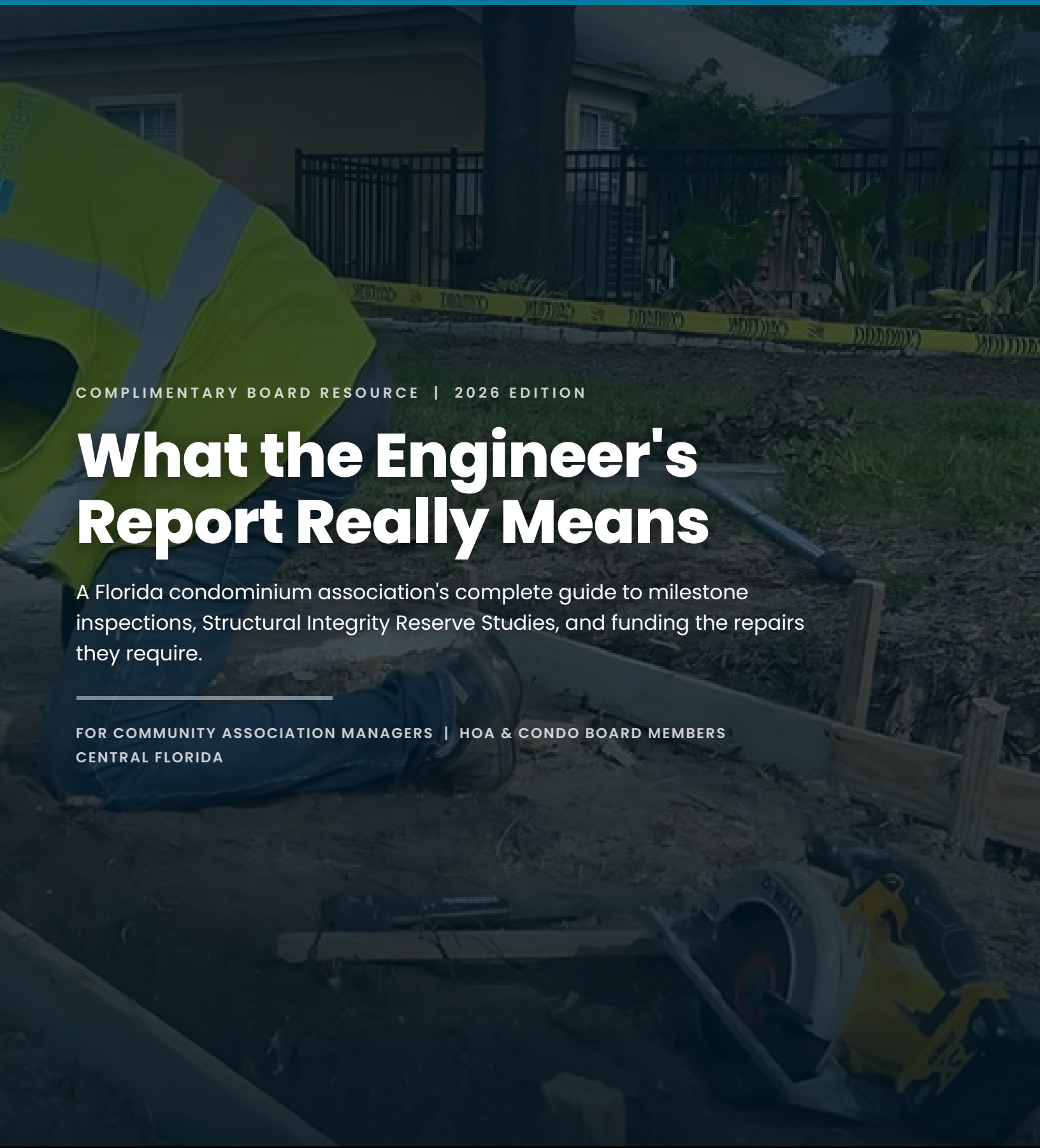

COMPLIMENTARY BOARD RESOURCE | 2026 EDITION

What the Engineer's Report Really Means

A Florida condominium association's complete guide to milestone inspections, Structural Integrity Reserve Studies, and funding the repairs they require.

FOR COMMUNITY ASSOCIATION MANAGERS | HOA & CONDO BOARD MEMBERS
CENTRAL FLORIDA

This guide is a general educational resource for Florida condominium and cooperative association boards and community association managers. It does not constitute legal, engineering, or financial advice. Always consult a licensed Florida professional engineer and a qualified attorney for your specific obligations.

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COMPLIMENTARY BOARD RESOURCE

What's Inside This Guide

Thirteen plain-English sections plus nine ready-to-use board tools, written for the board members and community association managers who have to act on the engineer's report.

1 **Why This Law Exists**
The Surfside collapse and the legislative response

2 **The Law in Plain English**
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3 **The Two-Phase Inspection Process**
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A **Appendix: Nine Board Tools**
Worksheets, scorecards, checklists, and templates

Three Actions to Take This Month

- Confirm your building's certificate of occupancy date and determine whether any milestone inspection deadline has passed. If so, engage your attorney and a licensed engineer immediately.
- Verify whether your SIRS has been commissioned and a funding plan formally adopted. The initial deadline of December 31, 2025 has now passed; if your association has not completed its SIRS, the requirement is overdue.
- If you have received a Phase 1 or Phase 2 report with findings, confirm with your attorney that your 45-day and 365-day statutory clocks have been calendared.

DISCLAIMER

This guide is a general educational resource. It does not constitute legal, engineering, financial, or professional advice. Statutes, deadlines, and requirements are subject to change. Verify current requirements with qualified legal counsel and licensed engineers, and consult a licensed Florida professional engineer for structural assessments. Element Service Solutions makes no warranty regarding the accuracy or completeness of information provided herein.

SECTION ONE

Why This Law Exists

01

The Surfside collapse, a decade of ignored warnings, and the legislation that followed.

June 24, 2021 at 1:22 AM, Surfside, Florida

At 1:22 in the morning on June 24, 2021, Champlain Towers South, a 12-story oceanfront condominium in Surfside, Florida, partially collapsed. Ninety-eight people were killed. It is one of the deadliest accidental structural failures in United States history.

The building was constructed in 1981. It sat on a barrier island between Biscayne Bay and the Atlantic Ocean, exactly the kind of environment where concrete structures face accelerated deterioration from salt air, humidity, and standing water. For decades it looked unremarkable from the outside. Nothing about the building's outward appearance, in the days and weeks before the collapse, signaled catastrophe. But there had been warnings.

A Decade of Warning Signs

In 2018, a structural engineering firm submitted a report to the Champlain Towers South board. That report identified "major structural damage" to the pool deck slab, described concrete deterioration as "abundantly clear," and estimated approximately $9.1 million in needed repairs. It warned that conditions would worsen the longer they went unaddressed; by 2021, as the damage progressed, that estimate had grown to $16 million. The board did not commence the full scope of those repairs before June 24, 2021.

The National Institute of Standards and Technology (NIST), which conducted the federal investigation, identified the pool deck as the most likely origin of the collapse. Preliminary findings released in 2025 described a pattern both specific to this building and disturbingly familiar to anyone who works on Florida's aging concrete stock:

- The pool deck was constructed in a way that did not meet the original building code requirements.
- Concrete used in the pool deck and its supporting columns was weaker than code required.
- Decades of chloride-induced corrosion from the coastal environment had attacked the reinforcing steel.
- Planters added after original construction had placed additional weight on a deck that already had low safety margins.
- Water was observed leaking from the garage ceiling the day before the collapse, increasing in the hours before the building fell.

"The engineer's report is the cheapest piece of paper in the process. What you do with it determines the actual cost."

What Made This Preventable

This was not a freak event. It was the predictable result of three compounding failures: construction deficiencies that were never corrected, decades of chloride infiltration and rebar corrosion, and a deferred maintenance cycle that left documented structural problems unaddressed.

Before SB 4-D became law, there was no statewide mandatory structural inspection requirement for residential high-rises outside Miami-Dade and Broward counties. A building could stand for 40 years with no external engineer ever formally evaluating its structural condition. Reserve studies existed, but associations could vote to waive contributions entirely. Many did.

98
Lives lost; the settlement also covered the 136-unit building's owners

$997M
Total legal settlement, the second-largest class action in Florida history

$9.1M → $16M
2018 repair estimate; re-estimated in 2021 as conditions worsened

The Legislative Response

Florida SB 4-D was signed into law on May 26, 2022, by Governor Ron DeSantis, with bipartisan support. For the first time, the law extended mandatory structural inspection requirements to condominium buildings statewide, regardless of county. It created the Milestone Inspection program and the Structural Integrity Reserve Study requirement, and it closed the loophole that allowed owners to vote away reserve contributions for structural components.

It will not bring back the 98 people who died in Surfside. But it was designed to prevent the next Champlain Towers South.

What This Means for Your Board

Because Surfside was the result of documented problems ignored over years, not a sudden unknown failure, we suggest:

1. Pull your most recent engineer's report and confirm every finding has a written status (funded, under contract, completed, or deferred with a reason).
2. If any finding is listed as deferred, confirm with your association attorney whether deferral creates statutory or liability exposure under SB 4-D.
3. If no formal engineer's report exists in the last 10 years, begin milestone inspection procurement this quarter. The clock may already be running.

SECTION TWO

The Law in Plain English

02

Two programs, one overlapping goal: milestone inspections verify the building is safe; the SIRS funds keeping it that way.

Florida's building safety legislation created two interrelated programs that apply to the same class of buildings. Understanding the difference, and how they work together, is the starting point for every board and CAM navigating this law.

PROGRAM 1 · MILESTONE INSPECTIONS	PROGRAM 2 · RESERVE STUDY (SIRS)
Statute: FS 553.899	**Statute:** FS 718.112(2)(g)
Purpose: Verify a building is structurally sound. A licensed engineer or architect looks at what you have and tells you whether it is safe.	**Purpose:** Project the cost of maintaining and replacing major components over 30 years and create a mandatory, non-waivable funding plan.
Output: A sealed report on structural adequacy and life safety.	**Output:** A funded reserve plan you cannot vote away.

Both are required. They operate on the same 10-year cycle. They are not the same thing, and completing one does not satisfy the other.

