLE):** the state agency whose mission is to promote public safety and strengthen domestic security by providing services in partnership with local, state, and federal criminal justice agencies to prevent, investigate, and solve crimes while protecting Florida's citizens and visitors.

**Department of Revenue (DOR):** the state agency that collects unemployment, sales, use, discretionary, sales surtax, and other taxes.

**Department of Veterans Affairs (VA):** a United States government-run military veteran benefit system with Cabinet-level status that provides a variety of services for veterans including disability compensation,

pension, education, home loans, life insurance, vocational, rehabilitation, survivors' benefits, health care, and burial benefits.

**Department of Veterans Affairs (DVA):** the state agency that assists veterans, veterans' families, and military families with job assistance, job re-education, and work-related grants.

**Depreciation:** 1. a reduction in the value of an asset with the passage of time, due in particular to wear and tear. 2. a method of allocating the cost of a tangible asset over its useful life.

**Design professional:** a person, licensed in Florida as an architect, interior designer, landscape architect, engineer, surveyor, or geologist.

**Developer:** a person or entity who buys and develops houses, buildings, and land for purposes of sale and profit.

**Devise (real estate):** leave to someone by the terms of a will.

**DFCTSMH:** see Division of Florida Condominiums, Timeshares and Mobile Homes.

**DH 921:** the Department of Health form used to maintain a daily record of swimming pool operations.

**DIF:** see Division of Insurance Fraud

**Direct contract:** a contract between an owner and any other person.

**Director:** a member of a board of directors

**Directors' and officers' insurance (D&O):** a form of liability insurance payable to the directors, officers, volunteers, and certain employees of an association or to the association itself, as indemnification for financial losses or advancement of defense costs in the event an insured suffers such a loss as a result of a legal action brought for alleged wrongful acts, in their capacity as directors, officers, volunteers, or employees. Intentional illegal acts, however, are typically not covered under D&O policies.

**Directory:** see roster.

**Disability:** defined by the ADA as a physical or mental impairment that substantially limits one or more major life activity, a record of such an impairment or being regarded as having such an impairment. See major life activity.

**Disaster:** a serious disruption of a community or society involving widespread human, economic, material, or environmental losses, which exceed the ability of the affected community or society to cope using its own resources.

**Disbursement:** money paid out; expenditure.

**Disclosure:** see statutory disclosure.

**Discretionary sales surtax:** a tax levied by Florida counties, typically for the purpose of funding a particular project or service.

**Discrimination:** the unjust or prejudicial treatment of different categories of people especially on the grounds of race, nationality, gender, age, disability, or sexual preference.

**Distressed Condominium Relief Act (F.S. 718.701 - 718.708):** enacted in 2009 as a result of the massive downturn in the condominium market and the impact of such downturn on developers, lenders, unit owners,

and condominium associations. The Act was created to promote the purchase of unsold developer owned condominium units by bulk buyers.

**Division of Corporations:** is a division of the Florida Department of State responsible for examining and indexing business and commercial documents, and providing certification, authentication, imaging and informational services.

**Division of Florida Condominiums, Timeshares, and Mobile Homes (the Division or DFCTSMH):** the administrative agency within the DBPR that is empowered with the authority to enforce and ensure compliance with statutes governing condominiums, cooperatives, timeshares, and mobile homes, as well as providing arbitration services for homeowners' associations involving disputed elections and recalls.

**Division of Hotels and Restaurants (FDHR):** the state agency that licenses, inspects and regulates public lodging and food service establishments. It's Bureau of Elevator Safety regulates elevators within public lodging and food service establishments.

**Division of Insurance Fraud (DIF):** the law enforcement arm of the state's Office of Insurance Regulation (OIR).

**Division of Professions:** a division of the Department of Business and Professional Regulation that enacts and enforces rules related to the licensure of CAMs and CABs.

**Division of Workers' Compensation (DWC):** the Florida agency responsible for the delivery of disability and medical benefits to an injured worker and to facilitate the worker's return to gainful reemployment.

**Documents:** see governing documents.

**DOL:** see Department of Labor.

**Draft:** a piece of writing or drawing that is done early in the development of a work to help prepare it in its final form, for example a draft budget.

**Drone:** a remote control guided unmanned aircraft.

**Drug-free workplace:** a job site at which employees are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

**Drywall:** a type of board made from plaster, wood pulp, or other material, used especially to form the interior walls of houses.

**Due process:** the principle that an individual cannot be deprived of life, liberty, or property without appropriate legal procedures and safeguards.

**Dues:** the periodic payment that is required of every member of a community association to pay for the operations and maintenance of the association. Also referred to as assessment or maintenance fee.

**Dumb waiter:** a small elevator for carrying things, especially food and dishes, between the floors of a building.

**Duty of care:** the principle that directors and officers of a corporation, in making decisions in their capacities as corporate fiduciaries, must act in the same manner as a reasonably prudent person in their position would.

**Duty of loyalty:** the principle that directors and officers of a corporation in making all decisions in their capacities as corporate fiduciaries, must place the corporation's interests ahead of their own.

**Duty to act in good faith:** the principle that directors and officers of a corporation, in making decisions in their capacities as corporate fiduciaries, must act fairly, openly, and honestly. See good faith.

**DWC:** see Division of Workers' Compensation.

## **E**

**e-smoking:** the use of a device to simulate the experience of smoking, having a cartridge with a heater that vaporizes liquid nicotine instead of burning tobacco.

**E&O insurance:** see errors and omissions insurance.

**Easement:** a right to cross or otherwise use someone else's land for a specified purpose.

**Edge protection (for ramps):** curbs, barriers, or extended surfaces along ramp runs and landings to keep wheelchair casters and crutch tips on the surface. A caster is a wheeled device typically mounted to a larger object, such as a wheelchair, that enables relatively easy rolling movement of the object.

**Effectual in law:** having legal force or authority.

**Egress:** a path or opening for going out, an exit.

**EIN Number:** see Application for Employer Identification Number.

**Election:** a formal and organized choice by vote of eligible persons for a political office or other position.

**Electric Vehicle:** a motor vehicle that is powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electrical current.

**Electric Vehicle Charging Station (EVCS):** equipment that connects an electric vehicle (EV) to a source of electricity to recharge electric cars, neighborhood electric vehicles and plug-in hybrids.

**Election:** the selection of directors by vote of the members of a community association, typically occurring at the annual meeting.

**Electronic:** a device having or operating with components such as microchips and transistors that control and direct electric currents. A device is a thing made or adapted for a particular purpose, especially a piece of mechanical or electronic equipment.

**Electronic document:** any electronic media content (other than computer programs or system files) that are intended to be used in either an electronic form or as printed output.

**Electronic notice:** a notice, such as a meeting notice, sent by an association's electronic device to its members' electronic devices.

**Electronic transmission:** a form of communication, not directly involving the physical transmission or transfer of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient and that may be directly reproduced in a comprehensible and legible paper form by the recipient through an automated process, such as a printer or copy machine. Examples of electronic transmission include, but are not limited to, telegrams, facsimile transmission of images, and text that is sent via e-mail between computers. Electronic transmission does not include oral communication by telephone.

**Electronic voting:** voting using electronic means to cast and count votes. Electronic voting may use stand-alone electronic voting machines or computers connected to the Internet. It may encompass a range of

Internet services, from basic transmission of tabulated results to full-function online voting through common connectable household devices. It is also referred to as e-voting.

**Element:** a community association unit, common property, limited common property, association property, and appurtenances.

**Elevator:** a type of vertical transportation that moves people or goods between floors (levels, decks) of a building, vessel, or other structure. Elevators are generally powered by electric motors that either drive traction cables or counterweight systems like a hoist, or pump hydraulic fluid to raise a cylindrical piston like a jack.

**Elevator hoistway:** an elevator shaft.

**Elevator Safety Act (F.S. 399):** the state statute that governs elevators and provides standards for their safe operation and maintenance. The act applies to elevators, escalators, passenger and material hoists, man lifts, mobile scaffolds, cranes, derricks, tiered or piling machines, wharf ramps, automobile parking lifts, power-driven walkways, towers and platforms, and other mobile hoisting or lifting machines and equipment.

**ELSS:** see engineered life safety system.

**Embezzlement:** theft or misappropriation of funds placed in one's trust or belonging to one's employer.

**Emergency:** a sudden, unexpected, or impending situation that may cause injury, loss of life, damage to property, and/or interference with the normal activities of a person or an association, and which requires immediate attention and remedial action.

**Emergency agenda item:** an item that must be addressed immediately, to safeguard the health, safety or wellbeing of the residents or property of the association.

**Emergency board meeting:** a board meeting convened to address an emergency, with notice given as soon as practical. Any actions adopted at the meeting are required to be ratified at the next regularly scheduled board meeting.

**Emergency evacuation:** see evacuation.

**Emergency maintenance:** immediate and urgent repair of structures, building systems, and/or equipment to prevent or mitigate injury, loss of life, damage to property, and/or interference with the normal activities of residents or an association resulting from an anticipated or recently occurred equipment or systems failure or structural damage.

**Emergency plan:** a plan that specifies procedures, identifies available resources, and assigns responsibility for implementation prior to and in the event of an emergency, such as a natural or man-made disaster. The plan's objective is to enable the organization or entity to be prepared to prevent or minimize fatalities, injuries, and damage to property, the environment, and the community, and accelerate the resumption of normal operations.

**Emergency services maintenance:** see emergency maintenance.

**Emotional support animal (ESA):** an assistance animal that provides therapeutic benefit, such as alleviating or mitigating one or more symptoms of a disability, to an individual with a mental or psychiatric disability. Emotional support animals are also referred to as companion animals. See service animal.

**Employee record:** see personnel file.

**Employee:** a person or entity who is hired to provide services to an employer on a regular basis in exchange for compensation and who does not provide these services as part of an independent business.

**Employee handbook:** a book given to employees by an employer providing the employee with information about company culture, policies, and procedures. It typically has three types of content:

- cultural: a welcome statement, the company's mission or purpose, and company values
- general information including benefits, leave, and vacation policies
- company policies, rules, disciplinary and grievance procedures, and other information modeled after employment laws or regulations.

See personnel manual.

**Employee's Withholding Allowance Certificate (Form I-4):** an Internal Revenue Service form completed by employees and used by employers to determine the correct amount of tax to withhold from employees' wages.

**Employer:** a person or entity that employs one or more people, especially for wages or salary.

**Employer Identification Number (EIN):** also known as a Federal Tax Identification Number, issued by the IRS and used to identify a business entity.

**Employing unit:** an entity that has employed an individual to perform services.

**Employment:** any service that is performed by an employee for an employing unit.

**Employment at will:** see at will employment.

**Employment Eligibility Verification Form (Form I-9):** a U.S. Citizenship and Immigration Services form. It is used by an employer to verify an employee's identity and to establish that the worker is eligible to accept employment in the United States.

**Encumbrance:** a burden, obstruction, or impediment on property that lessens its value or makes it less marketable. It is any right or interest that exists in someone other than the owner of an estate and that restricts or impairs the transfer of the property or lowers its value. This might include a lien, a mortgage, a mechanic's lien, or accrued and unpaid taxes.

**Endorsement:** an add-on provision to a basic insurance policy that provides additional benefits to the policyholder at an additional cost. Also known as a rider.

**Engineer:** a person trained and skilled in the design, construction, and use of engines or machines, or in any of various branches of engineering. See Professional Engineer.

**Engineering:** the creative application of science, mathematical methods, and empirical evidence to the innovation, design, construction, operation, and maintenance of structures, machines, materials, devices, systems, processes, and organizations.

**Engineering survey:** all surveying activities required to support the conception, planning, design, construction, maintenance, and operation of engineered projects. It excludes the surveying of real property, for the establishment of land boundaries, rights of way, easements.

**Engineered fire-life safety system:** see life safety system.

**Engineered life safety system (ELSS):** see life safety system.

**Enjoin:** A court order that requires someone perform a specific act, cease a course of conduct, or be prohibited from committing a certain act.

**Enrolled (timeshare):** paid membership in an exchange program or membership in an exchange program evidenced by written acceptance or confirmation of membership.

**Environmental Protection Agency (EPA):** the federal agency whose mission is to protect human health and the environment.

**EPA:** see United States Environmental Protection Agency.

**Equal employment opportunity:** freedom from discrimination (as in employment) on the basis of race, color, religion, national origin, sex, disability, age, or sometimes sexual orientation.

**Equal Employment Opportunity Commission (EEOC):** the federal agency that administers the Americans with Disabilities Act (ADA). Among its responsibilities is the investigation of claims of employment discrimination.

**Equitable:** refers to something characterized by fairness, impartiality, or lack of bias.

**Equitable action:** court action, such as an injunction, which may be initiated to restrain a defendant from committing a threatened illegal action, or infliction of injury or wrongs.

**Equitable interest:** an interest which is established through principles of fairness, rather than a legal assignment of ownership. An example of an equitable interest is the one held by a trust beneficiary.

**Equitable owner:** the person identified to receive the benefit of a property held in trust.

**Equitable relief:** a court order that directs parties to take an action or refrain from an action. Used when an order awarding monetary damages are deemed insufficient by the court.

**Equity:** see shareholders' equity.

**Equity facilities club:** a club comprised of recreational facilities in which proprietary membership interests are sold to individuals. The membership interests entitle the individuals to use certain physical facilities owned by the equity club. Such physical facilities do not include a residential unit or accommodation designed for overnight occupancy.

**Errors and omissions (E&O) insurance:** a form of liability insurance, also known as professional liability insurance and professional indemnity insurance, that helps protect professional advice and service providing individuals and companies, such as CAMs and CABs, from bearing the full cost of defending a civil lawsuit against a negligence claim made by a client, and damages awarded in such a lawsuit. Such coverage is not covered by a general liability policy. E&O policies do not cover criminal prosecution.

**ESA:** see emotional support animal.

**Escrow:** something of value such as money, a deed, or a bond, held in trust by a third party, to be turned over to the grantee only upon fulfillment of a condition.

**Escrow account:** a trust account for the temporary deposit of funds before they are paid out (or returned) at the conclusion of a transaction, such as the purchase of real estate.

**Escrow agent:** a person or entity that holds property in trust for third parties while a transaction is finalized, or a disagreement is resolved. The escrow agent has a fiduciary responsibility to both parties to the escrow agreement.

**Escrow agreement:** a legal document that describes the terms and conditions between parties involved in an escrow. It defines the arrangement by which one party (the grantor) deposits an asset with a third person (the escrow agent), who will in turn make delivery to another party (the grantee) if, and when, the specified conditions of the contract have been met. Typically used in real estate transactions.

**Estate:** an area or amount of land or property.

**Estate for years:** an estate or interest in real property held under a rental agreement by which the owner gives another the right to occupy or use land or real property for a period of time.

**Estimated useful life:** see useful life.

**Estoppel:** the legal principle that precludes a person from asserting something contrary to what is implied by a previous action or statement of that person or by a previous pertinent judicial determination.

**Estoppel certificate:** a signed statement of a member's current balance or status that asserts that the information is correct.

**Ethics:** the moral principles governing or influencing conduct.

**Evacuation:** the urgent immediate egress or escape of people away from an area that has an imminent threat, an ongoing threat, or a hazard to lives or property.

**Evaluation (employee):** a tool used by managers and human resource departments to review an employee's performance during a set period of time. Often evaluations include details about productivity, attitude, punctuality, and the employee's ability to meet goals.

**EVCS:** see electric vehicle charging station.

**Eviction:** the act of depriving a person of the possession of lands which he has held, in pursuance of the judgment of a court.

**Excess insurance or coverage:** A policy or bond covering the insured against certain hazards and applying only to loss or damage in excess of a stated amount or specified primary or self-insurance.

**Excess lines insurance:** see surplus lines insurance.

**Exchange program:** any method, arrangement, or procedure for the voluntary exchange of the right to use and occupy accommodations and facilities among purchasers of a timeshare. The term does not include the assignment of the right to use and occupy accommodations and facilities to purchasers pursuant to a particular multisite timeshare plan's reservation system.

**Exclusive possession:** the right of a tenant to exclude all other people from the property.

**Exculpatory agreement or clause:** a contract provision that relieves one party of liability if damages are caused during the execution of the contract. The party that issues the exculpatory clause is typically the one seeking to be relieved of the potential liability.

**Execute:** to sign and take whatever other steps are necessary to make a document an effective obligation of the person or entity signing.

**Executed contract:** a contract that has been fully performed by both parties. In other words, a contract whose terms have been completely fulfilled. It could also mean a signed contract. Once all parties sign the contract and the transaction is closed, the contract is considered an executed contract.

**Executive officer:** generally, a person responsible for running an organization, although the exact nature of the role varies depending on the organization.

**Exempt employee:** an administrative, supervisory, or professional employee, as defined by the federal Fair Labor Standards Act who is ineligible for overtime pay regardless of the number of hours worked. Also referred to as a salaried or a job basis employee.

**Expenditure:** see expense.

**Expense:** an outflow of money to another person or entity to pay for an item or service.

**Expired CAM license:** results from a renewal application submitted after September 30 of the renewal year or if the licensee (CAM) did not complete the required continuing education hours. Also referred to as a null license.

**Exposure:** the possibility of a loss resulting from a peril.

**Exposure avoidance:** see risk avoidance.

**Exterior insulation and finish system (EIFS):** a non-load bearing, exterior wall cladding system that consists of an insulation board attached either adhesively or mechanically, or both, to the substrate; an integrally reinforced base coat; and a textured protective finish coat. Cladding is a covering or coating on a structure or material. Substrate is a material that provides the surface on which something is deposited.

**Extinguishment:** the annulment of a legal document.

## **E**

**F.A.C.:** see Florida Administrative Code.

**Facial validity:** a document has facial validity if it appears to meet the requirements of an applicable statute or rule.

**Facility (timeshare):** any permanent amenity, including any structure, furnishing, fixture, equipment, service, improvement, or real or personal property, improved or unimproved, other than an accommodation of the timeshare plan, which is made available to the purchasers of a timeshare plan. The term does not include an incidental benefit.

**Fair Housing Act (federal):** see Federal Fair Housing Act.

**Fair Labor Standards Act:** a federal law that establishes and regulates minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in federal, state, and local governments.

**Familial status:** a protected class of people, under the federal Fair Housing Act, who live in a household with one or more persons under the age of 18 years and are the parent, legal guardian, or custodial adult for the minor.

**Fannie Mae:** see Federal National Mortgage Association (FNMA).

**FASB:** see Financial Accounting Standards Board.

**FAQ&A:** see Frequently Asked Question and Answer Sheet.

**FBC:** see Florida Building Code.

**FBI:** see Federal Bureau of Investigation.

**FDACS:** see Department of Agriculture and Consumer Services.

**FDLE:** see Department of Law Enforcement.

**FDOH:** see Department of Health.

**FDHR:** see Division of Hotels and Restaurants.

**Federal:** relating to or denoting the central government of the United States.

**Federal Air Carrier Access Act (service animal definition):** a service animal is any animal that is individually trained or able to provide assistance to a person with a disability; or any animal that assists persons with disabilities by providing emotional support.

