

## REAL ESTATE NEWS

## Fontainebleau Hotel's rules could cause 'economic disaster,' condo owners say

By **Larry Seward** *CBSNews Miami*

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Rules set to go into effect on May 15 require owners who opt out of the Fontainebleau Hotel's rental program to pay \$1,000 for each night of a guest's stay, according to the lawsuit. This charge leaves owners who opt out with little to no profit, their lawyer said. Pedro Portalportal@miamiherald.com | Feb. 2, 2022

The Fontainebleau Hotel is facing a lawsuit from condo owners who claim new rules governing unit rentals have the potential to financially ruin them.

"The clock is ticking," said David Haber, the attorney representing six condo owners in the Fontainebleau Hotel's Tresor and Sorrento towers. "Our clients are facing the potential of economic disaster."

The dispute centers on owners who rent out suites and junior suites for profit. Although the hotel manages services like check-in, housekeeping and parking, it also runs an internal rental program. That program requires participating owners to share 55% of gross revenue, plus \$180 a day and taxes, according to the lawsuit.

While the hotel allows unit owners to opt out of the rental program, a 2012 agreement reportedly permits those owners to do so "without interference, restriction, limitation, fee or cost imposed by the hotel," the lawsuit states.

However, updated rules set to go into effect on May 15 require owners who opt out to pay \$1,000 for each night of a guest's stay, according to the lawsuit. This charge leaves owners who opt out with little to no profit, Haber said, noting that a one-bedroom ocean view unit on the hotel's website rents for between \$875 to \$1,902 a night in May.

The new rules also force opt-out owners to pay extra for sheets and towels and hire their own housekeepers, who are not allowed to work on weekends.

"They're going to force the owners to have a representative sitting at the front desk to check (guests) in rather than the hotel front desk checking them in, which was the way of doing business prior to these proposed rules," Haber said.



David Haber, the attorney representing six condo owners in the Fontainebleau Hotel's Tresor and Sorrento towers, says the changes are intended to 'force the owners to go back into' the hotel's rental program. CBS News Miami | April 2026

Haber is asking for an immediate injunction, hoping a Miami-Dade County judge will permanently block the changes. He argues the changes are intended to "force the owners to go back into their (rental) program, which is exactly the opposition of what the settlement agreement that they entered into said."

The lawsuit also names the condo associations for both the Tresor and Sorrento towers and demands they join the complaint.

Fontainebleau Developments declined to comment on pending litigation. CBS News Miami reached out to the association leaders and their lawyer, but it is not clear how either association plans to respond.

*This report was produced by Miami Herald news partner [CBS News Miami](#).*