SCOPE NOTE: THIS APPLIES TO CONDOMINIUMS AND COOPERATIVES, NOT STANDALONE-HOME HOAS

Milestone inspections and the SIRS live in Chapter 718 (condominiums) and Chapter 719 (cooperatives). A Chapter 720 HOA governing single-family homes or townhomes is not subject to either, unless a specific building within it is itself legally a condominium. If you serve a mixed community, confirm with your attorney which chapter governs before assuming this guide's deadlines apply.

Milestone Inspections · FS 553.899

Who is covered: Any condominium or cooperative building three or more stories in height. Single-family through four-family dwellings are excluded.

When the first inspection is required: 30 years from the date the certificate of occupancy was issued. Exception: for buildings near the coast, the local building official has discretion to set a 25-year trigger instead of 30, based on environmental conditions such as proximity to salt water. There is no fixed-mileage line in the statute; check with your local building department. It recurs every 10 years after.

Who performs it: A licensed professional engineer (Chapter 471) or licensed architect (Chapter 481) authorized to practice in Florida, retained by the association, not the local government.

What the association must do: Distribute a summary of material findings to all unit owners within 45 days of receiving the report. If Phase 2 is triggered, repairs must commence within 365 days of the Phase 2 report.

Deadline Chart: Buildings That Already Existed When the Law Passed

Building Reached 30 Years (or 25 If Coastal)…	Initial Inspection Deadline
Before July 1, 2022	December 31, 2024 (deadline has passed)
Between July 1, 2022 and December 31, 2024	December 31, 2025
On or after January 1, 2025	December 31 of the year the building reaches trigger age

If your building reached the trigger age before December 31, 2024 and you have not completed the inspection, you are out of compliance. Engage your attorney and a licensed engineer immediately.

Structural Integrity Reserve Studies · FS 718.112(2)(g)

Who is covered: Condominium buildings with three or more habitable stories, the same threshold as milestone inspections. The first SIRS deadline was December 31, 2025 (extended from 2024 by HB 913). **That deadline has passed.** If your association's SIRS is not complete and adopted, you are not approaching this requirement, you are already overdue. It recurs every 10 years, and January 1, 2026 begins the first full year in which SIRS funding must actually be in place.

The critical distinction on reserves: Under the old law, a majority of unit owners could vote to waive or reduce reserve contributions, and many associations did exactly that for decades. Under SB 4-D, reserves for the mandatory SIRS components cannot be waived, cannot be reduced below the funding plan amounts by owner vote, must be tracked in a separate account, and must be used exclusively for their designated components. This loophole is closed permanently for covered components.

WHAT "FULLY FUNDED" MEANS

Florida law uses the baseline funding method as the standard: the reserve balance must not project below zero at any point during the 30-year funding horizon. Industry guidance suggests an association at 70% funded or above has meaningful protection against unplanned special assessments.

What This Means for Your Board

Confirm your board has two separate line items on its compliance calendar. (1) Confirm which inspection deadline row applies and whether you have met it. (2) Verify with your reserve specialist whether the SIRS has been completed and a funding plan formally adopted. (3) If HB 913's pause provision is relevant, have your attorney confirm in writing that the conditions are met before reducing contributions.

HB 1021 (2024) Added

- **Director education:** a 4-hour course within 90 days of election for new directors, plus a 1-hour annual legislative update for all seated directors.
- **Criminal penalties:** board members who accept kickbacks related to association contracts face a third-degree felony charge and mandatory removal. Knowingly denying access to records is a second-degree misdemeanor.
- **Quarterly board meetings:** required for residential condominium associations with more than 10 units.
- **Website posting:** associations with 25 or more units must post governing documents, current budgets, and annual financial statements online by January 1, 2026.
- **Expanded authority:** the Division of Florida Condominiums, Timeshares, and Mobile Homes gained broader investigative authority over financial procedures, elections, records, and SIRS compliance.

HB 913 (2025) Added

- Extended the SIRS initial deadline to December 31, 2025, which has now passed. **January 1, 2026 is the first full SIRS-funding year**; if your association's SIRS is not complete and adopted, you are already out of compliance, not approaching a deadline.
- **Reserve pause provision (owner vote required):** associations that completed a milestone inspection within the prior two calendar years, where that inspection recommended repairs, may pause or reduce SIRS reserve contributions for up to two consecutive annual budget years, but only with a majority vote of the total voting interests and only for budgets adopted through December 31, 2028 (see Section 7). This is a bridge provision, not permanent relief, and it is not a board-only decision.
- Permitted the **pooling accounting method** for SIRS reserves without a unit owner vote. The board may adopt pooling by resolution, giving more flexibility in how funds are applied across SIRS components.
- **Financial reporting:** extended the annual financial report deadline from 120 to 180 days after the fiscal year end, and required quarterly board meetings to include dedicated time for owner questions and answers.
- **Contractor safeguards:** extended the rescission period on non-developer construction contracts from 3 to 7 days, and a community association manager whose license is revoked now faces a 10-year industry ban.
- Clarified the definition of "habitable stories" used to determine milestone inspection coverage.

ALSO NEW FOR 2025-2026: FLOOD DISCLOSURE AND A CLOSED PILOT PROGRAM

SB 948 (Ch. 2025-166), effective October 1, 2025: sellers of Florida residential property must disclose flood history, and buyers who receive that disclosure late gain a 15-day cancellation right. **My Safe Florida Condo Pilot:** the online application portal closed around May 2026; intake is now by email or phone only (see Section 10 for details). Two bills board members may have heard about did **not** pass in 2026 and are not current law: HB 657 (HOA governing-document and dissolution changes) and SB 822/HB 465 (mandatory licensed CAM for associations over $500,000 in revenue). Do not cite either as active law.

DOES YOUR BUILDING QUALIFY? THE QUICK TEST

Three or more stories? If yes, both the milestone inspection and the SIRS apply. **Milestone trigger:** certificate of occupancy 30+ years ago, or as early as 25 years if your local building official determines a coastal trigger applies. **SIRS:** the initial deadline of December 31, 2025 has passed; if yours is not complete, the requirement is now overdue. Buildings under three stories, and single-family through four-family dwellings, are not covered.

"Both programs are independently required, each with its own clock. Treat them as two line items, not one."

SECTION THREE

The Two-Phase Inspection Process

03

What actually happens during a milestone inspection, from the visual walkthrough to in-depth testing.

Phase 1: Visual Examination

A licensed professional engineer or architect conducts a thorough, systematic walkthrough of all habitable and non-habitable areas of the building. This is a qualitative evaluation, not a destructive or materials-testing exercise.

What the inspector examines

- Foundation systems: footings, grade beams, pile caps, foundation walls
- Primary structural frames and load-bearing walls
- Floor systems and concrete decks, including balcony slabs and walkways
- Roof structure and roof deck
- Exterior walls: cladding, stucco, and sealant joints
- Balconies, railings, and exterior walkways
- Parking structures, including soffits and drive deck surfaces
- Any area where water intrusion or structural distress is visually apparent

Duration: for a mid-size condominium building, Phase 1 typically requires one to several days of site time, with the formal sealed report following within several weeks.

The Two Possible Outcomes

Outcome A · No substantial structural deterioration found

The sealed report is submitted to the association and the local building official. The association distributes the summary to owners within 45 days. The 10-year clock restarts; no further Phase 1 action is required until the next cycle.

Outcome B · Substantial structural deterioration identified

Phase 2 is required. The association must commission the Phase 2 investigation, and a Phase 2 progress report is due to the local building official within 180 days of the Phase 1 report submission.

WHAT "SUBSTANTIAL STRUCTURAL DETERIORATION" MEANS

The statute defines it as significant structural distress or weakness that compromises a component's structural capacity to a degree that threatens the health, safety, or welfare of occupants. Surface cracks alone do not qualify unless they evidence deeper structural problems. The determination is engineering judgment, which is why the law requires a licensed PE or architect, not a home inspector or property manager.

Phase 2: In-Depth Investigation

Phase 2 is triggered only when Phase 1 finds substantial structural deterioration. It is not a routine step. The Phase 2 inspector uses a combination of destructive and non-destructive testing methods to quantify the extent and severity of the problems Phase 1 identified.

Methods commonly employed

- **Destructive:** removal of concrete cover, extraction of core samples, targeted demolition to expose rebar or connections
- **Non-destructive:** ground-penetrating radar, ultrasonic pulse velocity, half-cell potential survey, infrared thermography
- **Laboratory:** chloride ion content, carbonation depth, petrographic examination
- **Structural calculations:** load-bearing capacity analysis

What the Phase 2 report must contain

- Confirmation of whether the building is structurally sound
- Specific repair scope and specifications for all findings
- Identification of any immediately unsafe conditions

The repair clock

From the day the association receives the Phase 2 report, it has **365 days to commence repairs**. "Commence" means work has started; the law's intent is prompt action.

Cost Ranges for Each Phase

Inspection Phase	Typical Cost Range
Phase 1, small buildings (under 30 units)	$5,000 to $25,000
Phase 1, mid-size buildings (30 to 100 units)	$12,000 to $60,000
Phase 1, large high-rises (100+ units)	$30,000 to $150,000+
Phase 2 investigation	$40,000 to $250,000+ depending on scope

Approximate ranges; verify with licensed engineers in your market.

WHAT THE INSPECTION DOES NOT DETERMINE

A milestone inspection does not determine whether the building complies with the current Florida Building Code. It evaluates structural adequacy and life safety. A building can receive a clean Phase 1 report and still have significant code non-compliance in other systems. Do not conflate the two.

What This Means for Your Board

Because the 180-day and 365-day clocks run from filing dates, not from when the board decides to act: (1) the moment you receive a Phase 1 report with any finding of substantial deterioration, calendar the 180-day Phase 2 deadline immediately. (2) Begin Phase 2 engineer procurement in parallel with your attorney review, not after it. (3) If a Phase 2 report has already been received, confirm the 365-day repair commencement date is on your board's formal calendar with accountability assigned.

SECTION FOUR

What the SIRS Covers and What It Costs

04

The seven named components, the $25,000 catch-all, and the price to commission the study.

The Structural Integrity Reserve Study must cover the seven components named in the statute, plus a catch-all provision capturing additional major systems with significant deferred maintenance cost.