**Federal Aviation Authority:** the section of the U.S. Department of Transportation which regulates all aspects of civil aviation.

**Federal Bureau of Investigation (FBI):** the national intelligence and security service of the United States, and its principal federal law enforcement agency.

**Federal Employer Identification Number:** see Application for Employer Identification Number.

**Federal Emergency Management Agency (FEMA):** an agency of the United States Department of Homeland Security, whose primary purpose is to coordinate the response to a disaster that has occurred in the United States and that overwhelms the resources of local and state authorities. The governor of the state in which the disaster occurs must declare a state of emergency and formally request from the president that FEMA and the federal government respond to the disaster.

**Federal Fair Debt Collection Practices Act:** a federal law that limits the behavior and actions of third-party debt collectors who are attempting to collect debts on behalf of another person or entity.

**Federal Fair Housing Act (FHAct or FFHAct):** prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and disability.

**Federal Home Loan Mortgage Corporation (FHLMC):** Known as Freddie Mac, it is a public government-sponsored enterprise, created in 1970 to expand the secondary market for mortgages in the U.S. Freddie Mac buys mortgages on the secondary market, pools them, and sells them as a mortgage-backed security to investors on the open market. This secondary mortgage market increases the supply of money available for mortgage lending and increases the money available for new home purchases.

**Federal Housing Administration (FHA):** a United States government agency, under the Department of Housing and Urban Development (HUD). It sets standards for construction and underwriting and insures loans made by banks and other private lenders for home building.

**Federal law:** a body of law at the highest or national level of a federal government, consisting of a constitution, enacted laws and the court decisions pertaining to them. The Code of Laws of the United States of America is the official compilation and codification of the general and permanent federal statutes of the United States.

**Federal Insurance Contributions Act (FICA) tax:** a United States federal payroll (or employment) tax imposed on both employees and employers to fund Social Security and Medicare, federal programs that provide benefits for retirees, the disabled, and children of deceased workers.

**Federal National Mortgage Association (FNMA):** known as Fannie Mae, is a government-sponsored enterprise and, since 1968, a publicly traded company. The corporation's purpose is to expand the secondary mortgage market by securitizing mortgages in the form of mortgage-backed securities allowing lenders to reinvest their assets into more lending and in effect increasing the number of lenders in the mortgage market by reducing the reliance on locally based savings and loan associations.

**Federal Register:** a daily publication of the federal government that issues proposed and final administrative regulations of federal agencies.

**Federal Reserve Bank:** the central bank of the United States whose purpose is to provide the nation with a safe, flexible, and stable monetary and financial system.

**Federal Tax Identification Number:** see Application for Employer Identification Number.

**Federal Tax Return:** see tax return.

**Federal Unemployment Tax Act (FUTA):** a federal law that imposes a federal employment tax on employers that is used to help fund state workforce agencies. Most employers pay both a federal and a state unemployment tax.

**Fee:** a fixed sum charged, by an institution or by law, for a privilege. For example, a license fee.

**Fee simple:** a legal form of ownership to land, free of any other claims against the title, which one can sell or pass to another by will or inheritance.

**Felony:** the classification of the most serious types of crimes. Felonies often involve crimes involving physical harm, or large scale theft and fraud. Punishment for these types of crimes often includes imprisonment, the length of which is defined in each state's penal codes.

**FEMA:** see Federal Emergency Management Agency.

**FFHA:** see Federal Fair Housing Act.

**FFPC:** see Florida Fire Prevention Code.

**FFUS:** see Florida Freedom from Unwarranted Surveillance Act.

**FHA:** see Federal Housing Administration.

**FHAct:** see Federal Fair Housing Act.

**FHCF:** see Florida Hurricane Catastrophe Fund.

**FICA:** see Federal Insurance Contributions Act (FICA) tax.

**Fidelity bond:** a form of insurance that protects the policyholder (the association) from losses of monies, securities, and other property resulting from crimes committed by directors, officers, and employees. It is sometimes referred to as a crime insurance policy.

**Fiduciary:** an individual or entity legally responsible for managing assets on behalf of someone else, usually called the beneficiary. The assets must be managed in the best interests of the beneficiary, not for the personal gain of the fiduciary.

**Fiduciary duty:** a legal obligation of one party to act in the best interest of another. The obligated party is typically a fiduciary, that is, someone entrusted with the care of money or property. See duty of care, duty to act in good faith, and duty of loyalty.

**Fiduciary relationship:** a relationship in which one party places special trust, confidence, and reliance in and is influenced by another who has a fiduciary duty to act for the benefit of the party. It may be created by express agreement of the parties, or it may be imposed by law.

**FIGA:** see Florida Insurance Guaranty Association.

**File (legal):** a record of the court. A paper is said to be filed when it is delivered to the proper officer to be kept on file as a matter of record and reference. The file in a case includes the original complaint and all pleadings and papers belonging thereto.

**Filed public offering statement (timeshares):** a public offering statement that has been filed with the division pursuant to s. 721.07(5) or s. 721.55.

**Filing form 1120:** one of two IRS forms used by association to file their annual tax return. Any revenue from members less expenses is subject to taxation unless it is return to the members or used to reduce the next year's assessment. See filing form 1120 H.

**Filing form 1120 H:** one of two IRS forms used by association to file their annual tax return. The association can elect, if it meets certain conditions, to exempt from taxation exempt function income, generally consisting of revenue from member assessment. See filing form 1120.

**Final judgment:** the written determination of a lawsuit by the judge who presided at trial (or heard a successful motion to dismiss or a stipulation for judgment), which renders (makes) rulings on all issues and completes the case unless it is appealed to a higher court. It is also called a final decree or final decision.

**Financial:** pertaining or relating to money matters

**Financial Accounting Standards Board (FASB):** a private, non-profit organization whose primary purpose is to establish and improve generally accepted accounting principles (GAAP) within the United States in the public's interest.

**Financial interest:** any right, claim, or privilege that an individual has in real or personal property.

**Financial management:** the efficient and effective management of money (funds) in such a manner as to accomplish the objectives of the organization.

**Financial plan:** budget or investment strategy that identifies the goals and objectives of an organization and the actions required to achieve its goals.

**Financial record:** a formal document representing the transactions of a business, individual or other organization. Financial records maintained by most businesses include a statement of retained earnings and cash flow, income and expense statements and the company's balance sheet and tax returns.

**Financial report:** see financial statement.

**Financial statement:** a report of an organization's financial results, financial condition, and cash flows.

**Fine:** a sum of money, which, by judgment of an authoritative and legally constituted body, is required to be paid for the punishment of an offence.

**Fines committee:** a committee of a community association that functions, empowered by statute, to confirm or reject, a fine or suspension of privileges, levied or imposed by the board of directors.

**Fire extinguisher:** a portable device that discharges a jet of water, foam, gas, or other material to extinguish a fire.

**Fire grill:** a metal framework used for cooking food over an open fire.

**Fire-life safety:** see life safety code.

**Fire-life safety system:** see life safety system.

**Fire Marshal:** see Florida State Fire Marshal.

**Fire Prevention Code (F.S. 633.202):** the state fire safety code which is adopted by the State Fire Marshal at three-year intervals and is enforced by the local fire official within each county, municipality, and special fire district in the state.

**Fire sprinkler or sprinkler head:** the component of a fire sprinkler system that discharges water when the effects of a fire have been detected, such as when a predetermined temperature has been exceeded.

**Fire sprinkler system:** an active fire protection method, consisting of a water supply system, providing adequate pressure and flowrate to a water distribution piping system, onto which fire sprinklers are connected.

**Fiscal year:** the twelve-month period that an organization uses for budgeting, forecasting, and financial reporting.

**Fixed assets:** assets that are purchased for long-term use and are not likely to be converted quickly into cash, such as land, buildings, and equipment.

**Fixed-week ownership (timeshare):** a time period that is fixed for each calendar year, either by date or by calendar weeks; most in numerical sequence 1-52. With a week number, your actual start date may vary slightly from year to year. Unlike a floating unit, a timeshare owner who owns a fixed unit at a resort will always vacation in the same physical unit each year he/she vacations at that resort.

**Flex-week ownership (timeshare):** see rotating or flex-week ownership.

**Floating-week ownership (timeshare):** the time period is a non-specified week within a specific season. Owners of a floating unit at a resort might not vacation in the same physical unit each year.

**Flood:** is defined by the National Flood Insurance Program (NFIP) as a general and temporary condition of partial or complete inundation of 2 or more acres of normally dry land area or of 2 or more properties (at least 1 of which is the policyholder's property) from overflow of inland or tidal waters, unusual and rapid accumulation or runoff of surface waters from any source; mudflow, or collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above.

**Flood Hazard Boundary Map (FHBM):** official map of a community issued by FEMA, where the boundaries of the flood, mudflow, and related erosion areas having special hazards have been designated.

**Flood insurance:** insurance against financial loss resulting from flooding. See National Flood Insurance Program.

**Flood Insurance Rate Map:** an official map of a community within the United States that displays the floodplains, more explicitly special hazard areas and risk premium zones, as delineated by the Federal Emergency Management Agency.

**Flood zones:** geographic areas that the FEMA has defined according to varying levels of flood risk. These zones are depicted on a community's Flood Insurance Rate Map (FIRM) or Flood Hazard Boundary Map. Each zone reflects the severity or type of flooding.

**Floor plan:** in architecture and building engineering, a floor plan is a drawing to scale, showing a view from above, of the relationships between rooms, spaces and other physical features at one level of a structure.

**Florida Administrative Code:** an official compilation of rules and regulations of Florida regulatory agencies. The Legislature instructs departments to write administrative rules, which are compiled into the Florida Administrative Code, to implement, explain and interpret applicable statutes. Rules of the Florida Administrative Code have the designation F.A.C.

**Florida Building Code (F.S. 553 Part IV):** the Florida statute that provides a mechanism for the uniform adoption, updating, amendment, interpretation, and enforcement of a single, unified state building code, that applies to the design, construction, erection, alteration, modification, repair, or demolition of public or private buildings, structures, or facilities and to the enforcement of such requirements. It is required to be administered and enforced uniformly and consistently from jurisdiction to jurisdiction.

**Florida Business Corporation Act (F.S. 607):** the state statute that regulates corporations. It is also known as the For-Profit Corporation Act although it applies to both for profit and not for profit corporations.

**Florida Cardiac Arrest Survival Act (F.S. 768):** was enacted so that any person, including an agent of a community association, who uses or attempts to use an automated external defibrillator device (AED) on a victim of a possible medical emergency, provided that the victim does not object, is immune from civil liability, given conformance to certain other conditions.

**Florida Clean Indoor Air Act (F.S. 386 Part II):** enacted to protect people from the health hazards of secondhand tobacco smoke. It prohibits smoking in an enclosed indoor workplace. The common elements of a community association are considered, by the statute, to be enclosed indoor workplaces.

**Florida Department of:** see Department of.

**Florida Disaster Recovery Program:** a federally funded program, administered by the Florida Department of Economic Opportunity, designed to assist local governments to satisfy disaster recovery needs for low-income housing and infrastructure, with a primary focus on the hardening of single-family and multifamily housing units, not only to ensure that affordable housing can withstand the effects of hurricane-force winds, but also to mitigate the increasing costs of insurance, which may ultimately render existing affordable homes unaffordable or uninsurable.

**Florida Energy Efficiency Code:** provides that deed restrictions, covenants, declarations, and similar binding agreements may not prohibit solar collectors, clotheslines, or other energy-saving devices, based on non-renewable resources.

**Florida Fair Housing Act:** prohibits discrimination based on race, color, national origin, sex, disability, familial status or religion.

**Florida Fire Prevention Code (FFPC):** adopted by the State Fire Marshal at three-year intervals as required by Chapter 633.202, Florida Statutes. This complex set of fire code provisions are enforced by the local fire official within each county, municipality, and special fire district in the state. Counties, municipalities or special districts may have local amendments applicable only to their jurisdictions.

**Florida For Profit Corporation Act:** see Florida Business Corporation Act.

**Florida Freedom from Unwarranted Surveillance Act (FFUS):** a statute created to protect people from intrusive use of drone photographing and viewing.

**Florida Hurricane Catastrophe Fund (FHCF or CAT Fund):** a state trust fund that reimburses residential property insurers in Florida for a portion of their losses from hurricanes.

**Florida Information Protection Act (F.S. 501.171):** a statute created to require entities, including community associations, to adopt measures to protect computerized personal information, to report breaches to the Florida Department of Legal Affairs and to those subject to the breach, and to require certain disposal methods for records.

**Florida Insurance Code:** Florida Statutes 621 - 651.

**Florida Insurance Consumer Advocate:** the state office that represents the interests of the general public and insurance consumers on insurance related matters.

**Florida Insurance Guaranty Association (FIGA):** a non-profit corporation, created by statute, to process pending claims by or against Florida policyholders of member insurance companies which become insolvent and are ordered liquidated. FIGA's membership is composed of all Florida licensed direct writers of property or casualty insurance.

**Florida Marketable Record Title Act:** a statute enacted to clear up old title defects on property by creating a mechanism for extinguishing title interests of record that were more than 30 years old and were not specifically reserved.

**Florida Mobile Home Relocation Corporation (FMHRC):** oversees the Florida Mobile Home Relocation Trust Fund.

**Florida Mobile Home Relocation Trust Fund (FMHRTF):** funds the administration and operation of the FMHRC and makes payments to mobile home owners under the relocation program.

**Florida Not-for-Profit Corporate Act (F.S. 617):** regulates the operation of corporations that are created without the intention of making a profit.

**Florida Residential Landlord and Tenant Act (F.S. 83.4 – 83.683):** governs the relationship between landlords and tenants when they enter into a residential rental agreement.

**Florida State Fire Marshal:** the state agency whose purpose is to protect life, property and the environment from the devastation of fire and to foster a fire safe environment through engineering, education and enforcement. It is comprised of the Bureau of Fire Prevention and the Bureau of Fire Standards and Training.

**Florida Statute or Statutes (F.S.):** a permanent collection of state laws organized by subject area into a code made up of titles, chapters, parts, and sections. The Florida Statutes are updated annually by laws that create, amend, transfer, or repeal statutory material.

**Florida Supreme Court:** the highest appellate court in Florida. Appellate courts hear and review appeals from legal cases that have already been heard in a trial-level or other lower court.

**Florida Unmanned Aircraft Act:** a statute that describes entities that are legally permitted to use drones inspect certain critical infrastructure and provides penalties for their unauthorized use.

**Florida Vacation Plan and Timesharing Act (F.S. 721):** regulates all timeshare plans that consist of more than seven timeshare periods over a period of at least 3 years in which accommodations and facilities, if any, are located within Florida or offered for sale within Florida.

**FLSA:** see Federal Labor Standards Act.

**Footprint:** see building footprint.

**Foreclosure:** a legal process in which a lender attempts to recover the balance of a loan from a borrower who has stopped making payments to the lender, by forcing the sale of the asset used as the collateral for the loan. An association may also initiate a legal action to foreclose a claim of lien against a delinquent member under certain circumstances.

**Forgery:** the crime of creating a false document, altering a document, or writing a false signature for the illegal benefit of the person making the forgery.

**Form 1099:** a form issued by the Internal Revenue Service that is used to report income from sources other than wages.

**Form I-9:** see Employment Eligibility Verification Form.

**Form W-2, Wage and Tax Statement:** a statement, prepared by the employer for each employee, of the employee's earnings and taxes withheld during a given year.

**Form W-4:** see Employee's Withholding Allowance Certificate.

**Formal documents:** see governing documents.

**For Profit Corporation Act (F.S. 607):** see Business Corporation Act.

**Fractional voting:** see weighted voting.

**Franchise:** see government franchise agreement.

**Fraud:** a deliberate deception to secure unfair or unlawful gain, or to deprive a victim of a legal right.

**Freddie Mac:** see Federal Home Loan Mortgage Corporation (FHLMC).

**Freehold estate:** a right of title to land that is characterized by two essential elements: immobility, meaning that the property involved is either land or an interest that is attached to or has been derived from land, and indeterminate duration, which means there is no fixed duration of ownership.

**Frequently Asked Question and Answer sheet (FAQ):** a summary of important information about the association, prepared initially by an attorney, and updated annually. Required by statute for condominium and cooperative associations.

**F.S.:** abbreviation for Florida Statute.

**F.S. 468 Part VIII:** the Florida statute that governs the conduct of community association managers and community association businesses.

**Fully funded reserves:** the amount of money that must budgeted in a fiscal year for each reserve item to ensure that, when the item reaches the end of its useful life expectancy sufficient funds will be available for deferred maintenance or a capital expenditure.

**Fumigation:** a method of pest control that completely fills an area with gaseous pesticides to suffocate or poison the pests within.

**Fund balance:** the value of a fund at a specific point of time such as the end of a fiscal year. See fund accounting.

**Fund accounting:** an accounting system emphasizing accountability rather than profitability, used by non-profit organizations and governments. In this system, a fund is a self-balancing set of accounts, segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations. A separate fund is typically established for the operating and reserve sections of the budget, for a special assessment(s), and loans.

**Fungus:** any member of the group of eukaryotic organisms that includes microorganisms such as yeasts and molds, as well as the more familiar mushrooms. These organisms are classified as a kingdom, Fungi, which is separate from the other eukaryotic life kingdoms of plants and animals.

**FUTA:** see Federal Unemployment Tax Act.

**Future interest:** a legal right to property ownership that does not include the right to present possession or enjoyment of the property. Future interests are created on the basis of a condition or event triggering transfer of possessory ownership. A common example is the landlord-tenant relationship.

## **G**

**GAAP:** see Generally Accepted Accounting Principles.

**Garage keepers legal liability insurance:** an insurance policy that covers claims against a garage owner for damages done to vehicles in their care or custody.

**Gas grill:** a gas-fueled device that cooks food by applying heat from below.

**Gated community:** a residential area with roads that have gates to control the movement of traffic and/or people into and out of the area.

**Gender harassment:** see sexual harassment.

**General consent:** a method of voting where members are asked if there are any objections to a specific motion. If no member objects, the motion is adopted.

**General good and welfare:** an agenda item which permits non-director members to offer informal observations regarding the operation of the assembly or organization.

**General law:** a law that is unrestricted as to time, is applicable throughout the entire territory subject to the power of the legislature that enacted it and applies to all persons in the same class.

**General ledger:** the master set of financial accounts that summarize all transactions occurring within an entity.

**General liability insurance:** see liability insurance.

**General proxy:** a document that empowers the holder to be counted in order to establish a quorum and to vote, as the proxyholder chooses, on any item for which a limited proxy is not required. See limited proxy.

**Generally Accepted Accounting Principles (GAAP):** rules and guidelines that help companies prepare financial statements. The principles may vary slightly from jurisdiction to jurisdiction, but they typically address assumptions, basic principles, and basic constraints. They are used predominantly by corporate accountants who are preparing public earnings statements and financial reports.

**Good and welfare:** see general good and welfare.

**Good faith:** fair and open dealing in human interactions. This is often thought to require sincere, honest intentions or belief, regardless of the outcome of an action.

