

REALTOR® Association of Greater Fort Myers and the Beach, Inc.

City of Cape Coral Registration and Maintenance of Abandoned Properties Program

The City of Cape Coral is facing challenges with current levels of foreclosure activity as the City's responsibilities have grown beyond mowing of distressed properties to include board-ups, securing pools, additional research, and increased workload with other agencies and departments to diminish the negative impact of vacant properties on surrounding neighborhoods and the community as a whole.

As homes in the foreclosure process may sit vacant and unmaintained for extended periods of time, these properties can discourage potential buyers of adjacent properties and can devalue neighboring homes. This impact destabilizes neighborhoods and has led to neighborhood blight. Thus, **on March 1, 2009**, the City began enforcing the **Abandoned Real Property ORD 139-08**. This ordinance is directed at the maintenance of abandoned properties that are in foreclosure with the intent to address those properties that have been abandoned and are going through the foreclosure process, or those properties that do not have a responsible party maintaining them.

If a property is found to be abandoned, the program requires mortgage lenders to register the property within 10 days with the Director of Community Development, or the Director's designee, on forms provided by the City. A separate registration is required for each vacant property and an annual registration fee in the amount of **\$150.00 per property** must accompany the registration form. If the lender does not register the abandoned property, **a fine of \$1,000 per day** may be placed against the property.

To ensure that the property is maintained, if the lender must hire a property management company to inspect the property on a bi-weekly basis to verify compliance with the Code requirements. The property management company will be asked to provide a copy of the inspection reports to the code enforcement division. The City believes that an accessible, local, responsible party will help deter any potential deterioration of the property and thus preserve the neighborhood.

Failure of the mortgagee or property owner of record to properly maintain the property may result in a violation of the City Code and the City may take the necessary action to ensure compliance.

The City is currently working to update the language of ORD 139-08 to clarify that its intent is to address abandoned properties that are in foreclosure; currently, the language is ambiguous and could be interpreted to include all

properties that are in default but may be occupied.

As you assist sellers in a Short Sale situation, you may wish to bring this ORD 139-08 to the attention of the lender as this will impact their obligations (i.e., property registration, inspection and maintenance) should the property become abandoned as it moves through the foreclosure process. To read the entire ORD 139-08, go to:

<http://www.capecoral.net/Government/CityClerk/RecordsManagement/OrdinancesEnactedNotYetCodified/tabid/516/Default.aspx>