Component	What Is Evaluated	Why It Matters
1. Roof	Main roof system, covering, insulation, drainage, membrane	Protects the entire building envelope. Failure causes cascading water damage.
2. Structure	Load-bearing walls, columns, floor and ceiling systems, foundations	The skeleton of the building. Failure means life-safety risk, not inconvenience.
3. Fireproofing & Fire Protection	Passive fire resistance and active suppression (sprinklers, standpipes)	Life-safety and code-compliance. Insurers increasingly require documented condition.
4. Plumbing	Main distribution lines, service connections, risers, drains	Concealed failures cause structural water damage, mold, and unit-to-unit liability.
5. Electrical	Main panels, wiring, distribution, metering	Aging wiring is a fire risk; panel condition affects insurability.
6. Waterproofing & Exterior Paint	Envelope coatings, deck membranes, sealants, exterior paint	Primary defense against the chloride infiltration that drives spalling and corrosion.
7. Windows & Exterior Doors	Frames, glazing, seals, hardware, impact ratings	Hurricane resistance and water intrusion. Many pre-2002 windows fail current impact codes.
8. Catch-All ($25,000 threshold)	Any other item exceeding $25,000 in deferred maintenance or replacement cost (raised from $10,000 by HB 913) whose failure affects life safety or other systems	Commonly captures elevators, seawalls, pool decks, and parking structures. Not limited to seven components.

Florida law requires reserves for all mandatory SIRS components to be funded under the baseline method; they cannot be waived by unit owner vote.

What This Means for Your Board

Confirm your current reserve study evaluates all mandatory SIRS components, not just roof and paint. If it predates SB 4-D, have it updated by a qualified reserve specialist; an outdated study does not satisfy the SIRS requirement.

What the SIRS Document Contains

A properly prepared SIRS is not a brief checklist. It is a full analysis that includes a description of each component (age, condition rating, materials), the estimated remaining useful life and replacement cost of each, a 30-year funding plan keeping the reserve at or above zero under the baseline method, a recommended annual contribution figure, and in some cases multiple funding scenarios. This document becomes the financial blueprint for your association's next decade of capital planning.

Old Reserve Study vs. SIRS

BEFORE SB 4-D	AFTER SB 4-D + HB 1021
4 standard components evaluated	10+ mandatory SIRS components minimum
Owners could vote to waive contributions	No waiver permitted for structural components
Funds could be pooled freely	Separate tracking required per component
No statutory restriction on use	Restricted use: designated components only
No criminal penalties for board misconduct	Third-degree felony for kickbacks; mandatory removal
No quarterly meeting requirement	Quarterly meetings required for condos over 10 units

Who Performs a SIRS and What It Costs

A SIRS may be performed by a licensed engineer, licensed architect, or qualified reserve specialist. It is common and efficient for the same engineer who performed the milestone inspection to also prepare the SIRS, since they already have detailed knowledge of the building, though the two engagements are separate contracts.

Building Size	Estimated Cost to Commission a SIRS
Small buildings, under 30 units	$3,000 to $8,000
Mid-size buildings, 30 to 100 units	$5,000 to $15,000
Large high-rises, 100+ units	$10,000 to $30,000+

These are the cost of commissioning the study. They are separate from, and much smaller than, the reserve contributions the study will require going forward.

THE QUALITY OF THE STUDY DETERMINES THE QUALITY OF THE PLAN

A thorough study tied to your building's actual component ages and conditions produces a credible funding plan. A generic or outdated study produces numbers owners will not trust and a plan that does not hold up at the next inspection or insurance renewal.

SECTION FIVE

The Repairs These Reports Flag

05

What inspection reports most commonly recommend, what the work involves, and what it costs in today's Florida market.

1. Concrete Spalling and Restoration

In Florida's coastal environment, chloride ions from salt air penetrate the concrete cover over reinforcing steel. When enough chloride reaches the steel, corrosion begins. Corroding rebar expands, cracking and popping off the surrounding concrete. The result is spalling: chunks of concrete detaching from the surface. On balcony soffits, parking deck undersides, and pool deck edges, this is by far the most common finding in Florida milestone inspection reports.

WHY IT MATTERS BEYOND APPEARANCE

Spalling is not cosmetic. It is evidence that the structural steel inside the concrete is corroding. Every month of delay advances the corrosion front, consuming more rebar cross-section and reducing load-bearing capacity. This is the single strongest financial argument for acting on inspection findings immediately rather than deferring them.

The Standard Repair Sequence

1. Sound the slab to find hollow, delaminated areas
2. Mark all delaminated areas
3. Chip out unsound concrete to solid substrate
4. Sandblast exposed rebar to bright metal
5. Apply corrosion-inhibiting zinc-rich primer
6. Fill with polymer-modified repair mortar
7. Cure a minimum of 28 days under protection
8. Apply an elastomeric or epoxy protective coating

Cost Benchmarks (2024-2025 Florida market)

Severity Level	Approximate Cost per Square Foot
Minor surface patches, early detection	**$20 to $50 per SF**
Moderate repairs including rebar treatment	**$50 to $150 per SF**
Extensive structural repair or full section replacement	**$150 to $400+ per SF**

THE COST MULTIPLIER FOR DELAY

A concrete repair that costs $20 to $50 per square foot when caught early becomes a $150 to $400 per square foot structural repair after two to three years of neglect. This is not a contractor estimate. It is the physics of chloride propagation and steel corrosion, documented across decades of Florida concrete restoration projects.

2. Post-Tension Cable and Tendon Repair

Many Florida condominium buildings from the 1970s through 1990s used post-tensioned concrete slabs, where high-strength steel tendons are threaded through the slab and tensioned after the concrete sets. When chloride reaches the tendons, the results are more serious than conventional rebar corrosion. Unlike rebar, tendons are under continuous high stress; when one fails, it does not crack gradually, it **ruptures suddenly**. This is not theoretical in Florida's older building stock.

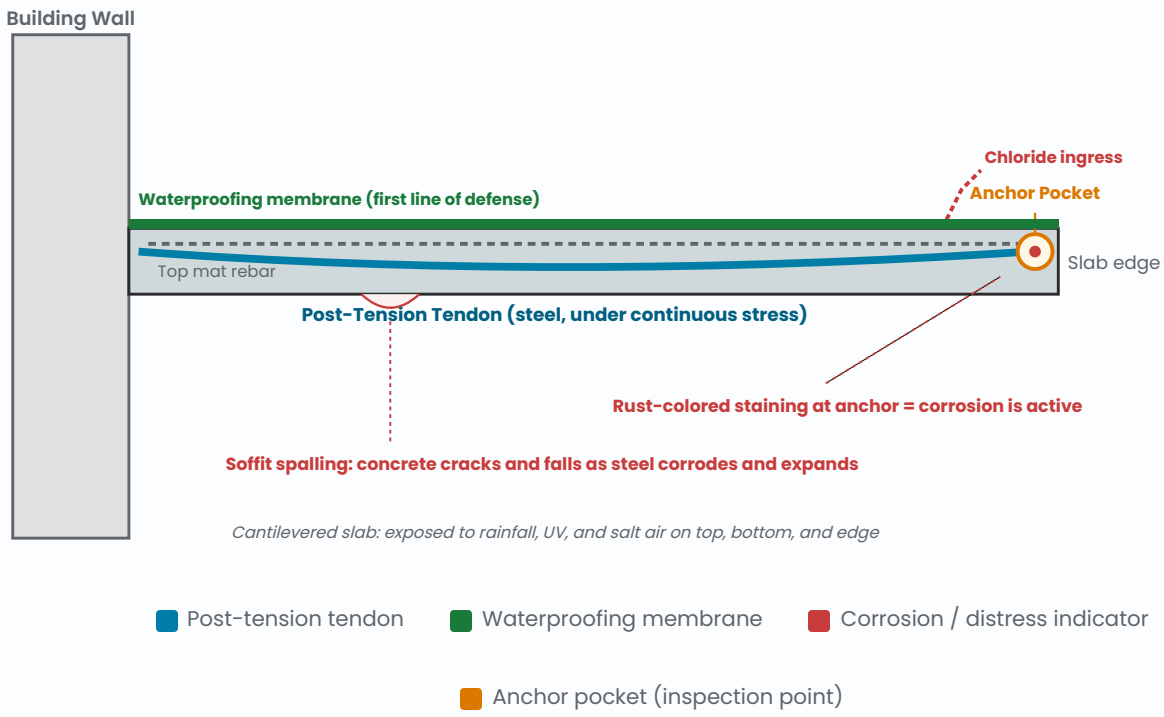
Signs to Watch For

- Unusual cracking patterns, particularly diagonal cracks near slab edges
- Rust-colored staining at anchor pockets or through-slab conduit locations
- Bulging or raised concrete at tendon anchorage areas, and horizontal cracks in balcony edge beams

Scope	Approximate Cost
Individual tendon repair at a single location	$2,875 to $11,850 per location
Large-scale balcony slab post-tension work	$40 to $65 per SF for cantilevered slab designs
Post-tension component of balcony reconstruction	Add $15 per SF or more to base slab cost

SECTION 5 Anatomy of a Post-Tension Balcony Slab

The diagram below shows why post-tension corrosion is treated differently from ordinary rebar corrosion, and where the tendon sits relative to the slab surface and the anchor pocket engineers check first.



Illustrative diagram, not an engineering drawing. Actual tendon profile, cover depth, and anchor detailing vary by building and must be confirmed by a licensed structural engineer.

What This Means for Your Board

When your inspector's report mentions tendon staining or anchor-pocket distress, ask specifically whether the finding is at the anchor (where inspection is straightforward) or mid-span (where it is harder to detect and confirm without invasive testing). This distinction affects both the Phase 2 investigation scope and the repair cost.

3. Balcony and Railing Repair and Replacement

Balcony slabs, edge beams, drainage, and railings are among the most consistently flagged items in Florida reports. Balcony slabs are often cantilevered and exposed to rainfall, UV, and salt air on all surfaces. Florida Building Code now requires railings above 30 inches to be a minimum of 42 inches high and to resist 200 pounds per linear foot at the top rail; most pre-1980 buildings were built to a 36-inch standard. Replacement during renovation requires compliance with current code.

Scope	Approximate Cost
Balcony waterproofing membrane replacement only	**$25 to $60 per SF of deck surface**
Full balcony reconstruction (concrete, PT, railings, waterproofing)	**$125 to $225 per SF**
Railing replacement only (stainless, aluminum, glass)	$500 to $3,000 per linear foot

Approximate; verify with current proposals. Sudden failure risk distinguishes post-tension from conventional rebar.