**Govern:** to control and direct the operations of an organization.

**Governance:** the action or manner of governing.

**Governing documents:** the recorded declaration of condominium or covenants for a community, and all duly adopted and recorded amendments, supplements, and recorded exhibits thereto; and the articles of incorporation and bylaws of the association, and any duly adopted amendments thereto. Referred to as the documents or legal documents.

**Government franchise agreement:** a special privilege to do certain things that is conferred by government on an individual or a corporation, e.g., a right granted to offer cable television service.

**Governmentally chartered:** authorized and regulated by a governmental entity, with regard to mortgages the U.S. Department of Housing and Urban Development

**Governor:** In the United States, a governor serves as the chief executive officer and commander-in-chief in each of the fifty states and in the five permanently inhabited territories, functioning as both head of state and head of government therein. As such, governors are responsible for implementing state laws and overseeing the operation of the state executive branch. Governors advance and pursue new and revised policies and programs using a variety of tools, among them executive orders, executive budgets, and legislative proposals and vetoes. They carry out their management and leadership responsibilities and objectives with the support and assistance of department and agency heads, many of whom they are empowered to appoint.

**Grace period:** a period of time from the due date of a maintenance fee or assessment, as established in the governing documents, during which the association may not take action to collect an overdue payment. The duration of the grace period is identified in the governing documents or established by the board of directors.

**Grantee:** the recipient of some type of property.

**Grantor:** a person or entity that transfers or conveys ownership of property.

**Ground lease:** a lease of land that permits a tenant to develop the land during the lease period, after which the land and all improvements are turned over to the property owner. It is usually a long-term lease.

**Guaranteed amount:** a developer's legally binding promise to maintain a new owner's assessment at an amount certain for a set period of time.

**Guardrail:** rails that are installed to provide safety and protection and are placed at or near the outer edges, of flights of stairs, ramps, landings, platforms, balconies and accessible areas of roofs.

**H**

**Handbook:** see employee handbook.

**Handicap:** defined by Florida statutes to mean any physical or mental impairment that substantially limits one or more of a person's major life activities.

**Handrail:** a rail fixed to posts or a wall for people to hold on to for support.

**Harassment:** a course of conduct that annoys, threatens, intimidates, alarms, or puts a person in fear of his or her safety. Harassment is unwanted, unwelcomed, and uninvited behavior that demeans, threatens or offends the victim and results in a hostile environment for the victim. See sexual harassment.

**Hardening:** the process of strengthening a building structure and systems, such as installing shutters or retrofitting the roof.

**Hardship:** a distance or provider availability barrier to applicants seeking to take a state licensure exam.

**Hard-wired smoke alarm or detector system:** see smoke alarm.

**Hazard:** see peril.

**Hazard insurance:** see property insurance.

**Health insurance (employer based):** insurance that is purchased by employers for their employees and financed through employer or joint employer-employee contributions. It is currently subsidized in part by the federal government through tax exclusions for employer contributions to employee health insurance plans.

**High-rise building:** defined by the Florida Fire Prevention Code as any building taller than 75 feet.

**HO-3 insurance policy:** see homeowners' insurance policy.

**HO-6 insurance policy:** see homeowners' insurance policy.

**HOA:** see homeowners' association.

**HOA covenant revitalization:** See covenant revitalization.

**Hoistway:** see elevator hoistway.

**Homeowner Claims Bill of Rights:** a description of some of a homeowner's personal-line, property insurance claim-related rights under Florida law as well as a guide to policy holders, that an insurer must provide to a policyholder within 14 days after receiving an initial communication of a claim.

**Homeowners' association (HOA):** a legal organization of parcel owners responsible, for the maintenance of common property and enforcement of the association's governing documents, rules and regulations and regulated by the Homeowners' Associations Act.

**Homeowners' Association Act (F.S. 720):** the statute that defines a homeowners' association, as well as describing the association's powers and duties, required disclosures prior to sale of residential parcels, and the process of covenant revitalization. See mandatory homeowners' association.

**Homeowners' association unit:** a lot, villa, townhome, or house. The member receives a deed to the unit. It is also referred to as a parcel.

**Homeowners Claims Bill of Rights:** rights granted by statute to personal lines residential policyholders to receive, from their insurer, a summary of their rights, in simple, nontechnical terms after filing a claim of loss. It is specific to the claims process and does not represent all of a policyholder's rights under Florida law regarding the insurance policy.

**Homeowners' committee (mobile home park):** a committee, not to exceed five persons in number, designated by a majority of the affected homeowners in a mobile home park or a subdivision; or, if a homeowners' association has been formed, designated by the board of the association. The homeowners' committee is designated for the purpose of meeting with the park owner or park developer to discuss lot rental increases, reduction in services or utilities, or changes in rules and regulations and any other matter authorized by the homeowners' association, or the majority of the affected home owners, and who is authorized to enter into a binding agreement with the park owner or subdivision developer, or a binding mediation agreement, on behalf of the association, its members, and all other mobile home owners in the mobile home park.

**Homeowners' insurance policy:** a policy for an individual owner of a condominium or cooperative (HO-6 policy), or an HOA (HO-3 policy). The policy protects the member from financial loss resulting from damage to personal and real property and from negligence claims.

**Homestead exemption:** a property tax exemption, granted to Florida property owners, based upon the residency of the owners on their Florida property.

**Homestead property:** a dwelling with its land and buildings, occupied by the owner as a home and exempted by a homestead law from seizure or sale for debt.

**Host Liquor Liability:** typically included in general liability policies, it protects against claims that occur because a guest at a party or event, where alcohol is served without charge, has become intoxicated and injured himself or someone else and/or damaged property.

**Hourly employee:** an employee who is paid for each hour worked and receives overtime pay for hours in excess of the regular workweek (usually 40 hours). Also known as a non-exempt employee.

**HRM:** see human resources management.

**Human Resources Management (HRM):** a function in organizations designed to maximize employee and staff performance to achieve the organization's objectives.

**HVAC:** the abbreviation for heating, ventilation, and air conditioning.

**Hyperlink:** a link from a hypertext file or document to another location or file, typically activated by clicking on a highlighted word or image on the screen. See hypertext.

**Hypertext:** text displayed on a computer display or other electronic devices with references (hyperlinks) to other text that the reader can immediately access, or where text can be revealed progressively at multiple levels of detail.

**Hypothecate:** to pledge property as security or collateral without delivery of title or possession.

## **I**

**I-9 Form:** see Employment Eligibility Verification Form.

**Identification cardholder:** an owner or employee of a pest control company to whom a current card has been issued by the DACS identifying the holder to the public or to any law enforcement officer or any agent of the department charged with, or entitled to exercise any function in connection with, the enforcement of F.S. 482.

**Implied warranty:** a guarantee that is held to exist in law, even if not specified by the seller

**Improvement (to real property):** any permanent structure on real property, or any work on the property (such as planting trees) which increases its value.

**Inactive CAM license:** a valid license of a CAM who does not perform community association management services during the period of time the license is inactive.

**Incidental benefit:** an accommodation, product, service, discount, or other benefit which is offered to a prospective purchaser of a timeshare plan or to a purchaser of a timeshare plan prior to the expiration of his or her initial 10-day voidability period, pursuant to s. 721.10; which is not an exchange program as defined in subsection (16); and which complies with the provisions of s. 721.075. The term shall not include an offer of the use of the accommodations and facilities of the timeshare plan on a free or discounted one-time basis.

**Income:** in common usage, the amount of money that an entity receives during a specific period, often used synonymously with revenue. In a financial context, income refers to the profit or the money that remains after deducting the expenses from the revenue. Community associations typically use revenue and income interchangeably.

**Income and expense statement:** also referred to as a profit and loss statement (P&L), revenue statement, statement of financial performance, earnings statement, operating statement, or statement of operations, is one of the financial statements of an organization and shows its revenues and expenses during a particular period.

**Income loss exposure:** the risk of a loss of income resulting from an event or occurrence that causes a reduction or loss of the entity's ability to operate.

**Incumbent:** the holder of an office.

**Indemnity (insurance):** restoration to the victim of a loss by payment, repair or replacement.

**Indemnity agreement:** a contractual agreement made between two parties, in which one party, typically but not always an insurance company) agrees to pay for potential losses or damages caused by the other party.

**Indemnity (legal):** security against or exemption from legal responsibility for one's actions.

**Independent contractor:** a person or business who performs services for another person under an express or implied agreement and who is not subject to the other's control, or right to control, the manner and means of performing the services.

**Indictment:** a formal accusation initiating a criminal case, presented by a grand jury and usually required for felonies and other serious crimes.

**Indirect beneficiary interest:** see beneficiary interest.

**Information Protection Act of 2014 (F.S. 817.5681, 501.171, 282.0041, 282.318):** governs the security of confidential personal information. It defines personal information and requires specified entities (including community associations) to take reasonable measures to protect and secure data containing personal information in electronic form.

**Ingress:** a place or means of access; an entrance.

**Injunction:** a judicial order that restrains a person from beginning or continuing an action threatening or invading the legal right of another, or that compels a person to carry out a certain act, e.g., to make restitution to an injured party.

**In perpetuity:** forever or something that is perpetual and unending.

**In privity:** a connection or mutual interest between parties. It is often used in the law of contracts, which requires that there be "privity" if one party to a contract can enforce the contract by a lawsuit against the other party. Privity may also refer to a successive or mutual relationship to some real property.

**Insolvent:** unable to pay debts owed.

**Institute of Real Estate Management (IREM):** an international community of real estate managers dedicated to ethical business practices, maximizing the value of investment real estate, and promoting superior management through education and information sharing.

**Insurable interest:** An insurable interest is a basic requirement for an insurance company to issue a policy. The owner of the policy must be at risk of financial loss resulting from death or injury to a person or damage to property it is seeking to insure.

**Insurance:** a means of transferring risk from an individual person or entity, the insured or policyholder, to an insurance company, also referred to as an insurance carrier, or more simply as the insurer.

**Insurance agent:** an individual who sells and services insurance policies.

**Insurance carrier:** an insurer, insurance company.

**Insurance claim:** a demand made by the insured, or the insured's beneficiary, for payment of the benefits as provided by the policy.

**Insurance claims adjuster:** a representative of the insurer who seeks to determine the extent of the insurer's liability for loss when a claim is submitted.

**Insurance Consumer Advocate:** an office, within the state's Office of Insurance Regulation (OIR), that has been authorized by statute, to advocate for and represent consumer interests in regulatory proceedings regarding all insurance activities that are conducted under the jurisdiction of the OIR.

**Insurance company:** a company that offers insurance policies to the public, either by selling directly to an individual or through another source such as an employee's benefit plan.

**Insurance coverage:** the scope of protection provided under an insurance policy. In property insurance, coverage lists perils insured against, properties covered, locations covered, individuals insured, and the limits of indemnification.

**Insurance policy:** the written contract effecting insurance, or the certificate thereof, by whatever name called, and including all clause, riders, endorsements, and papers attached thereto and made a part thereof.

**Insurance pooling:** a practice wherein a group of small companies or associations join together to secure better insurance rates and coverage plans by virtue of their increased buying power as a block.

**Insurance premium:** the amount of money an individual or business pays to maintain an insurance policy.

**Insurance underwriting:** the process of selecting risks for insurance and classifying them according to their degrees of insurability so that the appropriate rates may be assigned. The process also includes rejection of those risks that do not qualify.

**Insured:** the person or entity who will be compensated for loss by an insurer under the terms of a contract called an insurance policy.

**Insurer:** see insurance company.

**Integral chassis:** a single body/unit frame that cannot be divided into more than one section (sometimes referred to as a unibody construction).

**Integrated setting:** a setting (place or surroundings) that enables individuals with disabilities to interact with non-disabled persons to the fullest extent possible.

**Interactive water feature:** a recirculating water feature designed, installed or used for recreational use, in which there is direct water contact from the feature with the public, and when not in operation, all water drains freely so there is no ponding.

**Interest:** a set percentage rate on the principle originally lent to a borrower that the borrower must pay for the ability to use the money. A set percentage rate levied on the outstanding balance of a delinquent community association member as a late fee or as an additional fee for each day of the delinquency.

**Interestholder:** a developer, an owner of the underlying fee or owner of the underlying personal property, a mortgagee, judgment creditor, or other lienor, or any other person having an interest in or lien or encumbrance against the accommodations or facilities of a timeshare plan.

The entities identified above are not to be considered interestholders of a multisite timeshare plan (vacation club) which contains a component site that is also a part of a single-site timeshare plan or condominium or other property regime, unless the timeshare interest, timeshare unit, or other unit is specifically subject to, or otherwise dedicated to, the multisite timeshare plan.

**Internal Revenue Service (IRS):** the revenue service of the United States federal government. It is a bureau of the Department of the Treasury, under the immediate direction of the Commissioner of Internal Revenue. The IRS is responsible for collecting taxes and the administration of the Internal Revenue Code.

**International Building Code (IBC):** a model building code developed by the International Code Council (ICC) that has been adopted and used as a base code standard throughout most of the United States.

**International Code Council (ICC):** a USA-based organization that develops codes and standards relating to the design and construction of buildings.

**Internet:** a global computer network providing a variety of information and communication facilities, consisting of interconnected networks using standardized communication protocols.

**Inundation:** flooding.

**Inventory:** a detailed, itemized list, report, or record of things in one's possession, especially a periodic survey of all equipment, tools, and materials in stock.

**Invitee:** an individual who enters another's premises as a result of an express or implied invitation of the owner or occupant for their mutual gain or benefit.

**IREM:** see Institute of Real Estate Management

**IRS:** see Internal Revenue Service.

**IRS 20 Factor Test on Employment Status:** an aid to determining whether an individual is an employee under the common law rules, twenty factors or elements have been identified as indicating whether sufficient control is present to establish an employer-employee relationship.

**IRS Common Law Test:** a guide used by the IRS to determine if a worker should be classified as an employee or an independent contractor.

**J**

**Job basis employee:** see exempt employee.

**Job description:** a broad, general, and written statement of a specific job, based on the findings of a job analysis. It generally includes duties, purpose, responsibilities, scope, and working conditions of a job along with the job's title, and the name or designation of the person to whom the employee reports.

**Joinder:** two or more persons sharing similar rights or liabilities who have joined together in a legal action.

**Joint and severally liable:** when two or more parties are jointly and severally liable for a tortious act, each party is independently liable for the full extent of the injuries stemming from the tortious act. Thus, if a plaintiff wins a money judgment against the parties collectively, the plaintiff may collect the full value of the judgment from any one of them.

**Joint underwriters' association (JUA):** an association of insurers that join together to provide coverage for a particular type of risk or size of exposure, when there are difficulties in obtaining coverage in the regular market.

**Judgement (legal):** a decision by a court or other tribunal that resolves a controversy and determines the rights and obligations of the parties. A judgment is the final part of a court case. A valid judgment resolves all the contested issues and terminates the lawsuit, since it is regarded as the court's official pronouncement of the law on the action that was pending before it. It states who wins the case and what remedies the winner is awarded. Remedies may include money damages, injunctive relief, or both. A judgment also signifies the end of the court's jurisdiction in the case. The Federal Rules of Civil Procedure and most state rules of civil procedure allow appeals only from final judgments.

**Judgment of dismissal:** the determination of a court to dismiss a legal matter without a trial. If the dismissal is without prejudice the parties are free to litigate the matter in the future.

**Judicial sale:** a sale of property to enforce a judgment for payment that a defendant does not or cannot fulfill. The plaintiff forces the sale by filing in court for an execution on property, which is a seizure of property by the court for the purpose of selling the property.

**Junior interest holder** means any person who has a lien or interest of record against a timeshare interest in the county or counties in which the timeshare interest is located, which is inferior to the mortgage lien or assessment lien being foreclosed under this part.

**Junior lien:** an obligation, such as a second mortgage, that is subordinate in right or lien priority to an existing lien on the same realty. A junior lienholder has the right to initiate foreclosure, but the senior lienholder is paid first.

**Jurisdiction:** the official power of a court or other institution to make legal decisions and judgments; the territory or sphere of activity over which the legal authority of a court or other institution extends.

**Jurisprudence:** 1. the philosophy or science of law; 2. a division, type, or particular body of law

**K**

**Kaufman Language (from the 1977 legal case of Kaufman v. Shere):** language in an association's documents stating that the association must adhere to a statute, as may be amended from time to time. The bolded language is required to be included in the association documents, when referencing the requirement of conformance to a specific statute, for a change in the statute to be applicable or enforceable, without the need to amend the association's documents.

**Kickback:** receipt by an officer, director, or manager of a payment or something of value from a vendor, contractor, or bidder, to influence a decision or action, in their favor.

**L**

**Laches:** a defense to an equitable action, that bars recovery by the plaintiff because of the plaintiff's undue delay in seeking relief.

**Land:** see real property.

**Land development regulations (LDR):** see zoning regulations.

**Land lease:** see ground lease.

**Landlord:** the owner or lessor of a dwelling unit.

**Landlord and Tenant Act (F.S. 83):** governs the rights and responsibilities of landlords and tenants to each other and the enforcement of those rights and obligations.

**Landscape:** the visible features of an area of countryside or land, often considered in terms of their aesthetic appeal.

**Landscaping:** any activity that modifies the visible features of an area of land, with a goal of creating beauty within the landscape.

**Landscape architect:** a designer of outdoor areas, landmarks, and structures to achieve environmental, social-behavioral, or aesthetic outcomes.

**Late fee:** A fee levied by the association, based on its governing documents and limited to the maximum amount allowed by statute, on a member who has failed to pay an assessment or maintenance fee within the period of time required by the association. Also known as administrative late fee.

**Law and ordinance insurance:** a type of insurance coverage that can be included in a homeowner's insurance policy. Such coverage pays not only for rebuilding or repairing a destroyed or damaged home but also upgrading the home so that it will meet the current building codes. Insurance companies may sell law and ordinance coverage as a rider to a homeowner's policy.

**Lawsuit:** a claim or dispute brought to a court of law for adjudication (a formal judgment by a judge or arbiter on a disputed matter).

**Lawyer:** see attorney.

**Lawyer-client privilege:** see attorney-client privilege.

**LCAM:** the initials of licensed community association manager, a fictitious title without professional significance. All active CAMs are licensed community association managers.

**LCE:** see limited common element.

**LDR:** see land development regulation.

**Lease:** a contract by which one party conveys land, property, services, etc., to another for a specified time, usually in return for a periodic payment.

**Leasehold:** the holding of property by lease.

**Leasehold agreement:** a legal document that provides a tenant with the right of possession of the leased property and describes the rights and obligations of both the tenant and the landlord or property owner.

**Leasehold condominium or cooperative:** a condominium or cooperative that is created on land that is held under lease or includes recreational facilities or other common elements or commonly used facilities on a leasehold.

**Ledger:** a book in which the monetary transactions of a business are posted in the form of debits and credits. Individual units in community association have their own individual ledger. See current account.

**Legal documents:** see governing documents.

**Legally binding agreement:** an agreement between a community association and each member, which describes the association's and the member's rights and responsibilities and provides the governance and management of the association. Referred to as the covenant in some types of community associations.

