

CLIENT ALERT – MAY 10, 2023

**VENEZUELAN PROPERTY BUYERS ARE SUBJECT TO HARSH
NEW RESTRICTIONS IN FLORIDA**

On May 8, 2023, Florida Governor Ron DeSantis signed several new laws publicly aimed at the Chinese Communist Party. However, the restrictions on property ownership also apply to anyone domiciled in Venezuela, Cuba, Russia, Iran, Syria and North Korea (“Foreign Countries of Concern”). Venezuelan investors or property owners in Florida, many of whom strongly oppose the Maduro regime or any form of authoritarianism/socialism/communism, should be aware of the following:

New Property Buyers:

- a. From July 1, 2023, Venezuelans who wish to purchase real property in Florida, and (i) are domiciled in Venezuela, and (ii) are not US citizens or green card holders, will be subject to the following restrictions:
 - The property cannot be located within 10 miles (16km) of an airport, seaport, water treatment plant, military base, or other designated infrastructure (“Restricted Zone”). This restriction zone includes favored South Florida areas such as Weston, Doral, Aventura, Sunny Isles, Miami Beach, Downtown Miami, Brickell, Key Biscayne, Coral Gables, Coconut Grove, Boca Raton. An airport, seaport or water treatment plant is rarely far away.
 - This restriction applies to real property purchases made directly on the name of the individual, or indirectly through an entity controlled by the individual created with the purpose of owning such real property.
 - If property in a Restricted Zone is inherited or acquired via debt collection, it must be sold it within 3 years.
- b. From July 1, 2023, asylees or non-tourist visa holders can purchase one residence, but it must be under 2 acres (0.8 ha), more than 5 miles (8km) from a military installation and the property must be in their name (not via a company). They must also file registration with State of Florida within 30 days of purchase (as explained below).

Current Property Owners:

- a. The new law also affects Venezuelans who (i) are domiciled in Venezuela, and (ii) are not US citizens or green card holders, who already own property in a Restricted Zone, as follows:
 - May keep the property acquired prior to July 1, 2023, but
 - Must file a registration with Florida Department of Economic Opportunity by December 31, 2023 including at least the name of the owner of the real property and the description of the property (forms to be developed). Failure to register on time will cause \$1000 daily fine after January 31, 2024.

Penalties are harsh, and the State of Florida may even seize the property for non-compliance with these laws (via a civil proceeding). Both foreign buyers (or their principals) and the sellers who violate the new law may also face criminal prosecution. All buyers of property in these restriction zones will also have to sign affidavits under penalty of perjury to ensure compliance (forms to be developed). For more details, see SB 264 (2023), including the new Section 692.203, Florida Statutes (July 1, 2023).