4. Building Envelope: Stucco, Sealants, and Waterproofing

Florida's combination of intense UV, salt air, and wind-driven rain makes the exterior envelope a primary durability challenge. Stucco installed in 1985 has experienced 40 years of thermal and moisture cycling; sealants at windows, joints, and penetrations have a useful life of 10 to 20 years. When stucco cracks and sealants fail, water infiltrates the wall, finds the concrete structure, and drives chloride ions toward the rebar. The envelope is the first line of defense against the process that causes spalling.

Scope	Approximate Cost
Cosmetic stucco repair (hairline cracks, surface patches)	**$8 to $20 per SF**
Moderate structural stucco repair including backing repair	**$20 to $50 per SF**
Stucco with severe water damage or mold remediation	**$60 to $120 per SF**
Horizontal deck waterproofing membrane replacement	$25 to $40 per SF
High-performance balcony waterproofing systems	$36 to $60 per SF

5. Expansion Joint Repair and Replacement

Expansion joints are intentional gaps that let a building flex with thermal expansion, wind loads, and settlement without transferring those forces as cracks. Failed joint sealant and backer rod are a very common source of water intrusion; water that enters at a joint travels down through the assembly and often appears as a leak far below the actual point of entry. Repair typically runs **$20 to $60 per linear foot**, depending on joint size, substrate condition, sealant type, and whether structural repair of the joint faces is also required.



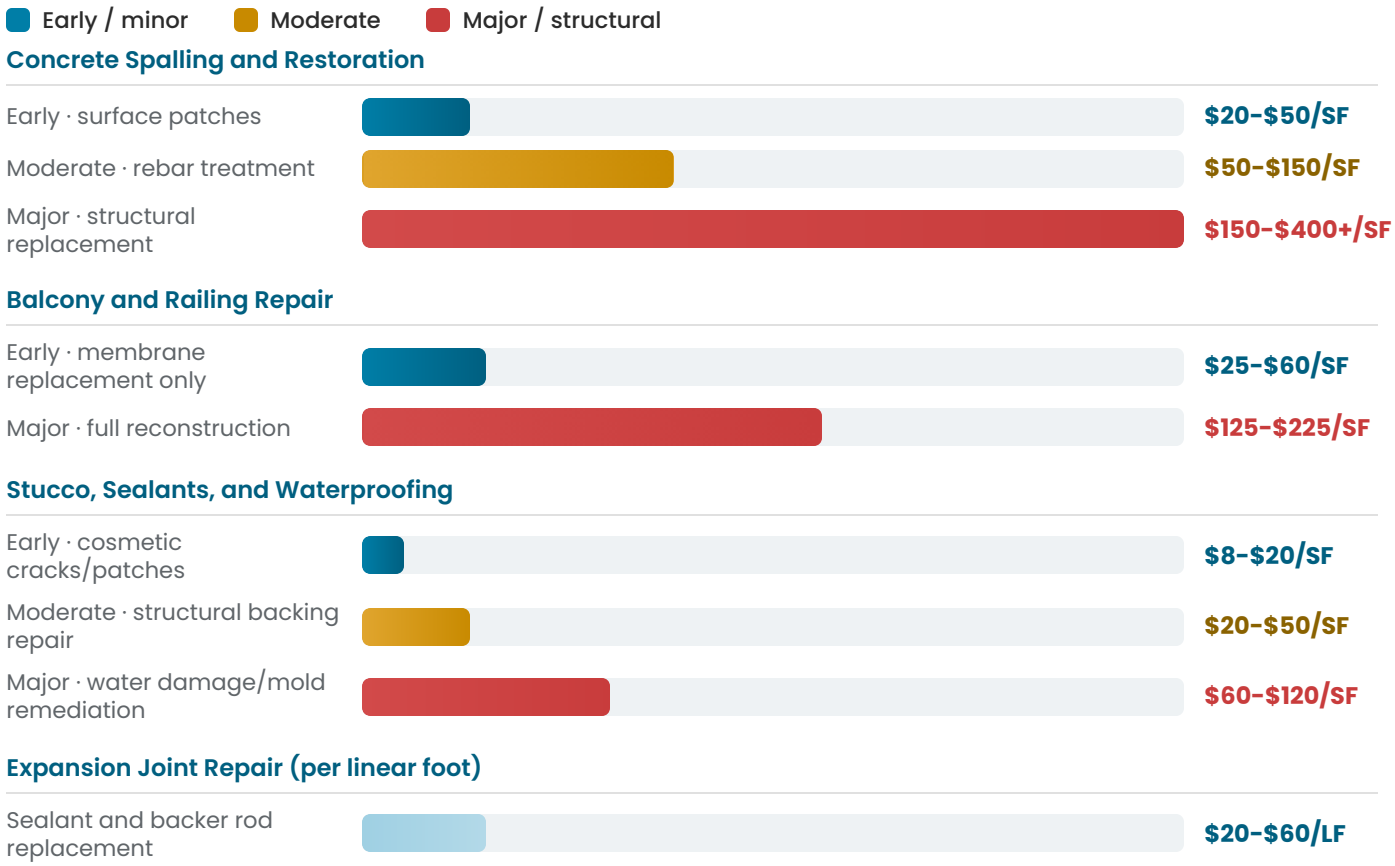
ESS crews self-perform balcony, stucco, and waterproofing restoration on occupied Central Florida communities.



Concrete restoration: chip to sound substrate, treat exposed rebar, and re-coat to inhibit future chloride ingress.

Repair Cost Ranges by Category

Cost per square foot at three severity levels. All ranges approximate, 2024-2025 Florida market.



Scale: 0-$400/SF (expansion joint shown per linear foot, not to the same scale). Source: Section 5 repair-cost tables, ESS Central Florida restoration project data.

Repair cost ranges by category. Teal = early/minor; gold = moderate; red = major/structural. All ranges approximate, 2024-2025 Florida market.

WHAT THIS CHART SHOWS AND WHAT IT MEANS FOR YOUR BOARD

The chart plots the cost of the five most common repair categories at three severity levels. The gap between the teal bar and the red bar is the cost of waiting. For concrete spalling, the dominant Florida finding, that gap is roughly eightfold: a $20-$50 per square foot job at early detection becomes $150-$400 per square foot once corrosion has advanced.

The takeaway: every category gets dramatically more expensive with deferral. Specific early-detection proposals are how a board stays in the teal band instead of the red.

What to Expect in Any Contractor Proposal for Structural Work

Any reputable contractor proposing structural concrete, waterproofing, or envelope repair should include all of the following. If these are missing, the proposal is incomplete and should not be signed.

- A fully detailed scope of work, not a lump sum with a general description
- Reference to engineer-approved repair specifications (not optional for structural work)
- Materials identified by manufacturer and product name, with technical data sheets available
- A sequential work plan covering unit protection and management of occupied areas
- Inspection hold-points where the engineer must observe and approve before work continues
- A project timeline with defined milestone dates
- A clear process for handling discovery of additional deterioration during construction

SECTION SIX

Reading the Engineer's Report

06

Engineers write for other engineers. This section translates the report into terms a board can act on.

What the Report Must Contain by Statute

Florida Statutes Section 553.899 specifies the content. A compliant report includes:

1. The inspector's seal and signature, confirming a licensed PE or architect prepared it
2. A description of the inspection methodology (what was accessed, observed, and what tools were used)
3. Identification of any substantial structural deterioration, with extent and location
4. A statement regarding unsafe or dangerous conditions as defined in the Florida Building Code
5. Recommendations for remedial repairs
6. Identification of items requiring further inspection or analysis
7. A separate summary of material findings, the document the association distributes to owners

Four Questions That Drive the Board's Response

After receiving a report, the board needs answers to four questions. These should be the agenda items at the board meeting where the report is reviewed.

Question 1 · Was substantial structural deterioration found?

Yes or no. If yes, Phase 2 is not discretionary; it is legally required, and the 180-day clock has already started from the date of Phase 1 submission.

Question 2 · Any immediately unsafe or dangerous conditions?

If yes, the board has an immediate legal duty to act: notify the building official, restrict access, or in extreme cases relocate residents. This is a life-safety obligation, not a budget question.

Question 3 · What are the recommended remedial repairs?

Make a line-item list of every repair the engineer recommends. Each item becomes a potential line item on your capital budget and reserve study, the foundation of your next 12 to 36 months of capital planning.

Question 4 · What items require further investigation?

These are open questions Phase 2 or specialized studies will answer. Tracking them prevents items from falling off the radar between board meetings.

Common Engineering Terms, Translated

Engineering Term	Plain-English Meaning
Spalling	Concrete has cracked and chunks have fallen off, typically because rebar inside corroded and expanded
Delamination	Concrete layers have separated but not yet fallen; detected by tapping (a hollow sound indicates it)
Efflorescence	White mineral staining showing water has moved through the concrete and deposited dissolved salts
Chloride contamination	Salt has reached the level of the reinforcing steel; active corrosion is underway or imminent
Tendon bleed-out	Rust-colored staining from tendon anchor pockets; corrosion is attacking the tendon or its hardware
Load-bearing capacity	The weight an element was designed to carry; the engineer has calculated whether it still safely carries its loads
Section loss	The rebar has corroded and lost cross-sectional area, directly reducing structural capacity
Unsafe or dangerous condition	A defined Building Code term; triggers mandatory notification to the building official and possible evacuation

What to Do After You Receive the Report

1. Engage your association attorney immediately, before the board meeting where you discuss the report.
2. Distribute the owner summary within 45 days. This is a statutory deadline, not a best practice.
3. Notify the Division that the SIRS was completed and distributed (HB 1021, within 45 days, on division forms).
4. If Phase 2 is triggered, begin engineer procurement immediately; the 180-day clock starts at Phase 1 submission.
5. If repairs are recommended, engage licensed contractors for specific proposals and begin the budget amendment.
6. If an unsafe condition is identified, follow your attorney's guidance on notification and access restriction without delay.

What This Means for Your Board

Because deferred structural repairs in Florida have escalated into six-figure special assessments and forced evacuations: (1) commission a current, detailed condition report this quarter, (2) present owners with specific repair costs tied to specific findings rather than a lump funding increase, and (3) model the special assessment scenario per unit before the next budget cycle so owners understand the cost of inaction.

SECTION SEVEN

The Reserve Funding Reality

07

The financial crisis underneath the structural one, and what it is already costing Florida owners.