**Legal person:** a group of people acting in a unified, often commercial enterprise but are considered by law to be acting as a single fictional or virtual individual. Legal persons are also known by the terms artificial and juristic persons. Companies, trusts, partnerships, and similar entities are considered legal persons. See natural person.

**Legal title:** clear and enforceable title representing legal ownership of an asset or property.

**Lender:** an individual, a public or private group, or a financial institution that makes funds available to another with the expectation that the funds will be repaid. Repayment will include the payment of any interest or fees.

**Lessee:** a person who holds the lease of a property; a tenant.

**Lessee rights:** a lessee has the use rights of the member they have leased from while the unit is leased.

**Lessor:** a person who leases or lets a property to another; a landlord.

**Lessor's rights:** include the right to screen potential tenants, the right to know and approve of who is occupying the leased unit, and the right to use part or all of the tenant's security deposit to repair any damage caused to the property by the lessee.

**Levy:** impose (a tax, fee, or fine).

**Liable:** legally obligated or responsible.

**Liability (accounting):** a legally binding obligation payable to another entity.

**Liability (insurance):** broadly, any legally enforceable obligation. The term is most commonly used in a pecuniary sense.

**Liability (legal):** a comprehensive legal term that describes the condition of being actually or potentially, subject to a legal obligation.

**Liability insurance:** also known as general liability insurance, is any insurance policy that protects an association from the risk that it may be sued and held legally liable for property damage, bodily injury, or personal injury to another person or entity caused by the insured's negligence.

**Liability loss exposure:** conditions that could result in an individual or an organization being sued for financial damages, typically, but not always, caused by non-intentional negligence that could cause death, injury, or damage, to another person or entity.

**Libel:** a false and malicious published written statement, a picture, sign, or electronic broadcast that damages a person's reputation.

**License:** a certificate establishing that a person is legally permitted to perform a job or task typically issued by a governmental entity.

**Licensed direct writer:** a licensed insurer whose distribution mechanism is either the direct selling system or the exclusive agency system. The direct selling system is a system for selling insurance wherein the insurer sells directly to the insured via its employees. The exclusive agency system is a system of insurance sales, where agents only provide business to one company or give the right of first refusal to a certain company.

**Licensee:** a person who is on the property of another, despite the fact that the property is not open to the general public, because the owner of the property has allowed the licensee to enter.

**Licensure period (CAB):** a two-year period beginning October 1 of an odd numbered year and ending September 30 of the next odd numbered year. A license that is issued during a licensure period is valid until the end of the period.

**Licensure period (CAM):** a two-year period beginning October 1 of an even numbered year and ending September 30 of the next even numbered year. A license that is issued during a licensure period is valid until the end of the period with the exception that a license issued on or after July 1 of an even numbered year remains in effect during the next licensure period.

**Lien:** the legal claim of one person upon the property of another person to secure the payment of a debt or the satisfaction of an obligation. An association may place a lien on a unit or parcel for all unpaid assessments, and other monies due.

**Lienholder:** a person or entity that has a lien on a particular property.

**Life estate:** an interest in real property, including the right to use and occupy the property for the duration of the lifetime of the life estate holder.

**Life safety code:** known as NFPA 101, is a consensus standard, widely adopted in the United States, that addresses construction, protection, and occupancy features necessary to minimize danger to life from the effects of fire, including smoke, heat, and toxic gases created during a fire. It does not address general fire prevention or building construction features that are normally a function of fire prevention codes and building codes. It is administered, trademarked, copyrighted, and published by the National Fire Protection Association, and is systematically revised on a three-year cycle.

**Life-safety system:** a part of a building's infrastructure that monitors the environment for changes that indicate the presence of fire or smoke. The system reacts to such changes in a manner that reduces or eliminates the risk of injury or damage.

**Lifesaving ring:** a buoyant, ring-shaped device designed to be thrown to persons in danger of drowning.

**Limited common element:** common property that is limited to use by one or more, but not all, members of a community association. Also referred to as limited common property or area.

**Limited liability corporation (LLC):** a business structure that combines the pass-through taxation of a partnership or sole proprietorship with the limited liability of a corporation.

**Limited liability partnership (LLP):** a partnership in which some or all partners (depending on the jurisdiction) have limited liabilities. It therefore exhibits elements of partnerships and corporations. In an LLP, one partner is not responsible or liable for another partner's misconduct or negligence.

**Limited proxy:** a document that is used to permit an absent voting representative to be counted towards a quorum and to vote the choice of that absent voting representative on matters requiring the vote of the association membership. See general proxy.

**Line item:** a single account within a financial document such as a budget.

**Liquor liability insurance:** a type of insurance that covers businesses for claims related to liquor. Litigation costs, including the fees to retain an attorney, and court costs, are covered under a liquor liability policy. Usually, such claims involve damages resulting from the actions of an intoxicated person. For example, a lawsuit filed by someone injured in a crash caused by a drunk driver who was served alcoholic drinks at an event held on the common areas of the association. See host liquor liability.

**Lis pendens:** a written legal notice that a lawsuit has been filed concerning real estate, involving either the title to the property or a claimed ownership interest in it. This notice secures a plaintiff's claim on the property so that the sale, mortgage, or encumbrance of the property will not diminish a plaintiff's rights to the property, should the plaintiff prevail in its case.

**Litigant:** a person or entity involved in a lawsuit.

**Litigation:** an action brought in court to enforce a particular right; the act or process of bringing a lawsuit. See lawsuit.

**Loan:** the lending of money by one or more individuals, organizations, and/or other entities to other individuals, organizations etc. The recipient incurs a debt and is usually liable to pay interest on that debt until it is repaid, and also to repay the principal amount borrowed.

**Logic bomb:** a piece of code intentionally inserted into a software system that will set off a malicious function when specified conditions are met.

**Loss assessment:** a member's share of a special assessment for property damage levied by a community association.

**Loss assessment insurance:** see property loss assessment insurance.

**Loss control:** all methods taken to reduce the frequency and/or severity of losses including exposure avoidance, loss prevention, loss reduction, segregation of exposures and transfer of risk. The use of appropriate insurance, avoidance of risk, loss control, risk retention, self-insuring, and other techniques that minimize the risks of a business, individual, or organization.

**Loss prevention:** a form of loss control in which an organization implements action to reduce the possibility of a potential loss.

**Loss reduction:** a form of loss control in which an organization implements action to reduce the severity of a loss.

**Lot:** see mobile home lot.

**Lot (real estate):** or plot is a tract or parcel of land owned or meant to be owned by some owner(s).

**Lot frontage:** the horizontal distance between the side lot lines of the front of a lot.

**Lot rental amount (mobile home park):** all financial obligations, except user fees, which are required as a condition of the tenancy.

**M**

**Maintenance:** activities required to preserve buildings, grounds, and equipment in such condition that they may be continuously used, at their original or designed capacity and efficiency, for their intended purpose.

**Maintenance fee:** the periodic payment that is required of every member of a community association to pay for the operations and maintenance of the association. Also referred to as assessment or dues.

**Majority:** a number that is greater than half of a total. In a membership meeting, if the total voting interests is 200, a majority is 101 (100+1); if the total membership is 205, a majority is 103 (102.5 rounded to 103).

**Majority of interest:** equivalent to a majority of total voting interests (TVI).

**Major Life Activity:** defined by the ADA to include, but not limited to, caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating, and working, as well as the operation of a major bodily function, including but not limited to, functions of the immune system, normal cell growth, digestive, bowel, bladder, neurological, brain, respiratory, circulatory, endocrine, and reproductive functions.

**Malicious prosecution:** intentionally and maliciously instituting and pursuing (or causing to be instituted or pursued) a legal action (civil or criminal) that is brought without probable cause and dismissed in favor of the victim of the malicious prosecution.

**Management:** see administration.

**Management fee:** a budget account or line item for the cost of contracted management services

**Manager:** see community association manager.

**Managing entity:** the person or entity that operates or maintains a timeshare plan.

**Managing insurance agent:** an individual or business entity appointed by an insurer to solicit applications from agents for insurance contracts or to negotiate insurance contracts on behalf of an insurer.

**Mandatory binding or non-binding arbitration:** see arbitration.

**Market value of property:** the estimated amount for which property should be sold between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion.

**Master association:** a community association that provides specific services, as described in its governing documents and/or the governing documents of its member associations, to its members, which are community associations and/or the members of community associations.

**Material alteration or modification:** a physical change to the property that significantly alters its structure or appearance.

**Material fact:** a fact that is important, significant or essential to a reasonable person in deciding whether to engage or not to engage in a particular transaction.

**Material misstatement:** a fraudulent, negligent, or innocent misstatement, or an incomplete statement, of a material fact. If a specific misrepresentation induces another party to enter into a contract, that party may have the legal right to rescind the contract or seek compensation for damages. See material fact.

**Material noncompliance:** a breach of contract.

**Mechanic's lien:** see construction lien.

**Mediation:** a form of alternative dispute resolution where an impartial third party, the mediator, assists the parties to negotiate their own settlement. See alternative dispute resolution.

**Medicaid:** a joint federal and state program that helps with medical costs for some people with limited income and resources. Medicaid also offers benefits not normally covered by Medicare, like nursing home care and personal care services.

**Meeting:** Robert's Rules of Order define a meeting as an event in which a deliberative assembly transacts business.

**Meeting agenda:** see agenda.

**Meeting minutes:** see minutes.

**Meeting notice:** a notification sent to members of a community association, and/or posted on the property, informing them of the time, date, location, and agenda of a board or member meeting, in conformance with applicable state statutes and the association's governing documents.

**Meeting package:** the set of documents provided to directors or members relevant to the meeting they are attending. For board meetings they typically include the meeting notice, minutes of the previous meeting, financial reports, the manager's report, and proposed contracts. Special meetings such as the annual meeting and election and the budget meeting require a specialized set of documents often mandated by statute.

**Member:** the owner of a unit or parcel in a condominium, homeowners or timeshare association, or the shareholder or lessee in a cooperative association, or an owner of a mobile home leasing a lot from a privately-owned mobile home park, where the mobile home owners have created a mobile home association.

**Member directory:** see roster.

**Membership fee:** see assessment.

**Member roster:** see roster.

**Membership or member meeting:** an association meeting for which a quorum of members and a vote of the members is required to transact business.

**Memorandum of agreement:** a written document, in a form sufficient to permit the document to be recorded or otherwise filed in the appropriate public records and to provide constructive notice of its contents under applicable law, which includes the names of the seller and the purchaser, a legal description of the timeshare property or other sufficient description for a personal property timeshare plan, and all timeshare interests to be included in such document, and a description of the type of timeshare interest sold by the seller.

**MIA:** see Missing in Action.

**Mildew:** see mold and mildew.

**Minutes:** A record of all association meetings that is required by statute to be maintained in a written form or in a form that is capable of being converted to a written format within a reasonable period.

**Misappropriation:** intentional and illegal use of property or funds.

**Misconduct:** an intentional or controllable act or failure to take action that shows a deliberate disregard of the employer's interest. Inefficiency, unsatisfactory job performance, inadvertencies, ordinary negligence in an isolated incident, and good-faith errors in judgment or discretion are not deemed misconduct.

**Misdemeanor:** a minor crime that is generally punishable by fine, penalty, forfeiture, or imprisonment for less than a year.

**Missing in Action (MIA):** a casualty classification assigned to combatants, military chaplains, combat medics, and prisoners of war who are reported missing during wartime or ceasefire. They may have been killed, wounded, captured, or deserted. If deceased, neither their remains nor grave has been positively identified.

**Mitigate:** the action of reducing the severity, seriousness, or painfulness of something:

**Mixed-use association:** a community association that includes commercial as well as residential units.

**MLA:** see major life activities

**Mobile home:** 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.

**Mobile Home Act (F.S. 723):** regulates any residential tenancy in which a mobile home is placed upon a rented or leased lot in a mobile home park or a mobile home subdivision in which 10 or more lots are offered for rent or lease. F.S. 723 does not apply to any other tenancy, including one in which both a mobile home and mobile home lot are rented or leased by the mobile home resident and a tenancy in which rental space is offered for occupancy by recreational-vehicle-type units, which are primarily designed as temporary living quarters for recreational camping or travel use, and which have their own motor power or are mounted on or drawn by another vehicle.

A mobile home park of fewer than 10 units is regulated by F.S. 83, Part II (Florida Residential Landlord Tenant Act).

**Mobile home association:** a community association of owners of transportable, factory-built, modular units, located on specifically designated lots or pads, that are leased from the owner of the mobile home park in which they are located.

F.S. 723.003(4) defines mobile home association as follows: "Homeowners' association" means a corporation for profit or not for profit, which is formed and operates in compliance with ss. 723.075-723.079; or, in a subdivision the homeowners' association authorized in the subdivision documents in which all home owners must be members as a condition of ownership.

**Mobile home lot:** a lot described by a park owner pursuant to the requirements of s. 723.012, or in a disclosure statement pursuant to s. 723.013, as a lot intended for the placement of a mobile home.

**Mobile home lot rental agreement or rental agreement:** 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 park owner.

**Mobile home owner, mobile homeowner, home owner, or homeowner:** a person who owns a mobile home and rents or leases a lot within a mobile home park for residential use.

**Mobile home pad:** a structure, typically concrete, upon which a mobile home is located.

**Mobile home park:** 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.

**Mobile home park operator:** either a person who establishes a mobile home park on land that 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.

**Mobile home park owner or park owner:** an owner or operator of a mobile home park.

**Mobile home subdivision:** 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.

**Mobility impairment:** a limitation in independent, purposeful, physical movement of the body or of one or more extremities.

**Modular unit:** see mobile home.

**Mold and mildew:** a fungus that grows in the form of multicellular filaments called hyphae. Mold, in a home, is usually caused by high moisture levels. The difference between mold and mildew is in their appearances and the surfaces they are found growing. Mildew is typically lighter, cottony, powdery and gray or white in color. Mold is usually a tickler or furry in texture and black, green, orange or red in color.

**Money judgment:** a court order that awards the plaintiff a sum of money.

**Mortgage:** a loan for the purchase of real property, secured by a lien on the property.

**Mortgagee:** the lender in a mortgage, typically a bank.

**Mortgage holder:** an individual or entity who owns the mortgage loan that was extended to a homeowner and is the party entitled to enforce the terms of the mortgage.

**Mortgage underwriting:** the process a lender uses to determine if the risk of offering a mortgage loan to a particular borrower under certain parameters is acceptable

**Mortgagor:** the borrower in a mortgage, typically a homeowner.

**Motion:** in parliamentary procedure as defined in Robert's Rules of Order, a formal proposal by a member of a deliberative assembly that the assembly take certain action.

**Mudflow:** a flow of mixed earth debris containing a large amount of water.

**Multi-association:** see multi-condominium association, multi-cooperative association, and multi-homeowners' association.

**Multi-condominium association:** a community association that operates more than one condominium.

**Multi-cooperative association:** a community association that operates more than one cooperative.

**Multi-homeowners' association:** a community association that operates more than one homeowners' association.

**Multi-peril insurance policy:** an insurance policy that covers a number of different causes of loss, rather than just one. These types of policies provide comprehensive coverage and are common in property insurance.

**Multi-section mobile home:** a mobile home that is 26 or 30 feet wide and is constructed of two or more structures that are attached together when placed upon a lot.

**Multisite timeshare plan:** defined by F.S. 721 as any method, arrangement, or procedure with respect to which a purchaser obtains, by any means, a recurring right to use and occupy accommodations or facilities of more than one component site, only through use of a reservation system, whether or not the purchaser is able to elect to cease participating in the plan. However, the term "multisite timeshare plan" shall not include any method, arrangement, or procedure wherein:

(a) The contractually specified maximum total financial obligation on the purchaser's part is \$3,000 or less, during the entire term of the plan; or

(b) The term is for a period of 3 years or less, regardless of the purchaser's contractually specified maximum total financial obligation, if any. For purposes of determining the term of such use and occupancy rights, the period of any optional renewals which a purchaser, in his or her sole discretion, may elect to exercise, whether or not for additional consideration, shall not be included. For purposes of determining the term of such use and occupancy rights, the period of any automatic renewals shall be included unless a purchaser has the right to terminate the membership at any time and receive a pro rata refund or the purchaser receives a notice no less than 30 days and no more than 60 days prior to the date of renewal informing the purchaser of the right to terminate at any time prior to the date of automatic renewal.

Multisite timeshare plan does not mean an exchange program as defined in s. 721.05.

**Municipality:** usually a single urban or administrative division having corporate status and powers of self-government or jurisdiction as granted by national and state laws to which it is subordinate. It is to be distinguished (usually) from the county, which may encompass rural territory or numerous small communities such as towns, villages and hamlets.

**Muniment of title:** any documentary evidence upon which title is based, including deeds, wills, and court judgments through which a particular land title passes and upon which its validity depends.

## **N**

**Named perils insurance policy:** a policy that covers all perils that are specified in the policy.

**National Association of Parliamentarians:** a not for profit organization dedicated to the study, promotion, and use of parliamentary procedure as the basis of democratic process during meetings worldwide. Robert's Rules of Order Newly Revised is the parliamentary authority that is used by the NAP.

**National Electrical Code (NEC), or NFPA 70:** a regionally adoptable standard for the safe installation of electrical wiring and equipment in the United States. It is part of the National Fire Codes series published by the National Fire Protection Association (NFPA), a private trade association. See National Fire Protection Association.

**NFPA:** see National Fire Protection Association.

**NFPA 1 Fire Code:** also known as the Uniform Fire Code, provides a comprehensive, integrated approach to fire code regulation and hazard management. Requirements cover the full range of fire and life safety issues from fire protection systems and equipment and occupant safety in new and existing buildings to hazardous materials, flammable and combustible liquids, LP-Gas, and more. See National Fire Protection Association (NFPA).

**National Fire Alarm and Signaling Code or NFPA 72:** creates rules for the application, installation, location, performance, inspection, testing, and maintenance of fire alarm systems, supervising station alarm systems, public emergency alarm reporting systems, fire warning equipment and emergency communications systems (ECS), and their components. See National Fire Protection Association.

**National Fire Protection Association (NFPA):** a United States trade association that creates and maintains private, copyrighted, standards and codes for usage and adoption by local governments, including NFPA 1, Fire Code which provides requirements to establish a reasonable level of fire safety and property protection in new and existing buildings, and NFPA 101, Life Safety Code: which establishes minimum requirements for new and existing buildings to protect building occupants from fire, smoke, and toxic fumes.

**National Flood Insurance Program (NFIP):** a program, administered by the Federal Emergency Management Association (FEMA), that enables property owners in participating communities to purchase insurance protection against losses from flooding.

**Natural person:** legally defined as a living human being. See legal person.

**Negligence:** failure to use reasonable care, resulting in damage or injury to another.

**Neighborhood electric vehicle (NEV):** any four-wheeled vehicle whose top speed is greater than 20 miles per hour but not greater than 25 miles per hour.