28,250
Florida condominium associations, roughly 1.2 million units

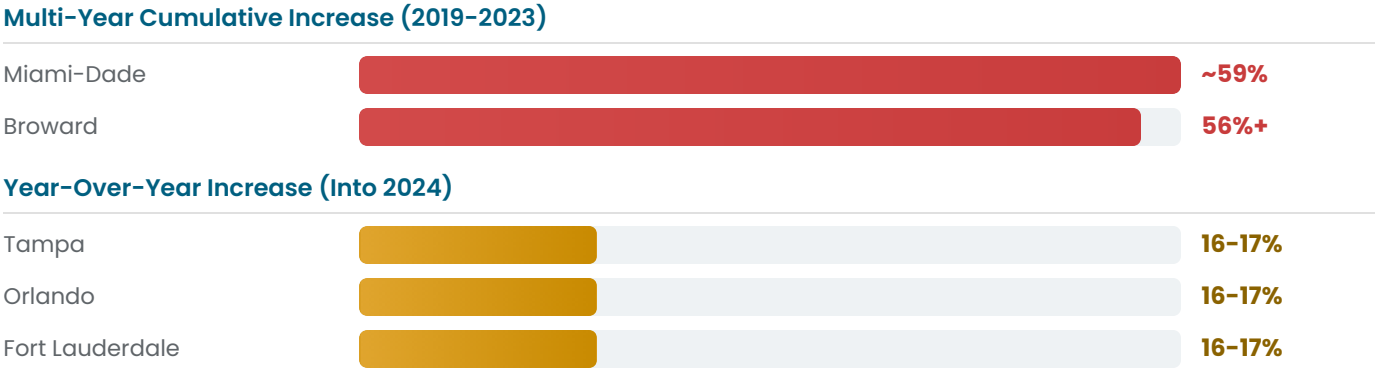
50%+
Of Florida condo stock is 30 years or older, at or past trigger age

70%+
Of community associations estimated underfunded vs. long-term needs

For decades, unit owners could vote to waive reserve contributions entirely, and many did. When monthly dues were set without a meaningful reserve line, the deferred liability accumulated silently until an inspection, a failure, or an insurance renewal forced it into the open.

Median HOA/Condo Fee Increases by Florida Market

Markets where SB 4-D compliance pressure arrived earliest show what happens when deferred liability meets a legal deadline.



Scale: 0-60%. Miami-Dade/Broward are cumulative change 2019 to 2023; Tampa/Orlando/Fort Lauderdale are single-year change into 2024. Reported median changes in actual communities, not projections.

Median monthly HOA/condo fee changes in Florida markets already absorbing SB 4-D compliance costs.

WHAT THIS CHART SHOWS AND WHAT IT MEANS FOR YOUR BOARD

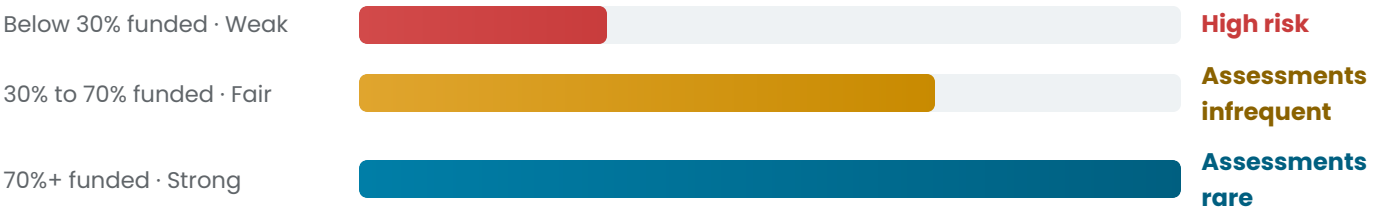
These are reported median changes in actual communities, not projections. Markets where compliance pressure arrived earliest (Miami-Dade rose roughly 59% from 2019 to 2023; Broward more than 56%) show what happens when deferred liability meets a legal deadline. Tampa, Orlando, and Fort Lauderdale all posted 16-17% year-over-year increases into 2024.

The takeaway: fee pressure is a question of when, not if. Boards that fund gradually avoid the steepest, most disruptive increases.

Percent funded is the single number reserve specialists use to describe an association's risk exposure. It is the reserve balance divided by what the balance would be if every component were funded at its ideal level today.

Reserve Percent-Funded vs. Special-Assessment Risk

Community-association industry guidance groups percent-funded outcomes into three risk bands.



Scale: 0-100% reserve funded. Bands per Association Reserves / CAI National Reserve Study Standards. Not a Florida statutory requirement; the SIRS baseline-funding method is a related but different test.

Reserve funding bands per Association Reserves / CAI National Reserve Study Standards.

WHAT THIS CHART SHOWS AND WHAT IT MEANS FOR YOUR BOARD

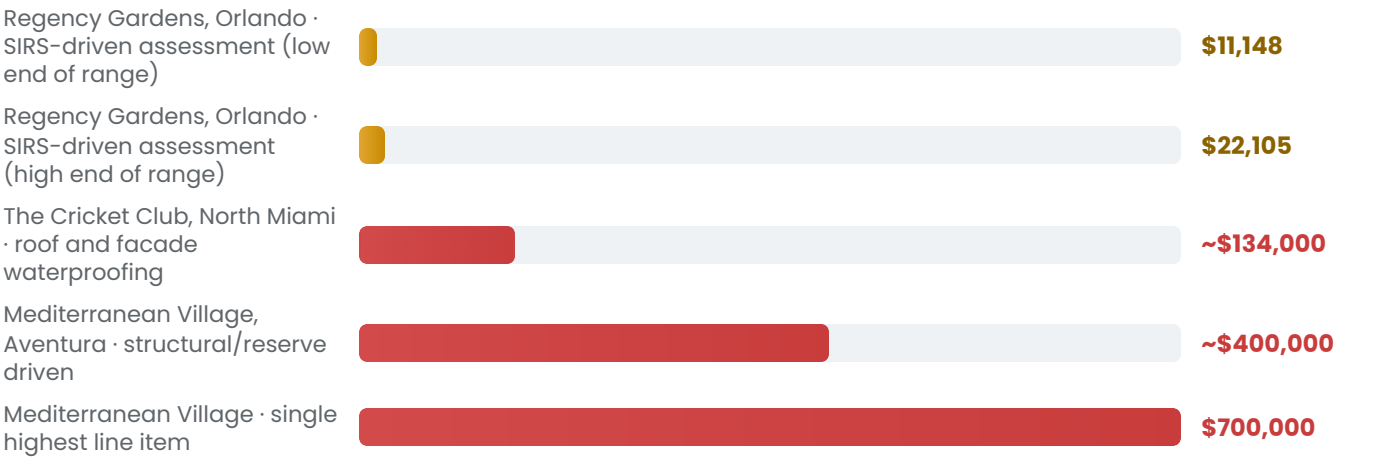
Community associations industry guidance groups percent-funded outcomes into three bands. **Below 30% funded** carries a materially higher risk of a special assessment, because there is not enough cushion to absorb an unplanned repair. **30% to 70% funded** is the broad middle where assessments remain possible but infrequent. **70% or higher** is where assessments become rare, because the reserve can absorb most surprises without emergency action.

These bands are not a Florida statutory requirement; the SIRS baseline-funding method requires the balance never project below zero over 30 years, which is a related but different test. Ask your reserve specialist for your association's current percent-funded figure and which band it falls in.

The takeaway: percent funded is the one number that predicts whether your next big repair is paid for calmly out of reserves, or forced onto owners all at once.

What Special Assessments Have Actually Cost, Per Unit

Three documented Florida condominium associations, scaled to the same axis.



Cricket Club and Mediterranean Village figures from South Florida news reporting, 2023-2024. Regency Gardens figures from FOX35 Orlando and WFTV, 2024. Scale: $0 to $700,000 per unit.

Per-unit special assessment costs. Cricket Club and Mediterranean Village figures from South Florida news reporting, 2023-2024; Regency Gardens is a documented Central Florida case.

WHAT THIS CHART SHOWS AND WHAT IT MEANS FOR YOUR BOARD

The two confirmed cases (The Cricket Club in North Miami, a roughly $30 million roof and facade waterproofing assessment that worked out to about $134,000 per unit, and Mediterranean Village in Aventura, where assessments reached approximately $400,000 per unit with one line item as high as $700,000) are not statistical outliers. They are examples of what happens when a building with a large accumulated maintenance deficit reaches an inspection-forced reckoning all at once. One owner at The Cricket Club who paid $119,000 in 2019 sold in 2024 for $110,000, after the assessment became public.

The takeaway: a six-figure per-unit assessment is the price of the old system working exactly as designed, with the cost arriving on a delayed schedule. A funded reserve is the alternative.

The Market Consequence

Reserve obligations are now a material factor in condominium sales. Buyers, lenders, and attorneys review reserve balances, SIRS compliance, and pending special assessments in due diligence. Both Cricket Club and Mediterranean Village had histories of waived or reduced reserve contributions and documented deferred maintenance before their assessments became public.

Florida condo values declined roughly 9.9% in the year leading into the 2026 reporting period (the steepest annual decline since 2009, with the worst-hit metros including Punta Gorda and Cape Coral), and buildings with large assessment obligations have seen the deepest asking-price reductions. St. Petersburg's 1 Beach Drive, for example, saw a unit that peaked near $1 million fall to roughly $249,000 by 2026 after a heavy assessment history became public record.

> **TRANSPARENCY IS NOW A SELLING POINT**
>
> A building that is transparent about its reserve status, has completed its SIRS, and has a credible funded repair plan will compete for buyers. A building with an undisclosed shortfall will not, and lenders are beginning to price that risk into financing decisions.

When a Phase 2 report arrives with a repair cost estimate, the association has three options for funding the work. Each has real trade-offs.

Path 1 · Adequately funded reserves (the intended outcome of SIRS)

If the reserve was funded per the SIRS plan, the money exists and repairs proceed with no special assessment. For historically underfunded associations, this path requires catching up the balance over time.

Path 2 · Special assessment

An immediate, one-time charge on all owners. For large scopes on underfunded buildings this can be a five- or six-figure per-unit event. Legal, but financially disruptive and harmful to marketability.

Path 3 · Association loan or line of credit

An established Florida market. Terms typically run 10 to 15 years at market interest, repaid through monthly assessments. This spreads the shock over time but adds interest cost, and lenders require a creditworthy profile and usually a membership vote.

Illustrative Comparison: $2 Million Shortfall, 100-Unit Building

Funding Strategy	Annual Cost per Unit (Estimated)	Risk Level
Fully funded SIRS reserve built over 5 years	~$4,000/yr ($333/mo additional)	**Low**
Special assessment, immediate lump sum	~$20,000 per unit, assessed immediately	**High (one-time shock)**
Association loan, 10-year term at 6%	~$2,650/yr ($221/mo additional)	**Moderate (interest adds cost)**

Illustrative only. Engage a qualified reserve specialist for projections specific to your association.

THE HB 913 PAUSE PROVISION REQUIRES AN OWNER VOTE, NOT BOARD DISCRETION

If an association completed a milestone inspection within the prior two calendar years and that inspection recommended repairs, HB 913 allows SIRS reserve contributions to be paused or reduced for up to two consecutive annual budgets.

This is **not a decision the board can make on its own**: it requires a majority vote of the total voting interests (the unit owners), and it is only available for budgets adopted through December 31, 2028, when the provision sunsets. A fresh SIRS is required before contributions can resume at the reduced or paused level.

A board that pauses contributions without first securing the owner vote risks acting outside its authority. Confirm the vote requirement with your attorney before bringing this to a budget meeting.

1. Requires a **majority owner vote**, never board discretion alone.
2. Maximum **two consecutive** annual budget years.
3. Sunsets after budgets adopted through **December 31, 2028**.

A CAUTIONARY CASE STORY · CENTRAL FLORIDA

When the SIRS Reveals the Gap: Regency Gardens, Orlando

Regency Gardens is a 386-unit condominium in Orlando, and its story is the clearest local illustration of exactly what this guide is about: what happens when the SIRS a board is now required to commission reveals a reserve gap the community was not funding for.

When the association's Structural Integrity Reserve Study came back, it identified an $8.5 million repair project the building's reserves were nowhere near ready to cover, a funding gap of more than $17 million against long-term component needs. The board's response was a special assessment ranging from $11,148 to $22,105 per owner, scaled by unit size, layered on top of a monthly dues increase of roughly $900. For many owners on fixed incomes, that is not an inconvenience. It is a five-figure bill they did not budget for, arriving because reserve funding decisions made years earlier did not keep pace with the building's real condition.

The response from ownership was immediate and organized: a recall petition against the board gathered 235 signatures. Whatever the merits of that specific dispute, the underlying lesson generalizes to every association in this guide's audience. A board that funds reserves credibly, communicates the SIRS findings early, and phases the response has options. A board that lets the gap accumulate silently for years hands its owners one number, all at once, with no good options left.

This is not a hypothetical or an out-of-state headline. It is a Central Florida condominium, subject to the exact same statutes and the exact same SIRS requirement covered in this guide.

Regency Gardens facts reported by FOX35 Orlando and WFTV, 2024; ClickOrlando, May 3, 2024.

What This Means for Your Board

Because Regency Gardens shows how a reserve gap compounds silently until the SIRS forces it into the open: (1) if your SIRS is complete, review the funding-gap figure with your board now, not at the meeting where you present it to owners; (2) model a phased funding response (Section 7) before a single-assessment scenario becomes the only option on the table; and (3) request a complimentary ESS on-site inspection. It costs your board nothing to know the current condition of your structural components in writing, with specific costs attached, while you still have time to plan.

SECTION EIGHT

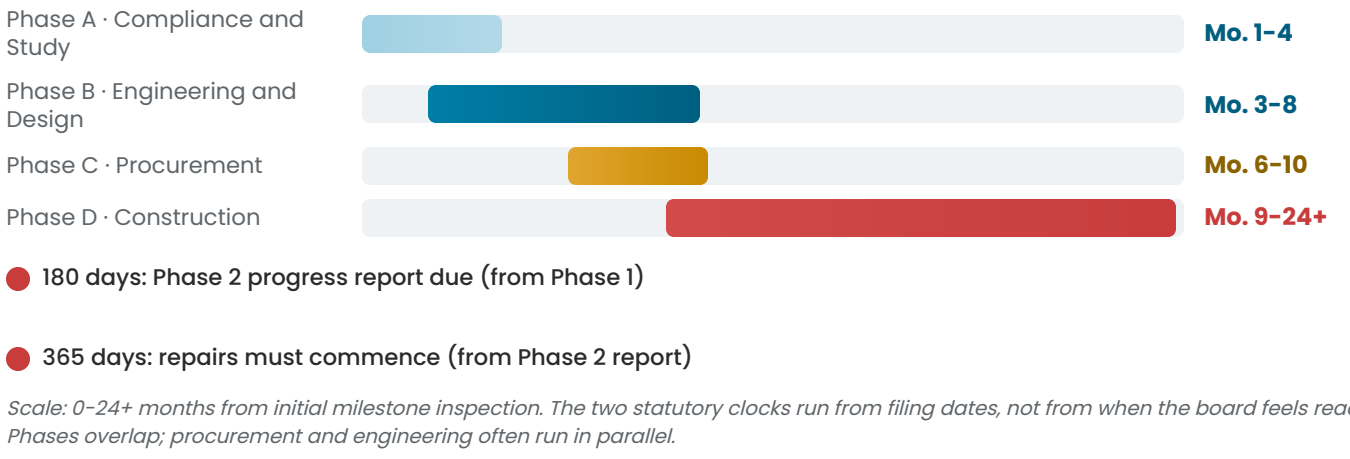
A Realistic Project Timeline

08

From receiving an engineer's report to completed construction, mapped so boards can set accurate expectations.

Master Timeline: Inspection to Completed Repairs

Four overlapping phases across 24+ months, with the two statutory deadline markers.



Scale: 0-24+ months from initial milestone inspection. The two statutory clocks run from filing dates, not from when the board feels ready. Phases overlap; procurement and engineering often run in parallel.

From inspection to completed repairs, with the two statutory deadline markers: the 180-day Phase 2 progress report and the 365-day repair commencement.

WHAT THIS CHART SHOWS AND WHAT IT MEANS FOR YOUR BOARD

The timeline spans roughly 24+ months across four overlapping phases. The two red markers are the statutory clocks that do not move: the Phase 2 progress report at 180 days from Phase 1, and repair commencement at 365 days from the Phase 2 report. Because the phases overlap, procurement and engineering often run in parallel rather than in sequence.

The takeaway: start engineer and contractor procurement early. The statutory deadlines run from filing dates, not from when the board feels ready.

PHASE A · MONTHS 1 TO 4 · COMPLIANCE AND STUDY
Commission the milestone inspection by retaining a licensed PE or architect; inspector availability is constrained statewide. Phase 1 is performed (1 to several days on site), with the report several weeks later. Distribute the owner summary within 45 days. If Phase 2 is triggered, begin procurement immediately. Commission the SIRS simultaneously if not yet complete.

PHASE B · MONTHS 3 TO 8 · ENGINEERING AND DESIGN
Phase 2 investigation and report with full repair specifications (statutory maximum 180 days from Phase 1). The association engages a structural engineer to develop construction documents (typically 6 to 10 weeks). Permit application is submitted; in some counties complex permits take 60 to 120 days.

PHASE C · MONTHS 6 TO 10 · PROCUREMENT
Bid documents to qualified contractors (a competitive bid is advisable above $50,000). Bid period 2 to 4 weeks; selection, award, and contract negotiation 2 to 4 weeks. Subcontractor and material procurement, including scaffolding and specialty repair mortars with lead times.

PHASE D · MONTHS 9 TO 24+ · CONSTRUCTION
Mobilization and scaffolding 1 to 3 weeks. Construction per the engineer-approved scope: minor patch programs run days to weeks; mid-scope restoration 2 to 4 months; major envelope restoration up to 18 to 24 months. Engineer inspections at all hold-points. Demobilization, punch list, and closeout 4 to 6 weeks.

Factors That Can Extend the Timeline

- **Engineer availability:** statewide demand for milestone inspections and Phase 2 work rose sharply after 2022; lead times are longer than before SB 4-D.
- **Permitting delays:** processing varies by jurisdiction; some coastal counties have 90-day or longer queues.
- **Occupied buildings:** work in occupied residential buildings needs more sequencing, resident communication, and management overhead.
- **Discovery of additional deterioration:** the single most common source of scope expansion. When contractors remove concrete to reach a known spall, deterioration sometimes extends beyond what testing indicated. Budget and contract provisions should address this before construction begins.

COMMUNICATE AT EVERY MILESTONE

Send short owner updates at report receipt, Phase 2 commencement, contractor award, permit issuance, construction mobilization, each major phase completion, and project closeout. Proactive communication reduces complaints and owner calls and shows the board is managing the project responsibly.

SECTION NINE

Selecting and Vetting Your Contractor

09

For occupied high-rise restoration, this is one of the highest-stakes procurement decisions a board makes.

The work is physically complex, legally consequential, and performed inside people's homes. A poorly qualified contractor can create liability exposures, produce work that fails within a few years, and generate construction defect claims that follow the association for a decade.

Florida License Requirements

Structural repair work on a condominium building requires a Florida-licensed contractor. For multi-story building structural work, the appropriate classification is a **Certified General Contractor (CGC)** issued by the DBPR's Construction Industry Licensing Board, which authorizes construction, remodeling, repair, or demolition of any building type, including condominium towers. Specialty trades (waterproofing, post-tension, fireproofing) may require additional licensing.

VERIFY EVERY LICENSE AT MYFLORIDALICENSE.COM BEFORE SIGNING

Check for: active status, CGC license type (not a residential-only license), expiration date, and the disciplinary history tab. A contractor with prior discipline is not automatically disqualified, but the board should understand the nature of any prior action.

Insurance Requirements

Coverage	Minimum Requirement	How to Verify
General Liability	$1M per occurrence / $2M aggregate (higher for large projects)	Certificate of Insurance from carrier
Workers' Compensation	Required in Florida for any contractor with employees; no exclusions	COI from carrier, not contractor
Completed Operations	Must be in the GL policy; covers post-completion claims	Review the GL policy form
Builders Risk	For large projects; covers materials and work in place	Confirm in bid specification

Require a current COI naming the association as additional insured on the GL policy before any work begins. Obtain the COI directly from the carrier when possible; COIs have been forged. For any project above $100,000, a direct verification call to the insurer is worthwhile.