**NEV:** see neighborhood electric vehicle.

**NFIP:** see National Flood Insurance Program.

**Nolo contendere:** a no-contest plea to a criminal charge, where the defendant neither admits nor disputes a charge. It serves as an alternative to a pleading of guilty or not guilty. It has the same legal effect as a guilty plea to a criminal charge.

**Nominate:** propose someone or formally enter oneself as a candidate for election to an office, such as director or president.

**Non-admitted carrier:** see surplus lines insurance.

**Non-binding arbitration:** a type of arbitration in which Florida Statutes permit the parties to appeal the arbitrator's decision to the circuit court within 30 days of the decision. If not appealed within 30 days, the decision becomes binding. See binding arbitration.

**Non-exempt employee:** see hourly employee.

**Non-material or minor breach of contract:** a party's failure to complete a less serious part of a contract. The contract can still be completed in the event of a non-material breach and the non-breaching party is still obligated to complete their performance.

**Non-material or minor error or omission:** a failure to perform a duty that only involves minor details, and does not affect the outcome of the entire contract.

**Non-owned vehicle insurance:** a form of liability insurance that protects policyholders against claims of bodily injury or property damage, caused by an accident involving a vehicle owned by an employee or other person performing a service for the business or organization.

**Non-residential community association:** an association in which all units are restricted to non-residential use.

**Notarize:** have a notary affix his or her seal and signature to a document and signifying that he or she witnessed the signing of the document.

**Notary public:** an official appointed by state government to serve the public as an impartial witness in performing a variety of official fraud-deterrent acts related to the signing of important documents.

**Notice of claim:** a written notice, required by statute, that must be sent to a member before an association can file a claim of lien. Condominiums and cooperatives are required to send the notice 30 days prior to filing a claim of lien. HOAs require 45 days.

**Notice of Contest of Lien:** the statutory method in which a person or entity can contest a recorded lien against their condominium, cooperative or HOA unit.

**NSF:** see non-sufficient funds fee.

**Non-sufficient funds fee (NSF):** a term used in the banking industry to indicate that a check cannot be honored because insufficient funds are available in the account on which the check was drawn. An NSF check is often referred to as a bad check, returned check, or bounced check. Typically, the bank levies the fee on the association and the association, in turn, levies the fee, in the exact or different amount depending on its policy, on the member.

**Notes to the financial statements:** detailed text provided as a supplement to the balance sheet, income statement, and statement of changes in financial position in a company's annual report to provide added facts and/or clarify unusual items or entries on the statements.

**Notice:** see meeting notice.

**Null CAM license:** see expired license.

## O

**Oath:** a solemn promise, often invoking a divine witness, regarding one's future action or behavior.

**Occupational Safety and Health Administration (OSHA):** a department of the United States Department of Labor. Its purpose is to enforce the Occupational Safety and Health Act, which was enacted to ensure safe and healthful working conditions for working men and women by setting and enforcing standards and by providing training, outreach, education and assistance.

**Occupational Safety and Health Administration (OSHA) guidelines:** see Occupational Safety and Health Administration (OSHA) standards.

**Occupational Safety and Health Administration (OSHA) standards:** regulations issued by OSHA, after proper notice and comment, that sets a minimum requirement in some area of practice or activity over which OSHA has authority.

**Occurrence:** an event that results in an insured loss. In some lines of insurance, such as liability, an occurrence is distinguished from accident in that the loss doesn't have to be sudden and fortuitous and can result from continuous or repeated exposure which results in bodily injury or property damage neither expected nor intended by the insured.

**Occurrence basis insurance policy:** provides insurance coverage for a loss that occurred during the policy period, no matter when the claim is brought against the insured.

**Offer to sell, offer for sale, offered for sale, or offer (timeshare):** the solicitation, advertisement, or inducement, or any other method or attempt, to encourage any person to acquire the opportunity to participate in a timeshare plan.

**Offering statement:** see prospectus.

**Official record:** an original record or copy having the legally recognized and enforceable quality of establishing a fact.

**Office of Insurance Regulation (OIR):** the state agency within the Office of the Chief Financial Officer, Florida Department of Financial Services, with primary responsibility for regulation, compliance, and enforcement of the statutes that are related to the business of insurance and the monitoring of industry markets. Bureaus within the OIR are organized into centers of regulatory expertise related to life and health, property and casualty, specialty lines, and other regulated insurance entities.

**Officer:** one who holds an office of authority or trust in an organization. Officers of a community association may or may not be required to be directors or members. The types, powers, duties, eligibility, and process of selection of a community association's officers, are typically defined in its bylaws. Condominiums and cooperatives are required by statute to have a president, secretary, and treasurer.

**OIR:** see Office of Insurance Regulation.

**OJT:** see On-the-job training.

**Ombudsman:** see Condominium Ombudsman.

**One-to-one use right to use night requirement ratio (timeshares):** That the sum of the nights that owners are entitled to use in a given 12-month period shall not exceed the number of nights available for use by those owners during the same 12-month period. No individual timeshare unit may be counted as providing more than 365 use nights per 12-month period or more than 366 use nights per 12-month period that includes February 29. The use rights of each owner shall be counted without regard to whether the owner's use rights have been suspended for failure to pay assessments or otherwise.

**Online voting system:** see electronic voting.

**On-the-job training (OJT):** a form of training taking place in a normal working situation.

**Operating assessment:** the assessment for operating expenses that does not include the cost of reserves, expenses that are expected to occur less often than annually, and expenses for the betterment of the property.

**Operating budget:** an estimate of common revenues and expenses, classified by account or line item.

**Operating capital:**

1. a term used to describe monies, required by some associations, to be paid to the association at the time a unit is conveyed from one member to another.
2. Defined by the Division as a built-in surplus to be included in the budget. It is statutorily required to be included, as an expense account, in condominium and cooperative budgets.

**Operating system:** a system software that manages computer hardware and software resources and provides common services for computer programs. The operating system is a component of the system software in a computer system. Application programs usually require an operating system to function.

**Opt-out:** choose not to participate.

**Order:** see court order.

**Ordinance:** a law enacted by a municipal body, such as a city council or county commission (sometimes called county council or county board of supervisors). Ordinances govern matters not already covered by state or federal laws such as zoning, safety and building regulations.

**Ordinance and law insurance:** see law and ordinance insurance.

**Ordinary prudent person:** see prudent person rule

**Organizational or corporate culture:** The values and behaviors that contribute to the unique social and psychological environment of an organization. It includes an organization's expectations, experiences, philosophy, and values that hold it together, and is expressed in its self-image, inner workings, interactions with the outside world, and future expectations. It is based on shared attitudes, beliefs, customs, and written and unwritten rules that have been developed over time and are considered valid.

**Organizational meeting:** typically, the first board meeting following the annual meeting and the election of directors. Electing officers, establishing the board meeting schedule, signing signature cards for banks and financial institutions, and appointing committee members and chairs are among the agenda items.

**OSHA:** see Occupational Safety and Health Administration.

**Owner of record:** see record owner.

**Owners' association:** see timeshare owners' association.

**Owners' equity:** the net value of a company, or the amount that would be returned to shareholders if all the company's assets were liquidated and all its debts repaid. It is equal to a firm's total assets minus its total liabilities and is one of the most common financial metrics employed by analysts to determine the financial health of a company or organization. Typically referred to as equity in the financial statements of community associations. Also referred to as shareholders' equity.

## **P**

**Parcel (real estate):** a measured portion or area of land. When tracts of land are divided, bought and sold among owners, they are divided into groups referred to as parcels. Condominium and cooperative units are also referred to as parcels.

**Parcel (HOA):** defined by the Florida Homeowners' Association Act as a platted or unplatted lot, tract, unit, or other subdivision of real property within a community, as described in the declaration which is capable of separate conveyance; and of which the parcel owner, or an association in which the parcel owner must be a member, is obligated by the governing documents to be a member of an association that serves the community; and to pay to the homeowners' association assessments that, if not paid, may result in a lien.

**Parcel owner:** the entity with legal title to a parcel.

**Parliament:** a legislative body of government.

**Parliamentary authority:** a book of rules on conducting business in deliberative assemblies. It is typically identified by the bylaws and defines the rules related to the orderly transaction of business.

**Parliamentary procedure:** a rule that defines how a particular situation is to be handled, or a particular outcome achieved, in a legislature or deliberative body.

**Partnership:** a type of unincorporated business organization in which two or more individuals or entities pool money, skills, and other resources, and share profit and loss in accordance with terms of the partnership agreement.

**Pass-through charge (mobile home parks):** 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 and actual direct costs and, impact or hookup fees, incurred for capital improvements required for public or private regulated utilities.

**Payment bond:** a surety bond posted by a contractor to guarantee that its subcontractors and material suppliers on the project will be paid. It is often required in conjunction with performance bonds. It is also referred to as a payment on labor and materials bond.

**PCAM:** see Professional Community Association Manager.

**PDS:** see progressive discipline system.

**Pecuniary:** of, relating to, or consisting of money

**Pendency:** the state or time of being pending, undecided, or undetermined, as of a lawsuit awaiting settlement.

**Perfected:** a legal action is perfected when all necessary legal steps have been completed in order to achieve a result.

**Performance bond:** a surety bond that is issued by an insurance company or a bank, that protects the owner from financial loss up to the limits of the bond, in the event a contractor fails to satisfactorily fulfill its contractual obligations.

**Performance evaluation:** the process of reviewing an employee's work performance to determine the extent to which the employee meets the employer's performance goals and standards.

**Performance goals:** tasks that an employer expects an employee to perform during a given time period.

**Performance planning:** the process of establishing performance goals and standards for employees.

**Performance standards:** a management approved statement of the performance requirements for each major task of an employee, as described in the employee's job description and performance plan, and used as the basis for evaluating an employee's performance. Performance standards should be objective, measurable, realistic, and stated clearly in writing.

**Peril:** a cause of a possible loss such as a fire, windstorm, flood, or theft. Also referred to as hazard.

**Person:** for legal purposes, is a natural person or an artificial entity such as a corporation, company, partnership, firm, association or society.

**Personal injury:** a legal term for an injury to the mind or emotions. See personal injury insurance.

**Personal injury insurance:** a form of liability insurance that protects against claims of false arrest, detention, or imprisonment; libel, slander, defamation, or product disparagement; malicious prosecution (which may include abuse of process); wrongful eviction, wrongful entry, or violation of right of private occupancy; and, invasion of or violation of right of privacy.

**Personal insurance:** see personal property insurance.

**Personal lines insurance:** insurance for individuals and families, such as private passenger auto and homeowner's insurance.

**Personal property:** property that is movable and not real estate. See real property.

**Personal property insurance:** a property insurance policy that protects items not attached to the actual building structure, such as furniture, appliances, and clothes, against damage or loss. In the event of a covered loss, such as theft or fire, it helps pay for their replacement.

**Personal property timeshare interest:** a right to occupy an accommodation located on or in or comprised of personal property that is not permanently affixed to real property, whether or not coupled with a beneficial or ownership interest in the accommodation or personal property.

**Personal property timeshare plan:** a timeshare plan in which the accommodations are comprised of personal property that is not permanently affixed to real property, such as a cabin on a cruise ship, a houseboat, or a recreational vehicle.

**Personnel:** the people employed in an organization.

**Personnel file:** documents maintained by an employer for each employee typically including a resume or application, an employment contract, policies signed by the employee, payroll information, emergency contact information, training records, performance evaluations, and disciplinary records.

**Personnel loss exposure:** the possibility of a financial loss to a company from death, injury, disability, or departure of employees.

**Personnel manual:** a document which contains the details of personnel policies of the organization. See employee handbook.

**Pearson-Vue:** the company that conducts testing for State of Florida professional licenses.

**Pest:** an animal that impacts adversely on human activities.

**Pest control:** defined by F.S. 482 as:

- the use of any method or device or application of any substance to prevent, destroy, repel, mitigate, curb, control, or eradicate any pest in, on, or under a structure, lawn, or ornamental
- the identification of or inspection for infestations or infections in, on, or under a structure, lawn, or ornamental
- the use of any pesticide, economic poison, or mechanical device for preventing, controlling, eradicating, inspecting for, mitigating, diminishing, or curtailing insects, vermin, rodents, pest birds, bats, or other pests in, on, or under a structure, lawn, or ornamental
- all phases of fumigation, including treatment of products by vault fumigation; fumigation of boxcars, trucks, ships, airplanes, docks, warehouse, and common carriers and
- advertisement of, solicitation of, or acceptance of remuneration for any work described above.

**Pesticide:** any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest.

**Petition:** a formal written request, typically one signed by many people, appealing to authority with respect to a particular cause.

**Petition (legal):** a formal letter or a request to a law court asking for a particular legal action:

**pH (swimming pools):** the measure of the acidity or alkalinity of swimming pool water.

**Phase:** a distinct period or stage in a process of change or forming part of something's development:

**Phase I and II firefighters' service operation:** see Uniform Fire Safety Standards for Elevators

**Phase condominium or cooperative:** a condominium or cooperative that is developed in phases (different stages or periods of time).

**Physical or mental impairment:** a physiological disorder or condition, disfigurement, or anatomical loss that affects one or more bodily functions; or a mental or psychological disorder that meets one of the diagnostic categories specified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association.

**Piling machine:** a machine, such as a pile driver, used to strengthen the soil on ground in order to support the load of building.

**Plaintiff:** the party who initiates a lawsuit (also known as an action) before a court.

**Planned maintenance:** see scheduled maintenance.

**Plat:** a plan or map of a specific land area, showing the boundaries of individual properties.

**Plate glass:** a type of glass, initially produced in plane form, commonly used for windows, glass doors, transparent walls, and windshields. For modern architectural and automotive applications, the flat glass is sometimes bent after production of the plane sheet. Also referred to as flat glass or sheet glass.

**Plate glass insurance:** insurance coverage against financial loss resulting from unintentional damage to or breakage of large panes of glass such as windows.

**Play component:** a single unit of recreational equipment in a playground.

**Playground or play area:** an area used for outdoor play or recreation, especially by children, and often containing recreational equipment such as slides and swings.

**Playset:** a structure erected outside for children to play on and around.

**Pleadings:** a legal term meaning the formal allegations provided to the court or arbitrator by the parties of a lawsuit or arbitration of their respective claims and defenses. See recall.

**Plot plan:** a scale diagram that shows the proposed or existing use of a specific parcel of land, shows the locations of structures in relation to the boundaries of the property, identifies easements for utilities, and shows access to and egress from the property and buildings.

**Plurality:** a voting system in which a candidate or candidates that obtains a greater number of votes than their opponents, are elected even if the number of votes any one candidate receives is less than a majority.

**Point of order:** a common motion made by any member of an assembly who notices a breach of the rules. The member has the right to call immediate attention to the fact and ask the chair to enforce the rules.

**Policyholder:** the owner of an insurance policy. The owner may or may not be the insured. See insured.

**Pool:** see public swimming pool.

**Pool coping:** see coping.

**Pooled insurance:** see insurance pooling.

**Pooled reserve account:** a combination of two or more segregated reserve accounts into a single reserve account, in order to allow for greater flexibility in paying for capital expenditures and deferred maintenance.

**Position description:** see job description.

**Positive reinforcement:** the management practice of praising employees' good performance in order to motivate them to meet or exceed their performance goals and the employer's standards.

**Possessory interest:** intent or right of a person to occupy and/or exercise control over a particular plot of land. Also known as use interest.

**POW:** see Prisoner of War.

**Power of attorney (POA) or letter of attorney:** a written authorization to represent or act on another's behalf in private affairs, business, or some other legal matter.

**Plurality:** a system of voting in which the candidate(s) with the most votes, but not a majority, are elected to a designated number of available offices, such as directorships.

**Practice of law:** providing legal advice to clients, drafting legal documents for clients, and representing clients in legal negotiations and court proceedings such as lawsuits. The term is applied to the professional services of a lawyer or attorney at law.

**Pre-empted:** To take the place of or take precedence over.

**Premium:** see insurance premium.

**Premium pay:** a higher rate of pay paid to those working weekends, holidays, vacation days, or working during hours deemed less desirable. Federal and state laws regulate premium pay.

**President:** the officer of a community association typically possessing the authority of chief executive officer and acting as the presiding officer at board meetings. The president's authority and duties are usually defined in the bylaws and may be restricted by the board of directors.

**Presiding officer:** see chair.

**Pre-suit mediation:** a form of alternative dispute resolution that is required to be used for certain disputes between homeowners' associations and parcel owners, including use of or changes to parcels or common areas and other covenant enforcement disputes, amendments to association documents, meetings of the board and committees that are appointed by the board, membership meetings (with the exception of election meetings), and access to official records.

**Preventive maintenance:** care and service for the purpose of maintaining equipment and facilities in satisfactory operating condition by providing for systematic inspection, detection, and correction, either before problems occur or before they develop into major problems.

**Primary condominium:** any condominium that is not a secondary condominium and contains one or more subdivided parcels.

**Primary condominium association:** any entity that operates a primary condominium.

**Primary condominium declaration:** the instrument or instruments by which a primary condominium is created, as they are from time to time amended.

**Primary residence:** the dwelling a person usually lives. A person can only have one primary residence at any given time, though they may share the residence with other people. A primary residence is considered a legal residence for the purpose of income tax and/or acquiring a mortgage.

**Principal:** the person with the highest authority or most important position in an organization, institution, or group.

**Prisoner of War (POW):** a person, whether combatant or non-combatant, who is held in custody by a belligerent power during or immediately after an armed conflict.

**Private cause of action:** a term used in United States statutory and constitutional law for circumstances when a court will determine that a law that creates rights also allows private parties to bring a lawsuit, even though no such remedy is explicitly provided for in the law

**Private wrong:** a civil injury affecting an individual or person but not the community generally. A wrong for which an individual has legal redress.

**Privity:** a close, direct, or successive relationship or having a mutual interest or right. It refers to a connection or bond between parties to a particular transaction. Privity of contract is the relationship that exists between two or more parties to an agreement. Privity of estate exists between a lessor and a lessee, and privity of possession is the relationship between parties in successive possession of real property.

**Probationary period:** a period of time, typically 90 days or 6 months, to allow a supervisor to evaluate the progress, skills, and personal qualities of a newly hired employee or a permanent employee who has been placed on probation because their job performance requires improvement.

**Procedural:** relating to an established or official way of doing something.

**Procedural law:** the rules by which a court hears and determines what happens in civil lawsuit, criminal or administrative proceedings. See substantive law.

**Process server:** see certified or registered process server.

**Productivity:** the effectiveness of productive effort as measured in terms of the rate of output per unit of input.

**Professional Community Association Manager (PCAM):** the highest professional credential issued by Community Associations Institute (CAI).

**Professional Engineer (P.E.):** an individual, who has fulfilled education and experience requirements and passed rigorous exams that, under State licensure laws, permits them to offer engineering services directly to the public. A P.E. may specialize in one or more sub-specialties such as structural, electrical, sanitation, or traffic.

**Profit and loss statement:** see income and expense statement.

**Progressive discipline system (PDS):** a system of increasingly severe penalties for each time an employee is disciplined. Typically, the progression is from oral warnings to written warnings to suspension to termination.

**Proof of notice:** proof of mailing, of publication, or of posting resolutions or notices often made by affidavit of the person required to make the mailing or publication or do the posting.