THE SELF-PERFORM DISTINCTION MATTERS MOST

Structural concrete is where life-safety stakes are highest and shortcuts most often cause premature failure. A contractor that self-performs this work, rather than handing it to an unvetted sub, keeps quality control at the most critical point. Ask every bidder whether concrete removal, rebar treatment, and mortar placement are self-performed.

Questions to Ask Before You Receive a Proposal

1. How many occupied high-rise condominium restoration projects have you completed in the past three years, with references?
2. Do you self-perform structural concrete work (removal, rebar treatment, mortar), or subcontract it?
3. Who is the field superintendent, and what is their direct experience with post-tension slabs and concrete restoration?
4. What is your quality control program, and which hold-points require your QC person versus the engineer?
5. What is your current Experience Modification Rate (EMR), and can you provide your OSHA 300 log for the past three years?

Red Flags

- A license that is residential-only, expired, or shows disciplinary history without satisfactory explanation
- No workers' compensation coverage, or a COI that lists workers' compensation exclusions
- No documented experience with occupied multi-family residential restoration projects specifically
- A lump-sum proposal with no detailed scope, no specified materials, and no engineer-approved specifications
- Inability or unwillingness to identify the actual field crew and superintendent
- An EMR above 1.5, indicating a safety record significantly worse than industry average



ESS self-performs structural concrete: the highest-stakes scope stays with our own crews, not unvetted subs.



Drainage, waterproofing, and site work managed in-house, with engineer hold-point inspections built into the schedule.

SECTION TEN

Insurance Impact of SIRS and Milestone Compliance

10

Carriers increasingly condition renewal, and pricing, on documented structural compliance. This is no longer a purely legal conversation.

A milestone inspection and a completed SIRS are not just statutory checkboxes. In the current Florida property-insurance market, they are underwriting inputs. An association that cannot produce them, or that produces them showing unresolved findings, is a harder and more expensive risk to place.

What Carriers Are Actually Asking For

- A current milestone inspection report (or documented proof one is not yet due), with any Phase 2 findings and their remediation status
- A completed SIRS with a funding plan, not just a generic reserve study predating SB 4-D
- Evidence that prior engineering findings are funded, under contract, or completed, rather than open and undocumented
- Roof age and condition documentation, since roof condition remains one of the most heavily weighted underwriting factors independent of SIRS status

WHAT HAPPENS WITHOUT THESE DOCUMENTS

Associations that cannot produce current inspection and reserve documentation are increasingly seeing non-renewal notices, sharply higher premiums, or being pushed toward Citizens Property Insurance Corporation or excess and surplus lines carriers, both costlier than standard admitted-market coverage. A board that treats the SIRS as a legal deadline only, separate from its insurance renewal, is missing a direct financial consequence.

Coverage That Is Mandatory vs. Optional

Florida law (FS 718.111(11)) requires property and casualty insurance at full replacement cost for insurable improvements, and fidelity bonding for anyone who controls association funds. It does **not** mandate directors and officers (D&O) liability, general liability, or flood insurance; those are permissive ("may obtain"). In practice, lenders and prudent risk management make all three standard purchases for most associations, even though the statute does not compel them.

What This Means for Your Board

Before your next renewal, assemble a single compliance packet: current milestone inspection status, SIRS completion and funding-plan status, and a written status (funded, under contract, completed, or deferred with reason) for every open engineering finding. Give this to your insurance agent proactively rather than waiting for the carrier to ask. A board that can hand a carrier a clean compliance packet is negotiating from a materially stronger position than one that cannot.

SECTION ELEVEN

Financing and Special-Assessment Alternatives, in Depth

11

Section 7 introduced the three funding paths. This section goes deeper on the financing path, since it is the one boards understand least.

What Lenders Actually Look For

Community association loans are an established Florida market, offered by regional and national banks that specialize in this niche. Qualifying is different from a typical commercial loan, but it is not informal. Lenders generally evaluate:

- **Assessment collection history:** delinquency rate over the trailing 12 to 24 months, since the loan is repaid from future assessments
- **Reserve and operating fund balances:** current cash position, independent of the loan proceeds
- **Governing document authority:** confirmation the board (or membership, if required) has clear legal authority to borrow and to pledge future assessment revenue
- **Engineering scope and cost certainty:** lenders want a Phase 2 report or licensed engineer's specification behind the number, not a rough estimate
- **Owner-occupancy ratio:** associations with a high investor/rental ratio can face more scrutiny, since collection risk is perceived as higher

Typical Terms in the Current Market

Term	Typical Range
Loan term	10 to 15 years
Interest rate	Market rate for community association lending; varies with lender, term, and collateral
Collateral	Assignment of future assessment revenue; some lenders also require a UCC filing (a public record that formally secures the lender's claim to that revenue)
Membership vote	Usually required by the governing documents to authorize the borrowing itself
Draw structure	Often a draw facility tied to construction milestones, not a single lump-sum disbursement

Terms vary by lender and association profile. Engage a lender that specializes in community association loans, not a general commercial banker.

Blended Strategies Most Associations Actually Use

Very few real-world associations use exactly one of the three paths from Section 7 in isolation. The most common pattern is a blend: a modest special assessment sized to what most owners can absorb without hardship, combined with a loan to cover the remaining balance, repaid through a moderate, sustained dues increase over the loan term. This spreads the shock without asking any single owner to write one very large check, and it avoids interest cost on the entire project.

Board-Level Financing Decision Checklist

- [ ] Has the engineer's scope and cost estimate been finalized enough to size the financing need accurately?
- [ ] Has the board modeled at least two blended scenarios (assessment-heavy vs. loan-heavy) with per-unit monthly cost for each?
- [ ] Does the governing document authority for borrowing require a membership vote, and if so, has a vote been scheduled?
- [ ] Has the association obtained at least two competing loan proposals from community-association-specialist lenders?
- [ ] Has legal counsel reviewed the loan documents, including any UCC filing or assessment-assignment language?
- [ ] Has the board communicated the financing decision and its per-unit cost impact to owners before the vote, not after?

FINANCING DOES NOT REPLACE A FUNDED RESERVE GOING FORWARD

A loan solves today's funding gap. It does not solve the underlying reserve-contribution shortfall that created the gap. Boards that finance a repair without also correcting the ongoing SIRS contribution level are likely to face the same conversation again at the next inspection cycle.

RELATED GUIDES IN THIS SERIES

For a deeper walkthrough of reserve math, the 5-year capital calendar, and RFP/bid comparison tools, see **Reserve & Budget Planning**. For the financing conversation from the contractor-vetting side (what a lender or bonding company will ask about your contractor), see **Contractor Vetting**. For what your report will most likely flag once funding is secured, see **Concrete Spalling & Restoration**.

SECTION TWELVE

Questions Owners Will Ask You

12

Board-ready answers to the questions that come up at every owner meeting once a report or an assessment is on the table.

1 Why didn't the board tell us about this sooner?

Because the requirement itself is new or recently changed. Milestone inspections and the SIRS became statewide requirements under SB 4-D (2022), with major updates in 2024 and 2025. If your building's inspection or study is happening now, it is likely the first time it has been legally required. Share the compliance timeline, not just the finding.

2 Can we just wait and see if the requirement goes away?

No. These are non-waivable statutory obligations with DBPR enforcement authority and fines up to $5,000 per willful violation. Waiting past a deadline does not reduce the obligation; it adds compliance exposure on top of the underlying repair cost.

3 Why is the assessment so much higher than what we were told a few years ago?

Because deferred structural repairs escalate. A repair that costs $20 to $50 per square foot when caught early can become $150 to $400 per square foot after a few years of continued corrosion (Section 5). If reserves were underfunded or waived in the past, the gap did not disappear, it grew and compounded until the SIRS or inspection made it visible.

4 Is a special assessment legal, and can I refuse to pay it?

A properly authorized and noticed special assessment is a binding obligation under the governing documents and Chapter 718. Nonpayment leads to late fees, interest, and ultimately a lien and foreclosure process, the same as unpaid regular assessments. Owners who believe an assessment was not properly authorized should raise that with the board and, if unresolved, with an attorney, but nonpayment on its own is not a safe response.

5 Will this affect my ability to sell my unit?

Yes, and increasingly so. Buyers, lenders, and their attorneys now routinely review SIRS status, reserve balances, and pending assessments during due diligence (Section 7). A building that is transparent, current on its SIRS, and has a credible funded plan competes better for buyers than one with an undisclosed shortfall.

6 Why can't we just keep waiving reserve contributions like we used to?

Because that loophole is closed for the SIRS-mandated components. Under SB 4-D, reserves for structural, life-safety, and building-envelope components cannot be waived or reduced below the funding plan by owner vote. The one narrow exception, HB 913's pause provision, requires a majority owner vote of its own, applies only for two consecutive budget years, and sunsets after budgets adopted through 2028 (Section 7).

7 What happens if the board does nothing?

The statutory clocks keep running regardless. Missed inspection deadlines and an incomplete SIRS are active non-compliance, not a paused decision. Beyond the legal exposure, the underlying structural issues continue to worsen and get more expensive, and insurance renewal becomes harder and costlier (Section 10).

8 How do we know the contractor's price is fair?

Get at least two comparable proposals, both referencing the same engineer-approved specification, so you are comparing scope to scope rather than one contractor's assumptions to another's. Use the Contractor Comparison Scorecard (Appendix) to evaluate on more than price, and confirm self-performance of structural concrete work (Section 9).

KEEP THIS PAGE HANDY FOR YOUR NEXT OWNER MEETING

These are the questions that come up most consistently across Florida boards navigating SB 4-D compliance. Having board-ready answers prepared in advance, rather than improvising at the microphone, materially changes how a difficult meeting goes.

SECTION THIRTEEN

Your Next Steps and How ESS Can Help

13

Wherever your board is in the process, the next step is the same: confirm where you stand, and move to the next required action.

Step 1 · Confirm you are subject to the requirements

Three or more stories is the threshold. Calculate your CO date, apply the 30-year rule (as early as 25 if your local building official applies a coastal trigger), and find your deadline.

Step 2 · If not yet commissioned, begin procurement now

Engineer availability is constrained; starting sooner gives you more options.

Step 3 · If you have a Phase 1 report with findings, do not wait

The 180-day and 365-day clocks run from statutory dates. Begin Phase 2 procurement and reserve assessment immediately.

Step 4 · If you have a Phase 2 report, get specific proposals

Confirm all proposals reference and follow the Phase 2 specifications, or they are not comparable.