**Property:** the right of one or more persons to possess something and use it to the exclusion of others. See personal property and real property.

**Property appraiser:** see appraiser.

**Property Insurance:** also known as hazard insurance, pays for the repair or replacement of property, both real and personal, damaged by specific perils.

**Property loss assessment insurance:** a type of insurance coverage provided by a member's HO-3 or HO-6 policy, to provide limited payment for a member's share of a special assessment levied to pay for the repair of damage caused by a hurricane or other covered peril, that was not covered by the association's insurance policy (the deductible or the association portion of the co-insurance). See loss assessment.

**Property loss exposure:** any condition or situation that presents the possibility that a property loss will happen.

**Property maintenance:** see maintenance.

**Property regime:** an arrangement regulating the preservation and maintenance of commonly held property.

**Property tax:** see real estate tax.

**Property value:** see market value, appraised value, replacement value, actual cash value.

**Proprietary lease:** a lease between a shareholder of a cooperative association corporation and the cooperative association as the owner of the property. It establishes the conditions for the use of a unit and the common elements.

**Proprietary rights:** the rights than an owner of property can exercise.

**Prospective buyer:** an entity whom the seller expects to purchase an asset, such as real property.

**Prospectus:** a formal document summarizing the terms and conditions of sale, escrow requirements, use restrictions (rules), assessments and charges, and other pertinent information. Also referred to as an offering statement.

**Proxy:**

- the authority to represent someone else, especially in voting
- the person authorized to act on behalf of another
- the document authorizing a person to vote on another's behalf.

**Proxy holder:** a person holding a valid proxy for a community association member

**Prudent business judgment:** see business judgment rule.

**Prudent person rule:** a standard that requires that a fiduciary, entrusted with funds for investment, may invest such funds only in securities that any reasonable individual, interested in receiving a good return of income while preserving his or her capital, would purchase.

**Public accommodation:** as defined by the ADA, a private entity that owns, operates, leases from, or leases to, a place of public accommodation. Places of public accommodation include a wide range of entities, such as restaurants, hotels, theaters, doctors' offices, pharmacies, retail stores, museums, libraries, parks, private schools, and day care centers. Private clubs and religious organizations are exempt from the ADA's title III requirements for public accommodations.

**Publication 15 (Employer's Tax Guide, Circular E):** an IRS publication that describes the federal tax-related requirements of an employer. It contains tax tables for an employer to calculate the amount of taxes to withhold from each employee.

**Publication 15-A (Employer's Supplemental Tax Guide):** an IRS publication that provides employers with alternative methods for calculating income tax withholding, combined income, and Social Security, Medicare and Federal Unemployment Tax (FUTA) tax tables.

**Public insurance adjuster:** a professional insurance claims adjuster who advocates for the policyholder in appraising and negotiating a claimant's insurance claim. Public adjuster receives a percentage of the claim as their fee.

**Public Offering Statement (POS):** a document provided to buyers of a new community association by the builder. The document contains details about how the association is structured and managed, including its CC&Rs. It also contains important disclosures about budgets, insurance, construction and rules.

**Public offering statement (timeshares):** the written materials describing a single-site timeshare plan or a multisite timeshare plan, including a text and any exhibits attached thereto as required by ss. 721.07, 721.55, and 721.551. It refers to both a filed public offering statement, with the DFCTSMH, and a public offering statement given to a prospective purchaser.

**Publication 15-B (Employer's Tax Guide to Fringe Benefits):** IRS publication which contains information about the employment tax treatment and valuation of various types of noncash compensation.

**Public lodging establishment** is defined as any unit, group of units, dwelling, building, or group of buildings within a single complex which is rented to guests more than three times in a calendar year for periods of less than 30 days or 1 calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests.

**Public offering statement:** see prospectus.

**Public right of way line:** see right of way.

**Public swimming pool or public pool:** defined by F.S. 514.001 as a watertight structure of concrete, masonry, or other approved materials which is located either indoors or outdoors, used for bathing or swimming by humans, and filled with a filtered and disinfected water supply, together with buildings, appurtenances, and equipment used in connection therewith. A public swimming pool or public pool shall mean a conventional pool, spa-type pool, wading pool, special purpose pool, or water recreation attraction, to which admission may be gained with or without payment of a fee and includes, but is not limited to, pools operated by or serving camps, churches, cities, counties, day care centers, group home facilities for eight or more clients, health spas, institutions, parks, state agencies, schools, subdivisions, or the cooperative living-type projects of five or more living units, such as apartments, boardinghouses, hotels, mobile home parks, motels, recreational vehicle parks, and townhouses.

**Public utility:** an organization that maintains the infrastructure for a public service (often also providing a service using that infrastructure). Public utilities are subject to forms of public control and regulation ranging from local community-based groups to statewide government monopolies.

**Purchaser (timeshare):** any person, other than a developer, who by means of a voluntary transfer acquires a legal or equitable interest in a timeshare plan other than as security for an obligation.

## **Q**

**Qualifying offer:** a written offer by an HOA member to pay all amounts secured by a lien of the association plus amounts accruing during the duration of the offer. The filing of a qualifying offer with the court stays a

foreclosure action for the period stated in the qualifying offer, which may not exceed 60 days following the date of service and no earlier than 30 days before the date of trial, arbitration, or the beginning of the trial docket, whichever occurs first.

**Quasi-governmental:** supported by the government but managed privately.

**QuickBooks:** an accounting software package developed and marketed by Intuit. QuickBooks products are geared mainly toward small and medium-sized businesses and offer on-premises accounting applications as well as cloud-based versions that accept business payments, manage and pay bills, and payroll functions.

**Quitclaim deed:** a deed releasing a person's interest in a property without stating the nature of the person's interest or rights, and with no warranties of that person's interest or rights in the property.

**Quorum:** the minimum number of members of an assembly that must be present at any of its meetings to make the proceedings of that meeting valid.

**R**

**Ramp:** a sloping surface joining two different levels. See access ramp and curb ramp.

**Ramp landing:** the level areas at the beginning and end of a ramp.

**Ramp run:** the horizontal dimension or rise of a ramp.

**Ratify:** to confirm by expressing consent or approval, often by formal vote of a governing or regulatory body.

**RCCAM:** see Regulatory Council of Community Association Managers

**Real estate:** property consisting of land and the buildings on it, as well as the natural resources of the land, including uncultivated flora and fauna, farmed crops and livestock, water and mineral deposits.

**Real estate law:** a branch of civil law that covers the right to possess, use, and enjoy land and the permanent man-made additions attached to it.

**Real estate tax:** an ad-valorem tax, calculated by a local government, which is paid by the owner of the property. The tax is usually based on the value of the owned property, including land. See ad-valorem tax.

**Real property:** land and anything permanently affixed to it, such as buildings and structural components plus the rights of use and enjoyment of that land and its improvements.

**Real property timeshare plan:** a timeshare plan in which the accommodations are comprised of or permanently affixed to real property.

**Reasonable accommodation:** an adjustment made in a system or structure to accommodate or make fair the same system or structure for an individual based on a proven need, such as a person with a disability.

**Rebuttable presumption:** a legal term meaning an assumption that is taken to be true unless someone comes forward to contest it and prove otherwise. A rebuttable presumption can be overturned only if the evidence contradicting it is true and if a reasonable person of average intelligence could logically conclude from the evidence that the presumption is no longer valid.

**Recall:** the procedure, established by statute, by which a director or directors may be removed from the board of directors, by the association members, with or without cause, prior to the expiration of the director's term.

**Recall petition:** a method of initiating a recall of one or more directors by a community association. Community association statutes require 10% of eligible TVI to sign the petition to initiate a recall.

**Receiver:** a person appointed by a court while considering a legal matter. A receiver is appointed to receive the rent, proceeds and profit from land, produce or any other property in dispute.

**Receivership:** in law, receivership is the situation in which an institution or enterprise is being held by a receiver, a person placed in the custodial responsibility for the property of others, especially in cases where a company cannot meet its financial obligations or enters bankruptcy.

**Record:** a thing constituting a piece of evidence about the past, especially an account of an act or occurrence kept in writing or some other permanent form.

**Record management:** also known as records and information management, is an organizational function devoted to the management of information in an organization throughout its life cycle, from the time of creation or inscription to its eventual disposition. This includes identifying, classifying, storing, securing, retrieving, tracking and destroying or permanently preserving records.

**Record owner:** the entity named in the public records as the owner (titleholder) of a particular property. Also referred to as owner of record or stockholder/shareholder of record.

**Recreation lease:** a lease allowing an association to use another entity's property for recreational purposes.

**Recuse:** to remove oneself from participation in an activity (such as voting) to avoid a conflict of interest.

**Redact:** to remove or obscure private information from a document before making it public.

**Reemployment Assistance Program:** the state agency responsible for assisting unemployed persons to find jobs and to provide temporary and partial wage replacement benefits to qualified persons who are unemployed.

**Registered agent:** the person designated by a corporation to receive all formal service of papers to the corporation (for example, lawsuits, court documents, and correspondence from governmental agencies and concerned parties).

**Registered office:** the office and mailing address of the registered agent. It cannot be a post office box.

**Regulatory Council of Community Association Managers (RCCAM):** a council within the DBPR that whose functions include establishing requirements for pre-licensure education, approving the CAM licensure examination, determining continuing education requirements, determining fees and fines, specifying acts or omissions that constitute violations of F.S. 468, Part VIII, determining professional practice standards, establishing public education programs, receiving input regarding issues of concern with respect to community association management, making recommendations for legislative changes, and advising the DBPR concerning revision and adoption of rules that affect community association management.

**Rehab or rehabilitation (property):** the act or process of making possible the use of a property, in conformance with the applicable building code and compatible with its function immediately prior to rehabilitation, through repair, alterations, and additions, while preserving those portions or features which convey its historical, cultural, or architectural values.

**Reimbursement:** the action of repaying a person who has spent or lost money.

**Reinsurance:** insurance that an insurance company buys for its own protection from other insurers or a group or syndicate of insurers. The risk of loss is spread so a disproportionately large loss under a single policy doesn't fall on one company.

**Relative:** someone who is connected to another by blood, family or marriage. See consanguinity.

**Release of lien (construction):** a lien waiver is a document from a contractor, subcontractor, materials man (supplier), equipment lessor, or other party to the construction project (the claimant) stating they have received payment and waive any future lien rights to the property (of the owner).

**Remaining useful life:** see useful life.

**Remuneration:** see compensation.

**Renewable energy:** energy from a source that is not depleted when used, such as wind or solar power.

**Rent:** a tenant's regular payment to a landlord for the use of property or land.

**Replacement cost or value:** the dollar amount needed to replace damaged property.

**Replevin:** a legal procedure whereby seized goods may be provisionally restored to their owner pending the outcome of an action to determine the rights of the parties concerned.

**Reports:** a common agenda item for community association meetings in which officers, the manager, and/or committee chairs make oral presentations to the assembly.

**Resale:** the sale of a thing, such as real property, previously purchased.

**Resale agreement (mobile home parks):** 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.

**Resale purchase agreement:** a type of form required to be used for resale by an owner of a timeshare interest who has acquired the interest for their own use.

**Resale service provider:** any resale advertiser, or other person or entity, including any agent or employee of such person or entity, who offers or uses telemarketing, direct mail, e-mail, or any other means of communication in connection with the offering of resale brokerage or resale advertising services to consumer timeshare resellers. The term does not include developers or managing entities to the extent they offer resale brokerage or resale advertising services to owners of timeshare interests in their own timeshare plans; resale brokers to the extent that resale advertising services are offered in connection with resale brokerage services and no fee for the advertising service is collected in advance; or a consumer timeshare reseller who acquires a timeshare interest or timeshare interests for his or her own use and occupancy and who later offers the timeshare interest or timeshare interests for rent or offers for resale in a given calendar year seven or fewer of the timeshare interests that he or she acquired for his or her own use and occupancy.

**Resale transfer agreement:** a contract or other agreement between a person offering timeshare interest transfer services and a consumer timeshare reseller, in which the person offering timeshare interest transfer services agrees to provide such services as described in F.S. 721.17(3).

**Rescission:** the act of making void or canceling.

**Rescission period:** the period of time a purchaser has to review and cancel a contract without penalty and be reimbursed for any deposit given the seller.

**Reserve:** defined by the DBPR as any funds, other than operating, that are restricted to deferred maintenance and capital expenditures and any other funds that are restricted as to use by the association or its documents.

**Reserve budget:** see reserve schedule.

**Reserve fund:** see reserve.

**Reserve schedule:** a schedule, included as an attachment to a reserve budget, that provides a list of all required deferred maintenance and capital expenditure reserve items, the estimated useful life of each item, the estimated remaining useful life of each item, the estimated cost of deferred maintenance and capital equipment replacement for each item, the estimated fund balance for each item as of the end of the current fiscal year, and the required funding amount for each budget year for each item.

**Reserve study:** an in-depth evaluation of a property's physical components and an analysis of its reserve funds. A reserve study projects the anticipated replacements or repairs to common-area elements and recommends annual reserve funding to cover capital expenditures and deferred maintenance for each year of a future thirty-year period.

**Residential community association:** an association whose primary purpose is for dwelling.

**Residential Condominium Building Association Policy (RCBAP):** a flood insurance policy offered by the NFIP to eligible associations.

**Residential insurance:** a term used for property insurance provided to individual members of a community association. See commercial residential insurance.

**Residential tenancy:** exclusive possession, for a fixed period, of property or land that is owned by somebody else, in return for an agreed upon rent.

**Resolution:** a formal decision taken at a meeting by means of a vote.

**Responding party:** the party to a legal dispute who responds to allegations of wrong doing. See aggrieved party.

**Restrictive covenant:** any type of agreement that requires the buyer to either take or abstain from a specific action. In community association real estate transactions, restrictive covenants are binding legal obligations written into the association's governing documents.

**Retrofit:** add (a component or accessory) to something that did not have it when manufactured.

**Returned check fee:** see non-sufficient funds fee.

**Revenue:** the amount of money that a company actually receives during a specific period, often used synonymously with income. See income.

**Review:** a financial statement review is a service under which the accountant obtains limited assurance that there are no material modifications that need to be made to an entity's financial statements for them to be in conformity with GAAP. A review does not require the accountant to obtain an understanding of internal control, or to assess fraud risk, or other types of audit procedures. Consequently, a review does not provide the accountant with assurance that he has become aware of all the significant matters that would normally have been discovered and disclosed in an audit.

**Revitalize:** renew, as in revitalize an HOA covenant.

**Revoked CAM license:** the status of a license that has been cancelled as a result of a DBPR disciplinary hearing finding that the CAM had violated a statute or administrative rule.

**Rider:** See endorsement.

**Right of first refusal (RFR):** a provision in a contract or declaration that gives a specific party the right to be given the opportunity to purchase or rent a particular property before it's transferred to any other party.

**Right of way:** the legal right, established by usage or grant, to pass along a specific route through grounds or property belonging to another. See easement.

**Riparian:** of, relating to, or situated or dwelling on the bank of a river or other body of water.

**Risk:** the possibility of financial loss due to damage or harm because of the occurrence of some event, activity, or peril.

**Risk avoidance:** a risk management technique that seeks to eliminate any possibility of risk through hazard prevention, or the discontinuation of activities determined to entail any level of risk.

**Risk or loss control:** all methods taken to reduce the frequency and/or severity of losses including exposure avoidance, loss prevention, loss reduction, segregation of exposures and noninsurance transfer of risk.

**Risk financing:** the method by which an organization will pay for loss events in the most effective and least costly way possible. It involves the identification of risks, determination of the method to finance the risk, and monitoring the effectiveness of the chosen method. Options of risk financing include retention of losses either by design or omission, borrowing of funds or use of bonds or other forms of capital, contractual non-insurance transfer of responsibility for loss payment, and insurance transfer to an insurance company when and if the exposure is insurable and the cost is not prohibitive.

**Risk management:** the identification, analysis, assessment, control, avoidance, minimization, and/or elimination of unacceptable risks.

**Risk retention:** A form of self-insurance employed by organizations which have determined that the cost of transferring a risk to an insurance company is greater over time than the cost of retaining the risk and paying for losses out of their own operating or reserve funds.

**Robert's Rules of Order:** the short title of a book, written by Henry Martyn Robert, that is intended to be a guide for conducting meetings and making decisions as a group. Originally published in 1876, it has been revised regularly through the years. Community association documents often designate Robert's Rules of Order (typically the most recent edition) as the authorized guide for the conduct of meetings.

**RONR:** an acronym for Robert's Rules of Order Newly Revised. See Robert's Rules of Order.

**Roster:** a list of members of the association.

**Rotating or flex-week ownership:** a form of timeshare ownership in which some timeshare units are sold as rotating or flex weeks. This form of ownership provides all owners the right to use different weeks in different calendar years. As a result, owners are able to use more desirable or prime weeks during specific calendar years. The system is structured to provide an owner with a specific week in one year, for example, week 25, then the next year the owner may have use of week 26, the year after, week 27, and so forth.

**Routine assessment:** an assessment for a member's proportional cost of the day to day operation of the association and the annual reserve.

**Routine maintenance:** simple, small-scale activities (usually requiring only minimal skills or training) associated with regular (daily, weekly, monthly, etc.) and general upkeep of a building, equipment, machine, plant, or system against normal wear and tear.

**Rules of order:** see parliamentary procedure.

**Rules and regulations:** a written guide for conduct or action made and maintained by an authority. Rules and regulations of a community association are either stated in the governing documents or promulgated by the board of directors or the members. A use restriction is a type of rule common to community associations.

**Running slope:** The slope of a surface which is parallel to the direction of travel; compare with cross slope.

**Running with the land:** a term describing the rights and covenants in a real estate deed that remain with the land, regardless of ownership. When rights and covenants run with the land, they are tied to the property (land) and not to the owner, and will be transferred from deed to deed as the land is transferred from one owner to another.

**Runoff election:** an additional election held when a first election produces a tie or otherwise does not result in a winner.

**S**

**Salaried employee:** see exempt employee.

**Salary basis or fee basis:** see exempt employee.

**Sale:** an exchange of goods, services or property from seller to buyer for an agreed upon consideration. A sale of real estate.

**Satisfaction of lien form:** a document signed by a judgment creditor (the party owed the money judgment) stating that the full amount due on the judgment has been paid.

**Scheduled or planned maintenance:** maintenance to equipment, involving a scheduled service visit by a competent technician, for the purpose of ensuring that the item is operating correctly, avoiding breakdown, and prolonging useful life.

**Scheduled replacement:** replacement of an asset such as equipment or major components of an asset prior to failure, at a pre-determined date. See deferred maintenance and capital equipment replacement.

**Screening:** the process by which an association determines the eligibility of a person or entity to purchase, rent, or reside in the community.

**Screening criteria:** see criteria and screening.

**Screening fee:** see transfer fee.

**Seat:** see board seat.

**Second a motion:** for some motions to be acted upon requires a formal statement from a member of the assembly other than the person making the motion. To accomplish this the other member says, "second the motion" or "second."

**Secondary condominium:** one or more condominium parcels that have been submitted to condominium ownership pursuant to a secondary condominium declaration.

**Secondary condominium association:** any entity responsible for the operation of a secondary condominium.

**Secondary condominium declaration:** the instrument or instruments by which a secondary condominium is created.

**Second mortgage:** a type of subordinate mortgage made while an original mortgage is still in effect. In the event of default, the original mortgage would receive all proceeds from the liquidation of the property until it is all paid off.

**Secondary unit:** a unit that is part of a secondary condominium.

**Secret ballot:** a vote in which each person's choice is secret but the totaled votes are public.

**Secret profit:** profit made by an agent that is not revealed to the principal.

**Secretary:** the officer of a community association typically responsible, subject to the association's bylaws, for the maintenance of its official records.

**Section 8:** a section of the federal Housing Act of 1937, authorizes the payment of rental housing assistance to private landlords on behalf of low-income households.

**Section 504:** a section of the federal Rehabilitation Act of 1973 that guarantees certain rights to people with disabilities.

**Security (protection):** measures taken by an association to protect its assets, members, and employees. It also refers to the budget line item or account that describes the cost of contracted security services.

**Security (financial):** something of value, usually money, deposited or pledged as a guarantee of the fulfillment of an undertaking or the repayment of a loan, to be forfeited in case of default.

**Security agency:** is defined by F.S. 493 as any person who, for consideration, advertises as providing or is engaged in the business of furnishing security services, armored car services or transporting prisoners. The statute includes services that lease out guard dogs.

**Security deposit:** a sum of money required by a person or entity selling something or leasing property, as security against the buyer's or tenant's failure to fulfill the contract. Florida community associations can require a security deposit, up to a maximum of one month's rent, from the lessor of a leased unit, to be placed in an escrow account, to be applied against the cost of repair of damage to the common elements, caused by a member's lessee. See security (financial).

**Security guard:** F.S. 493 defines a security guard as any individual who, for consideration, advertises as providing or performs bodyguard services or otherwise guards persons or property, attempts to prevent theft or unlawful taking of goods, wares and merchandise, or attempts to prevent the misappropriation or concealment of goods, wares, or merchandise, money, bonds, stocks, choses in action, notes or other documents, papers, and articles of value or procurement of the return thereof.

**Security interest:** an enforceable claim or lien which gives a creditor the right to repossess all or part of a property secured as collateral for a loan

**Segregated reserve account:** the status of an individual reserve account that restricts its funds to be used to pay for any expense other than its designated purpose.

**Segregation of exposure:** a risk management practice designed to control losses by physically separating assets or operations (or separating a single exposure unit into various parts) to reduce maximum potential loss.

**Selective enforcement:** occurs when an association acts arbitrarily by enforcing some covenants, rules, or regulations but not enforcing others, or by basing the decision to enforce or not enforce a covenant, rule, or regulation, upon the identity of the member in violation.

**Self-dealing:** the conduct of a trustee, an attorney, a corporate officer, or other fiduciary that consists of taking advantage of his position in a transaction and acting for his own interests rather than for the interests of the beneficiaries of the trust, corporate shareholders, or his clients. Self-dealing may involve misappropriation or usurpation of corporate assets or opportunities. Self-dealing is a form of conflict of interest.

**Self-employed:** earning income directly from one's own business, trade, or profession rather than receiving a salary or wages from an employer.

**Self-insurance:** a risk management method referred to as risk retention, in which a calculated amount of money is set aside by one or more associations to pay the cost of damages resulting from a potential future loss.

**Self-insurance fund or commercial self-insurance fund:** an insurance fund established by a group of community associations that is required to have sufficient funds available to cover the probable loss of a 250-year windstorm event, as determined by a competent model that is accepted by the Florida Commission on Hurricane Loss Projection Methodology.

**Self-insurance pool:** a legal entity regulated by a state that allows unrelated insureds to retain their own risks and collectively purchase claims administration services and excess insurance to meet statutory coverage requirements.

**Self-management:** a form of management in which the board of directors has direct responsibility to perform the operations of an association without the employment of a community association manager.

**Seller:** a party that makes, offers or contracts to make a sale to an actual or potential buyer.

**Seller of subsurface rights:** a seller of real property which, at the time of sale, is zoned for residential use and is property upon which a new dwelling is being constructed or will be constructed pursuant to the contract for sale with the seller or has been constructed since the last transfer of the property.

**Seller (timeshare):** any developer or any other person, or any agent or employee thereof, who offers timeshare interests in the ordinary course of business. The term does not include: (a) an owner of a timeshare interest who has acquired the timeshare interest for their own use and occupancy and who later offers it for resale; provided that a rebuttable presumption shall exist that an owner who has acquired more than seven timeshare interests did not acquire them for their own use and occupancy; (b) a managing entity, not otherwise a seller, that offers, or engages a third party to offer on its behalf, timeshare interests in a timeshare plan which it manages, provided that such offer complies with the provisions of s. 721.065; (c) a person who owns or is conveyed, assigned, or transferred more than seven timeshare interests and who subsequently conveys, assigns, or transfers all acquired timeshare interests to a single purchaser in a single transaction, which transaction may occur in stages; or (d) a person who has acquired or has the right to acquire more than seven timeshare interests from a developer or other interestholder in connection with a loan, securitization, conduit, or similar financing arrangement and who subsequently arranges for all or a portion of the timeshare interests to be offered by one or more developers in the ordinary course of business.

**Senior lien:** the first lien placed upon property at a time before other liens. A senior lien is higher in priority compared to other liens. It will be paid before other liens are paid.

**Separate interest:** a form of conflict of interest in which a fiduciary has a concurrent, and undisclosed, interest in two or more parties involved in a transaction.

**Service animal:** animals that are authorized under the ADA and individually trained to do work or perform tasks for people with disabilities. Only dogs and miniature horses are currently accepted as service animals. See assistance animal, emotional support animal.

**Service of process:** the procedure by which a party to a lawsuit gives an appropriate notice of legal action to another party (such as a defendant), court, or administrative body so as to enable that person to respond to a proceeding before the court or administrative body.

**Service reimbursement assessment:** an assessment of a specific member or members for their use of services that are not funded as a routine or special assessment for damage to the common, limited common, or other member's property that they are responsible for causing.

**Setback:** in land use, a setback is the distance which a building or other structure is set back from a street or road, a river or other stream, a shore or flood plain, or any other place, such as a neighboring structure, which is deemed to need protection.

**Sexual or gender harassment:** unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature that tends to create a hostile or offensive work environment.

**Share (Cooperative Association):** a portion of ownership of a cooperative corporation.

**Shareholder:** an entity that owns shares in a cooperative association.

**Shareholders' equity:** see owners' equity.

**Shepherds hook or crook or life hook:** a long pole with a curved hook at the end that is used to help swimmers in distress.

**Short sale:** a sale of real estate that generates proceeds that are less than the amount owed on the property.

**Show cause order:** a type of court order that requires one or more of the parties to a case to justify, explain, or prove something to the court. Courts commonly use orders to show cause when the judge needs more information before deciding to issue an order requested by one of the parties.

**Signage:** signs collectively, especially commercial or public display signs.

**Silent:** unstated or unwritten in a statute or governing documents.

**Silent bylaws:** the inclusion, by reference, of provisions from the Condominium or Cooperative Acts, if the bylaws of a condominium or cooperative association do not include those provisions in their bylaws.

**Simple interest:** interest calculated only on the original principal and not on the sum of the principal plus accrued interest. The amount of simple interest remains constant.

**Single family home:** A dwelling structure that is complete in one unit and not attached to another dwelling by common walls.

**Single section mobile home:** a mobile home that is 14 or 16 feet wide and is constructed in one structure.

**Sinkhole:** defined by Florida law as "a land form created by subsidence of soil, sediment, or rock as underlying strata are dissolved by groundwater. A sinkhole may form by collapse into subterranean voids

created by dissolution (the dissolving) of limestone or dolostone or by the subsidence as these strata are dissolved." See catastrophic ground cover collapse.

**Site plan:** an architectural plan, landscape architecture document, and a detailed engineering drawing of proposed improvements to a given lot. A site plan usually shows a building footprint, roadways, parking, drainage facilities, sanitary sewer lines, water lines, trails, lighting, and landscaping and garden elements.

**Slander:** a false and malicious oral/verbal statement that damages a person's reputation.

**SLAPP suit (Strategic Lawsuit Against Public Participation):** a lawsuit that is brought by a person, business entity, or governmental entity against a community association or member because that association or member appeared or made a presentation before a governmental entity on a matter related to the association.

**Slope or grade:** the measure of the steepness or gradient of a line and is calculated by finding the ratio of the "vertical change" to the "horizontal change" between (any) two distinct points on a line.

**Smoke alarm or smoke detector:** a device that senses smoke, typically as an indicator of fire, and issues a local audible or visual alarm from the detector itself. A hard wired system uses electrical wire or cable to transmit a signal to a monitored fire alarm control panel.

**Social directory:** see directory.

**Social media:** forms of electronic communication (such as websites for social networking and microblogging) through which users create online communities to share information, ideas, personal messages, and other content (such as videos).

**Social Security Administration (SSA):** the federal agency that administers Social Security, a social insurance program consisting of retirement, disability, and survivors' benefits. To qualify for most of these benefits, most workers pay Social Security taxes on their earnings; the claimant's benefits are based on the wage earner's contributions. Otherwise benefits such as Supplemental Security Income are given based on need.

**Software:** a generic term that refers to a collection of data or computer instructions that tell the computer how to work, in contrast to the physical hardware from which the system is built, that actually performs the work.

**Sovereignty submerged lands:** lands that Florida took ownership upon becoming a state. Such lands include all lands to which title has not been validly conveyed that lie below the ordinary high-water line of navigable bodies of freshwater lakes, rivers and streams, lie below the mean high-water line of tidally influenced bays, rivers and oceans, and extend three miles into the Atlantic Ocean and three marine leagues (about 10.4 miles) into the Gulf of Mexico.

**Special amendment:** an amendment affecting a condominium or HOA unit or parcel or a member's proportionate percentage interest in the common expenses and common surplus of the association.

**Special assessment:** an assessment for a non-budgeted, typically unanticipated, repair or replacement, typically approved if operating and/or reserve funds are not sufficient to pay the cost of the repair or replacement.

**Special meetings:** association meetings (either board of directors or membership) which are conducted for a special purpose identified by the meeting notice.

**Special sense organs:** the senses that have specialized organs devoted to them: vision (the eye) hearing and balance (the ear, which includes the auditory system and vestibular system) smell (the nose) taste (the tongue)

**Sprinkler:** see fire sprinkler.

**Squatter:** a person who unlawfully occupies an uninhabited building or unused land.

**SS-4 Form - Application for Employer Identification Number (EIN):** a federal form used to establish a business entity (a corporation in the case of community associations) for federal tax purposes.

**SSA:** see Social Security Administration.

**Staggered term of office:** an arrangement whereby only a certain number of members of a board of directors are elected in a given year, whose purpose is to provide a degree of continuity for the governing body.

**Standard forms insurance policy:** an insurance policy that provides full coverage, in contrast to a while a basic policy that has certain limitations in coverage.

**Standing committee:** a permanent committee that meets regularly.

**Standpipe:** a type of rigid water piping which is built into multi-story buildings in a vertical position or bridges in a horizontal position, to which fire hoses can be connected, allowing manual application of water to the fire.

**State law:** the body of law in a particular state that consists of the state's constitution, statutes, regulations, and common law. In Florida, a state law is referred to as Florida Statute (F.S.) with a numerical designation.

**Statement of cash flows:** a financial statement which summarizes cash transactions of a business during a given accounting period. It shows how cash moved during the period by indicating whether a particular line item is a cash in-flow or a cash out-flow. A cash flow statement provides relevant information in assessing a company's liquidity, quality of earnings and solvency.

The direct method presents the specific cash flows associated with items such as cash collected from customers, interest and dividends received, cash paid to employees, cash paid to suppliers, interest paid, and Income taxes paid.

**Statement of changes in fund balances:** a financial report that describes the changes in each of an association's segregated funds. See fund accounting.

**Statement of revenues and expenses:** See income and expense statement.

**Statute:** a formal written enactment of a legislative authority that governs a state, city or country, a law.

**Statutory:** required, permitted, or enacted by statute.

**Statutory right:** a right granted under a statute

**Statutory disclosure:** a statement that contains the information required for each type of community association, such as restrictive covenants and rules and regulations, and provides other important details of which a prospective buyer should be aware.

**Stay (legal):** suspension or postponement of judicial proceedings

**Stock documents:** standardized governing documents that include required statutory language and the usual and customary rules of an association. The attorney fills in the name and other required identifying information of the association.

**Storm surge:** the abnormal rise of water generated by a storm's winds. This hazard is historically the leading cause of hurricane related deaths in the United States. Storm surge and large battering waves can result in large loss of life and cause massive destruction along the coast.

**Structural engineer:** a professional engineer trained to understand and calculate the stability, strength and rigidity for buildings and other structures, to develop designs and integrate their design with that of other designers, and to supervise construction of projects on site.

**Subcontractor:** an individual or business firm contracting to perform part or all of another's contract.

**Subdivision:** property that is divided, from a larger parcel, into smaller parcels.

**Subdivided parcel:** a piece of real estate resulting from the division of a parcel into multiple sections. See parcel.

**Submerged land lease:** see sovereignty submerged lands and lease.

**Subpage of website:** a lower level web page in a website or wiki with the same main name as the starting level page plus a slash and text identifying the location of the subpage. A wiki is a website that allows collaborative editing of its content and structure by its users.

**Subpoena:** a writ ordering a person to attend a court.

**Subrogation:** the right of an insurer who has paid a claim on an insured loss to assume the right to pursue recovery of the payment from a third party.

**Subsurface rights:** the rights to all minerals, mineral fuels, and other resources, including, but not limited to, oil, gas, coal, oil shale, uranium, metals, and phosphate, whether or not they are mixed with any other substance found or located beneath the surface of the earth.

**Substantive:** having a firm basis in reality and therefore important, meaningful, or considerable.

**Substantive law:** refers to the written or statutory law which governs the relationship between people, or between people and the state, in contrast to procedural law, which is the set of rules followed when a court is hearing a case. The rights and obligations of parties to a contract are governed by substantive law.

**Substantive response:** a response that contains information of importance and value relevant to the question asked.

**Substantive right:** a basic human right possessed by people in an ordered society and include rights granted by natural law as well as substantive law. Vested rights, described in a community association's documents, are substantive rights.

**Substitute proxy holder:** a person designated by a member to cast their ballot in the event the designated proxy holder is unavailable or unable to do so.

**Successor in interest:** the person or entity that follows another in ownership or control of a property.

**Successor owner:** the person or entity that follows another in ownership of a property.

**Sue:** to take legal action against a person or organization, especially by making a legal claim for money because of some harm that they have caused.

**Sufficiency of process:** see service of process.

**Summary judgment:** a procedural device used during civil litigation to promptly and expeditiously dispose of a case without a trial. It is used when there is no dispute as to the material facts of the case and a party is entitled to judgment as a matter of law.

**Summary proceeding:** a court action, often used in real estate disputes, in which the formal procedures normally applicable are dispensed with in order to achieve a faster disposition.

**Superior interest:** a financial interest in a property that is legally entitled to be paid prior to any subordinate interest.

**Supermajority:** a requirement for a proposal to gain a specified level of support which is greater than a simple majority (50% + 1).

**Supervision:** a workplace activity in which managers oversee and evaluate the employees they manage. Coaching, training, employee development, and progressive discipline are among the common responsibilities assumed by a supervisor.

**Supplier:** an entity that provides something needed such as a product or service.

**Surety bond:** a promise by one party to be liable for the debt, default, or failure of another party.

**Surplus:** excess of revenues over expenses. See carryover.

**Surplus funds:** see common surplus.

**Surplus lines insurance:** insurance provided by an insurer that is not licensed to transact business within the state where the risk is located. It is also termed excess lines insurance. Since the insurer is not licensed in the insured's state, it is not regulated by the insured's state's Department of Insurance in the same way admitted insurers are regulated. They are, however, regulated in the state or country where they are domiciled or located. Purchasers of surplus lines insurance are not protected by statutorily created insurance entities such as the Florida Insurance Guaranty Association (FIGA). Insurance companies that provide surplus line insurance are referred to as non-admitted or unauthorized carriers.

**Survey or land survey:** a drawing or map that shows precise legal boundaries and the locations of improvements, easements, rights of way, encroachments, and other physical features of an area of land.

**Surveying or land surveying:** the technique, profession, and science of determining the terrestrial or three-dimensional positions of points and the distances and angles between them. A land surveying professional is called a land surveyor. These points are usually on the surface of the Earth, and they are often used to establish maps and boundaries for ownership, locations, such as building corners or the surface location of subsurface features, or other purposes required by government or civil law, such as property sales.

**Surveyor:** a person whose job is to measure and record the details of areas of land.

**Suspended CAM license:** temporary loss of license as a result of a DBPR disciplinary hearing finding that the CAM had violated a statute or administrative rule.

**Suspension:** see suspension of use of amenities and privileges.

**Suspension of voting, use of amenities and privileges:** the right of a community association to suspend the voting rights of a member and the rights of a member, tenant, occupant, or guest to use the common elements and areas for a reasonable time, if the member is more than 90-days delinquent in any monetary

amount and has been afforded the opportunity to appeal the decision through a hearing committee of the association.

**Swimming pool:** see public swimming pool.

**Swimming pool coping:** the edging material that is installed around the top of a swimming pool.

## **I**

**Tabulate:** to count, record, or list systematically.

**Tally:** a record or count, often of ballots.

**Tangible asset:** an asset that has a physical form. Tangible assets include both fixed assets, such as machinery, buildings and land, and current assets, such as inventory.

**Tape recording:** a recording of sounds on magnetic tape that can be used to record a meeting.

**Tax:** a mandatory financial charge or some other type of levy imposed upon a taxpayer by a governmental organization in order to fund various public expenditures.

**Tax certificate:** see tax lien certificate.

**Tax deed:** a form of title given in the event property is sold to satisfy taxes. It carries no warranties and does not guarantee clear title.

**Tax exempt:** income or transactions which are free from tax at the federal, state, or local level.

**Tax identification Number:** see Application for Employer Tax identification Number.

**Tax lien:** a lien imposed by law upon a property to secure the payment of taxes. A tax lien may be imposed for delinquent taxes owed on real property or personal property, or as a result of failure to pay income taxes or other taxes. It can be purchased by an investor and interest can be earned. If the property is redeemed, then the investor would recover invested money, plus interest due after the lien was purchased. If the property is not redeemed, the tax lien holder has priority over all other lienholders to own the property.

**Tax lien certificate:** a certificate of claim against property that has a lien placed upon it as a result of unpaid property taxes. The tax lien certificate enables the investor to collect unpaid taxes plus the prevailing rate of interest applicable to such certificates, which can range from 8 to more than 30%, depending on the jurisdiction.

**Tax return:** a form(s) filed with a taxing authority that reports income, expenses, and other pertinent tax information. Tax returns allow taxpayers to calculate their tax liability, schedule tax payments, or request refunds for the overpayment of taxes. In most countries, tax returns must be filed annually for an individual or business with reportable income (e.g., wages, interest, dividends, capital gains, or other profits).

**Teleconference:** a conference or meeting with participants in different locations linked by telecommunications devices.

**Temporary CAM license:** a CAM license that expires six months after the date of issuance and is not renewable.

**Tenancy:** a holding, as of lands, by any kind of title; occupancy of land, a house, or the like, under a lease or on payment of rent; a holding, as of lands, by any kind of title; occupancy of land, a house, or the like, under a lease or on payment of rent.

**Tenancy in common:** title to property (usually real property, but it can apply to personal property) held by two or more persons, in which each has an undivided interest in the property and all have an equal right to use the property, even if the percentage of interests are not equal or the living spaces are different sizes.

**Tenant:** a party that resides on the premises of a property pursuant to contract, or consent, or lack of action from the owner.

**Term:** see term of office.

**Term of office:** the period of time for which an elected or appointed person is permitted to hold an office, such as a director or board member, without being re-elected or re-appointed.

**Term limit:** a legal restriction that limits the number of terms a community association director may serve, after which he or she is prohibited from being re-elected or re-appointed.

**Terms of an insurance policy:** the declaration, definitions, insuring agreement, exclusions, conditions, type of policy form, endorsements, and riders.

**Third degree of consanguinity:** includes one's children, grandchildren, great grandchildren, parents, grandparents, great grandparents, brothers, sisters, uncles, aunts, nephews, and nieces. See consanguinity.

**Third-party:** a person or entity that is involved in some way in an interaction that is primarily between two other persons or entities.

**Third-party client:** a form of potential conflict of interest in which a CAM has a financial relationship with a party that is doing business with the association or is in conflict with the association.

**Timeshare:** a form of property ownership where each owner has the exclusive right to use a property for a specific period of time. Florida statutes provide that a timeshare can be created as a condominium or cooperative and therefore will be governed by the condominium or cooperative statutes and administrative rules, as well as the timeshare statute and administrative rules, except where specifically excluded by F.S. 721.

**Timeshare Act:** see Florida Vacation Plan and Timesharing Act.

**Timeshare estate:** a right to occupy a timeshare unit that is a parcel of real property under the laws of the State of Florida, coupled with a freehold estate or an estate for years with a future interest in a timeshare property or a specified portion thereof, or coupled with an ownership interest in a condominium unit pursuant to s. 718.103, an ownership interest in a cooperative unit pursuant to s. 719.103, or a direct or indirect beneficial interest in a trust that complies in all respects with s. 721.08(2)(c)4. or s. 721.53(1)(e), provided that the trust does not contain any personal property timeshare interests.

**Timeshare exchange program:** see exchange program.

**Timeshare instrument:** one or more documents, by whatever name denominated, creating or governing the operation of a timeshare plan.

**Timeshare interest:** a timeshare estate, a personal property timeshare interest, or a timeshare license.

**Timeshare interest transfer services:** any good or service relating to an offer or agreement to transfer ownership of a consumer resale timeshare interest, or assistance with or a promise of assistance in connection with the transfer of ownership of a consumer resale timeshare interest, as described in F.S. 721.17(3). The term does not include resale advertising services.

**Timeshare license:** a right to occupy a timeshare unit, which right is not a personal property timeshare interest or a timeshare estate.

**Timeshare owners' association:** an association made up of all owners of timeshare interests in a timeshare plan, including developers and purchasers of such timeshare plan.

**Timeshare period:** the period or periods of time when a purchaser of a timeshare interest is afforded the opportunity to use the accommodations of a timeshare plan.

**Timeshare plan:** any arrangement, plan, scheme, or similar device, other than an exchange program, whether by membership, agreement, tenancy in common, sale, lease, deed, rental agreement, license, or right-to-use agreement or by any other means, whereby a purchaser, for consideration, receives ownership rights in or a right to use accommodations, and facilities, if any, for a period of time less than a full year during any given year, but not necessarily for consecutive years. The term "timeshare plan" includes:

- (a) a "personal property timeshare plan," which means a timeshare plan in which the accommodations are comprised of personal property that is not permanently affixed to real property; and
- (b) a "real property timeshare plan," which means a timeshare plan in which the accommodations of the timeshare plan are comprised of or are permanently affixed to real property.

**Timeshare Plan Act (F.S. 721):** see Florida Vacation Plan and Timeshare Act.

**Timeshare property:** one or more timeshare units, subject to the same timeshare instrument, together with any other property or rights to property appurtenant to those timeshare units.

**Timeshare unit:** defined by F.S. 721 as an accommodation of a timeshare plan which is divided into timeshare periods. Any timeshare unit in which a door or doors connecting two or more separate rooms are capable of being locked to create two or more private dwellings constitutes one timeshare unit unless the timeshare instrument provides that timeshare interests may be separately conveyed in such locked-off portions. See accommodation.

**Title:** A legal document that establishes ownership of a piece of real estate.

**Title defect:** any encumbrance or claim that might invalidate a title to a property. also called cloud on title.

**TOPS:** software designed for managing community associations.

**Tort:** a private wrong, independent of contract and committed against an individual, which gives rise to a legal liability and is adjudicated in a civil court. A tort can be either intentional or unintentional, and liability insurance is mainly purchased to cover unintentional torts.

**Tortious act:** see tort.

**Total Voting Interest (TVI):** the total number of units or parcels whose voting representative has the right to vote.

**Tow-away zone:** an area where parking is not allowed and where a parked car will be towed.

**Towing company:** a person or entity that is regularly engaged in the business of towing vehicles or vessels.

**Townhouse:** a home, generally having two or more floors, often with a garage, that shares walls with other similar units.

**Transfer fee:** a fee, charged to persons or entities seeking to purchase, rent, or reside in a community association, to be used by the association to pay the cost (in whole or part) for the performance of a background, criminal, and/or financial investigation of the applicant.

**Transfer platform:** a structure in a playground used to assist a child in transferring from their wheelchair onto a playground component such as a slide

**Transient public lodging establishment:** any unit, group of units, dwelling, building, or group of buildings, within a single complex of buildings, which is rented to guests more than three times in a calendar year for periods of less than 30 days or 1 calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests.

**Transition:** see turnover.

**Treasurer:** the officer of a community association who is typically responsible, subject to the association's bylaws, for the safety and management of the association's monies and investments.

**Trespass in structure or conveyance:** a violation of law which occurs when a person, without being authorized, willfully enters or remains in any structure (such as a building or dwelling) or conveyance (a means of transportation such as a bus). The offense can also apply where a person, who was initially authorized to enter the premises, refuses to leave after a warning to depart.

**Triggering event:** an event, once occurred, that statutorily require another event to occur, such as transfer of control of an association's board of directors from the developer to non-developer members.

**Trust:** a trust is a relationship whereby property is held by one party for the benefit of another. It is created by a settlor, who transfers property to a trustee. The trustee holds that property for the trust's beneficiaries.

**Trustee:** any person who holds property, authority, or a position of trust or responsibility for the benefit of another.

**Turnover:** the transfer of control of an association from the developer to non-developer members. Also referred to as transition.

**TVI:** an acronym for Total Voting Interests. See Total Voting Interests.

**U**

**Umbrella insurance policy:** a type of liability insurance that is in excess of the standard limits of general liability and D&O policies.

**Unauthorized Practice of Law (UPL):** engaging in the practice of law by persons or entities not authorized to practice law pursuant to state law.

**Unbudgeted expense:** an expense from an unplanned or unexpected event that has not been included in the current year's budget.

**Underwriting:** see insurance underwriting and mortgage underwriting.

**Undivided interest:** An ownership right to use and possess a property that is shared among co-owners (common elements), with no co-owner having exclusive right to any portion of the property.

**Unemployment compensation or insurance:** insurance benefits paid by the state or federal government to individuals who are involuntarily out of work, for no fault of their own, to provide them with necessities, such as food, clothing, and shelter.

**Unfinished business:** a meeting agenda item to discuss items that were under discussion at a prior meeting but were not completed prior to adjournment or items that were on the agenda but were not discussed before the meeting adjourned.

**Uniform Fire Code:** see NFPA 1 Fire Code.

**Uniform Fire Safety Standards for Elevators:** Florida Administrative Code 69A-47 standards. It includes Phase I firefighters' service operation regulations requiring the return of an elevator car that is 25 feet or more above the main floor to return to a designated landing or alternate area. It also includes Phase II regulations that provide firefighters with the capacity to override the application of Phase I.

**Unit:** a lot, villa, townhome, house, apartment, or modular home. See Condominium unit and Cooperative unit.

**Unit owner:** a record owner of legal title to a community association unit or parcel.

**United States Armed Forces:** Army, Marine Corps, Navy, Air Force, and Coast Guard.

**United States Code:** a consolidation and codification by subject matter of the general and permanent laws of the United States.

**United States Citizenship and Immigrant Services (USCIS):** an agency of the U.S. Department of Homeland Security charged with processing immigrant visa petitions, naturalization petitions, asylum applications, and refugee applications. It also makes adjudicative decisions performed at the service centers, and manages all other immigration benefits functions (i.e., not immigration enforcement) performed by the former INS. Other responsibilities of the USCIS include:

- administration of immigration services and benefits
- adjudicating asylum claims
- issuing employment authorization documents (EAD)
- Adjudicating petitions for non-immigrant temporary workers (H-1B, O-1, etc.)
- granting lawful permanent resident status
- granting United States citizenship.

**Unit floor plan:** two-dimensional scale drawings of the arrangement and size of each floor of a structure, including the orientation of doors, rooms, walls, and windows, which differentiates between units of different sizes and configurations, and shows common rooms and amenities.

**Unlicensed or Unauthorized Practice of Law (UPL):** engaging in the practice of law by persons or entities not authorized to practice law pursuant to state law. See practice of law.

**UPL:** see Unlicensed Practice of Law.

**USDOJ:** see Department of Justice.

**Use fee:** a fee charged by an association to an owner, tenant, or resident for the private and exclusive use of common elements, association property, or common areas. The fee cannot exceed the cost of expenses that are incurred by the association during the period of use.

**Useful life (of an asset):** the period of time for which an asset, such as a piece of equipment, will be economically feasible for use in a business. In other words, it is the period of time that the asset will be in service.

**Use interest:** see possessory interest.

**Use restriction:** a limitation on the use or enjoyment, by a member, of property or a facility, described in the governing documents of a community association.

**Use tax:** a tax due on the use or consumption of taxable services or goods when not paid at the time of purchase.

**Useful life:** the period of time during which an asset or property is expected to be usable for the purpose it was acquired. Remaining useful life is properly established by the evaluation of a specialist to determine the condition of the asset and making an informed estimate of the number of remaining years of useful life based upon the evaluation.

**User fees (mobile home parks):** 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.

**Utilities:** services provided by public utility companies consumed by the public such as electricity, natural gas, water, sewage, and telephone. Broadband internet services (both fixed-line and mobile) are increasingly being included within the definition. See public utility.

**V**

**V.A.:** see Department of Veterans Affairs (VA or DVA).

**Vacation club:** a multi-site vacation plan.

**Vacation plan:** see vacation club.

**Vacation rental:** a vacation rental is any unit or group of units in a condominium or timeshare plan or any individually or collectively owned single-family, two-family, or four-family house or dwelling unit that is also a transient public lodging establishment. Resort condominiums and resort dwellings are legally called vacation rentals.

**Valued insurance policy:** a type of property insurance policy in which a set value is established to cover total losses. With such policies, the exact worth of the insured items or property at the time of loss is irrelevant, because the value of the covered property has already been established.

**Variance:** the difference between a budgeted amount and the actual amount.

**Vault fumigation:** an airtight room or chamber into which furniture or other items may be placed, into which chemicals are released to kill insects and other pests.

**Vehicle:** as defined by F.S. 715, any mobile item which normally uses wheels, whether motorized or not

**Vendor:** also known as a supplier, is a person or a business entity that sells goods or services.

**Vermin:** pests or nuisance animals, that spread diseases or destroy crops or livestock. Since the term is defined in relation to human activities, which species are included vary from area to area and person to person.

**Vessel:** as defined by F.S. 715, every description of watercraft, barge, and airboat used or capable of being used as a means of transportation on water, other than a seaplane or a "documented vessel" as defined in s. 327.02.

**Vested:** fully and unconditionally guaranteed as a legal right, benefit, or privilege

**Vested right:** a right belonging completely and unconditionally to a person as a property interest which cannot be impaired or taken away without the consent of the owner.

**Viatical settlement:** the sale of a policy owner's existing life insurance policy to a third party for more than its cash surrender value, but less than its net death benefit. Such a sale provides the policy owner with a

lump sum. The third party becomes the new owner of the policy, pays the monthly premiums, and receives the full benefit of the policy when the insured dies.

**Vice President:** the officer of a community association who is typically required, subject to the association's bylaws, to assume the duties of the president in the event of the president's absence or incapacity.

**Videoconference:** a conference or meeting in which participants in different locations are able to communicate with each other in sound and vision.

**Videotaping:** recording of visual images and sound made on magnetic tape that can be used, with some exceptions, to record a meeting.

**Virginia Graeme Baker Pool and Spa Safety Act:** a federal law that requires that each public swimming pool and spa drain cover or grate be equipped with an anti-entrapment system or device.

**Virtual office:** a service that provides businesses with any combination of services, space, and/or technology, without those businesses bearing the capital expenses of owning or leasing a traditional office.

**Voice vote:** a vote based on estimation of the relative strength of ayes and noes called out rather than on a counting of ballots, a roll call, or a division.

**Voidable:** a transaction or action that is valid but may be annulled by one of the parties to the transaction.

**Volunteer:** a person who does something by free choice usually with no payment expected or given.

**Vote:** a formal indication of a choice between two or more candidates or courses of action, expressed typically through a ballot or a show of hands or by voice.

**Voting certificate:** the document that designates the voting representative of the owners or lessees of an association unit or parcel. See voting representative.

**Voting interest:** the voting power of a single unit or parcel as defined by the governing documents. See TVI.

**Voting machine:** a mechanical device for recording and counting votes cast in an election.

**Voting representative:** the person designated to vote when a unit or parcel is owned or leased (cooperative, mobile home) by more than one person or an entity such as a corporation or partnership.

## **W**

**W-2 form:** see Form W-2.

**W-4 form:** see Employee's Withholding Allowance Certificate.

**Waiver:** a unilateral act of one person or entity that results in the surrender of a legal right.

**Waiver of recovery rights or waiver of subrogation:** see subrogation.

**Waiver of reserves:** a vote of the membership of a community association to not fund the reserves in a specific fiscal year.

**Warranty:** In contract law, a warranty generally means a guarantee or promise which provides assurance by one party to the other party that specific facts or conditions are true or will happen.

**Warranty deed:** a type of deed where the grantor (seller) guarantees that he or she holds clear title to a piece of real estate and has a right to sell it to the grantee (buyer). This is in contrast to a quitclaim deed, where the seller does not guarantee that he or she holds title to a piece of real estate.

**Web page:** a hypertext document connected to the World Wide Web. See hypertext, World Wide Web.

**Web portal:** a specially designed website that brings information from diverse sources, like emails, online forums and search engines, together in a uniform way.

**Website:** a set of interconnected webpages, usually including a homepage, generally located on the same server, and prepared and maintained as a collection of information by a person, group, or organization. A homepage is the introductory page of a website, typically serving as a table of contents for the site.

**Weighted voting:** a system in which members of an association have unequal voting interests, typically based on unit or parcel type, size, or location, as defined in the governing documents. It is also referred to as fractional voting.

**Wellness program:** an employer approach to improving employees' health for the purpose of reducing health insurance costs, decreasing absenteeism, and increasing productivity. A wellness program can include gym memberships, weight-loss, tobacco-cessation, and stress reduction programs, and health screenings.

**Windstorm:** a storm with very strong wind such as a hurricane or tornado.

**Windstorm insurance:** a special type of property-casualty insurance that protects policyholders from financial loss resulting from property damage caused by strong storms such as hurricanes, cyclones, and tornadoes. Most types of windstorms are not typically covered in standard homeowners' insurance policies.

**Without prejudice:** if a lawsuit is dismissed without prejudice, none of the rights or privileges of the individual involved is lost or waived. The same holds true when an admission is made or when a motion is denied without prejudice.

**Workers' compensation insurance:** a form of insurance providing wage replacement and medical benefits to employees injured in the course of employment in exchange for mandatory relinquishment of the employee's right to sue his or her employer for negligence. Florida workers' compensation laws require that any non-construction employer that employs four or more employees obtain and maintain workers' compensation insurance.

**Work order:** a work order is an authorization of maintenance, repair or operations work to be completed. Work orders can be manually generated through a work request submitted by a staff member, client, tenant, or automatically generated through a work order management software or preventive maintenance schedule. Work Orders can also be generated via follow ups to inspections or audits.

**Work order system:** a system designed to assign, prioritize, schedule, assign, and track the work orders of an organization.

**Workplace environment:** is composed of the physical conditions of a work site such as a building or office including design, temperature, lighting, furniture, and equipment, as well as health and safety related features; work processes and procedures; and the organizational culture of the employer.

**Work product privilege:** a rule that an opposing party generally may not discover or compel disclosure of written or oral materials prepared by or for an attorney in the course of legal representation, especially in

preparation for litigation. In limited circumstances, however, an opposing party may discover or compel disclosure of work product upon a showing of substantial need and undue hardship.

**World Wide Web:** an information system on the Internet which allows documents to be connected to other documents by hypertext links, enabling the user to search for information by moving from one document to another.

**Writ:** a form of written command in the name of a court or other legal authority to act, or abstain from acting, in some way.

**Writ of possession:** an order granted by a court that allows a person, not currently in possession of a property, to take possession of the property. It is commonly issued after a landlord wins an eviction lawsuit against a tenant.

**Written consent:** an official binding agreement, signed by the parties involved, either on paper or digitally, which is legally recognized.

**Written joinder:** a written agreement by one party to join other parties in a legal action.

**Wrong:** a violation, by one individual, of another individual's legal rights.

**X**

**Xeriscape:** a form of landscape that conserves water, protects the environment, is adaptable to local conditions, and drought tolerant. The term includes planning and design, appropriate choice of plants, soil analysis, efficient irrigation, practical use of turf, appropriate use of mulches, and proper maintenance.

**Z**

**Zero-Lot-Line house:** A residential property built with at least one wall of the structure adjoining or very close to the property line. In doing so, builders are able to create more livable space, either inside the house or in a patio area outside.

**Zoning:** the establishment, by local governments, of districts that are restricted to various types of manufacturing, commercial, or residential use.

**Zoning regulations:** regulations promulgated by local government that

- specifies the type of use allowed for a given parcel of land or district
- regulates the form of a building including its height, area (footprint), and proximity to other properties and
- specifies the type and quantity of supporting infrastructure and amenities.

Infrastructure includes roadways, parking areas, sidewalks, and landscaping. Amenities include children's play areas, pools, and tennis courts