Step 5 · Ensure your SIRS is complete and adopted

The initial deadline was December 31, 2025. If HB 913's pause applies, confirm with your attorney first.

Step 6 · Engage your attorney and reserve specialist

The obligations under SB 4-D, HB 1021, and HB 913 are complex and jurisdiction-specific.

Where Element Service Solutions Fits

ESS is a Florida-licensed general contractor serving community associations across Central Florida. When an engineer's report arrives with findings in the most common categories, we get the work done. We self-perform concrete spalling repair and restoration, post-tension tendon evaluation and repair, waterproofing and building envelope work, stucco repair and remediation, balcony and railing systems, and expansion joint repair. We understand the communication requirements, phasing constraints, and resident management of occupied buildings.

When your board is ready to move from the engineer's report to contractor estimates, ESS offers complimentary on-site inspections and specific proposals with real numbers for the repair categories your report flagged.



Gavin Sederopoulos
Vice President of Sales · Element Service Solutions
Florida Certified General Contractor CGC1533292
Office (407) 744-9122 | elementbiz.com | Central Florida

APPENDIX

Board Tools and Templates

A

Nine practical tools your board can use today: worksheets, scorecards, checklists, a decision tree, and letter/RFP templates designed for real decisions.

Tool 1 | Reserve Funding Worksheet

How to use this: Work through the Worked Example to understand the math, then fill in "Your Building" with your actual figures. This is a simplified planning model; a licensed reserve specialist must prepare the formal SIRS study.

Worked Example: 120-Unit Building

Total current replacement cost of all SIRS components	**$4,000,000**	
Current reserve fund balance	**$1,200,000**	
Funding gap	**$2,800,000**	*= Replacement cost minus current balance*
Weighted average remaining useful life	**12 years**	
Annual contribution needed (association-wide)	**$233,333**	*= Funding gap / Remaining useful life*
Number of units	**120**	
Per-unit annual contribution	**$1,944**	*= Annual contribution / Number of units*
Per-unit monthly contribution	**$162**	*= Per-unit annual / 12*

Your Building: Fill In Your Figures

Total current replacement cost of all SIRS components	_____	*(from your SIRS report)*
Current reserve fund balance	_____	*(from your financial statement)*
Funding gap	_____	*= Replacement cost minus current balance*
Weighted average remaining useful life	_____	*(from your reserve specialist)*
Annual contribution needed	_____	*= Funding gap / Remaining useful life*
Number of units	_____	
Per-unit annual contribution	_____	*= Annual contribution / Number of units*
Per-unit monthly contribution	_____	*= Per-unit annual / 12*

> This is a simplified baseline-funding model for planning discussion only. Actual SIRS reserve calculations must account for inflation, interest earnings, and component-specific useful lives. A qualified reserve specialist must prepare the formal study required under FS 718.112(2)(g).

Tool 2 | Sample Structural Repair Scope Language

How to use this: Copy this paragraph into your bid request. Fill in each bracketed item with the specifics from your engineer's Phase 2 report and your insurance requirements.

Contractor shall self-perform all structural concrete removal, corroded reinforcement cleaning and treatment, and repair mortar placement in strict accordance with ACI 546R (Guide to Concrete Repair) and the specifications prepared by the engineer of record dated [date]. All concrete removal shall proceed to sound substrate as confirmed by the engineer of record at required hold-point inspections; no repair mortar shall be placed until the engineer of record has witnessed and approved the prepared substrate and rebar treatment. Contractor shall maintain a current Florida Certified General Contractor license in good standing throughout the project. Contractor shall carry general liability insurance of not less than [$1,000,000 per occurrence / $2,000,000 aggregate], workers compensation with no exclusions, and completed-operations coverage; the Association shall be named as additional insured. Contractor shall provide a [two (2) year] written workmanship warranty. Any discovery of deterioration beyond the scope defined herein shall be reported to the engineer of record and the Association in writing before additional work proceeds. Contractor shall submit a detailed phasing plan identifying work sequences, resident notification, and daily work area restoration prior to mobilization.

Fill in all bracketed items before issuing. Have your association attorney review the final scope language and contract terms before execution.

Three Funding Paths, Recapped

Path	How It Works	Best When
Adequately funded reserve	Build the contribution into the annual budget over several years so repairs proceed without a special assessment	The reserve deficit is moderate and there is runway before repairs must commence
Special assessment	Levy a lump sum on owners, immediately, to cover the shortfall	Reserves are severely depleted and a repair deadline is imminent. The most disruptive option for owners.
Association loan	Borrow against future assessments and repay over a multi-year term with interest	The board needs to spread the financial shock over time and can meet lender requirements

Most associations use a blend of these paths. Use the tools in this appendix in sequence: worksheet to frame funding, decision tree to confirm status, scope language and RFP cover sheet to run a fair bid, scorecard to compare bidders, engineer questions for a usable report, meeting agenda to run the review, owner letter to communicate, and the assessment checklist once your attorney confirms authority.

Tool 3 | Contractor Comparison Scorecard

How to use this: Score each bidder 1 (poor) to 5 (excellent) per row, multiply by the Weight, and total at the bottom to compare bidders on a level basis.

Criterion	Weight	Bidder A	Bidder B	Bidder C
Florida CGC license verified (active, no discipline)	3x			
General liability and workers comp limits adequate	3x			
Years performing condo structural restoration	2x			
Self-performs structural concrete (vs. subcontracts)	3x			
Milestone/SIRS references in Central Florida	2x			
Financial stability and bonding capacity	2x			
Proposed schedule and phasing (realistic, detailed)	2x			
Workmanship warranty (term and scope)	1x			
Proposal is detailed and references engineer specs	3x			
Weighted Total (max = 95)				

Weight reflects relative importance: license, insurance, self-performance of structural concrete, and a detailed engineer-spec proposal carry the most weight (3x). Use the Notes column on your own copy to record references checked and any conditions. The lowest price rarely wins on a weighted basis.

A NOTE ON THE WORKED EXAMPLE IN TOOL 1

The 120-unit figures in the reserve worksheet are illustrative only. They exist to show how the funding-gap math flows from total replacement cost down to a per-unit monthly contribution. Your own numbers will differ, sometimes substantially, based on your building's component ages, current reserve balance, and the remaining useful life your reserve specialist assigns to each system. Fill in the blank column with your real figures before presenting anything to owners.

Tool 4 | Questions to Ask Your Engineer

How to use this: Bring this to your interview with prospective engineers (Before) and to the board meeting where you review the report (After). Check each item as addressed.

Before You Hire

- ☐ How many milestone inspections under FS 553.899 have you performed in the past two years?
- ☐ Do you identify post-tensioned slabs before the site visit and adjust your approach?
- ☐ Do you use half-cell potential surveys in Phase 1 or only in Phase 2?
- ☐ Will the same lead inspector handle both phases for continuity?
- ☐ What is your timeline from site visit to delivery of the sealed report?
- ☐ Can you present the report summary at a board meeting?
- ☐ Are you qualified to prepare the SIRS, and would you combine the engagements?

After You Receive the Report

- ☐ Does this report require a Phase 2 investigation, and on what timeline?
- ☐ Are any conditions unsafe or dangerous under the Building Code, requiring immediate notification?
- ☐ Which findings are life-safety concerns versus routine maintenance?
- ☐ Are the cost estimates order-of-magnitude figures or biddable specifications?
- ☐ Which items require a licensed CGC contractor specifically?
- ☐ Which findings, if deferred, will worsen most rapidly?
- ☐ Will you serve as engineer of record during repairs, including hold-point inspections?

Tool 5 | Unit-Owner Communication Letter Template

How to use this: Fill in the bracketed items with your community's specifics. Have your attorney review before distribution, particularly if an unsafe condition or access restriction is involved.

Re: Milestone Inspection Results and Our Plan | **To:** All Unit Owners | **From:** The Board of Directors

Dear Fellow Owners,

Your board recently received the Phase [*1 / 2*] Milestone Inspection report for [*Community Name*], prepared by [*Engineer Firm*], a licensed Florida professional engineer. We want to share the key findings promptly, as required by Florida law, and explain what they mean and what the board intends to do.

What the report found: [*brief plain-English summary*]. [*If no unsafe conditions: "No conditions requiring immediate evacuation or access restriction were identified."*]

What this means: The findings are consistent with the age of our building and the Florida environment. They are repairable. The board is moving immediately to [*commission Phase 2 / obtain contractor estimates*].

Cost and funding: We are obtaining specific proposals and will present the funding analysis at the [*date*] board meeting, along with a SIRS status update.

Your next opportunity to ask questions: [*date, time, location*]. We are committed to maintaining your home safely and transparently. Sincerely, The Board of Directors

Tool 6 | Special Assessment Readiness Checklist

How to use this: Before the board votes to levy a special assessment, work through this checklist with your attorney. Each item should be completed before or at the approving meeting.

Governance and Authority

- ☐ Confirm your Declaration, Bylaws, or Articles authorize the board to levy special assessments, and identify any limitations on purpose or amount.
- ☐ Determine whether the assessment requires board approval only or a membership vote under your governing documents.
- ☐ Confirm whether Chapter 718 imposes any additional vote or approval requirement for this type of assessment.

Notice and Meeting Requirements

- ☐ Provide written notice of the meeting and the proposed assessment to all owners within the required period. *Florida law requires at least 14 days notice for most board meetings; your documents may require more.*
- ☐ Confirm quorum requirements are met for the meeting at which the vote will be taken.
- ☐ If a membership vote is required, confirm the approval threshold specified in your governing documents.
- ☐ Post the meeting notice in a conspicuous location on the property if required.

The Vote and Documentation

- ☐ Document the vote in the official minutes: the specific amount per unit, the purpose, and the payment schedule.
- ☐ Confirm the amount per unit, due date(s), and whether installment payments will be offered.
- ☐ Establish the collection account where proceeds will be held, separate from operating funds.

Collection and Enforcement

- ☐ Define the delinquency process: when an assessment is late, what late fees apply, and when the lien process begins.
- ☐ Provide written notice of the approved assessment to all owners with the payment schedule.
- ☐ Confirm your management company or counsel is prepared to track payments and pursue collection.

> **Important:** Notice periods, quorum thresholds, vote requirements, and collection procedures vary significantly by governing documents and may be affected by amendments to Chapter 718. This checklist is a general framework only. Confirm all specific requirements with your Florida community association attorney before calling the meeting or issuing any notice.

Tool 7 | "Is Your Building Covered?" Decision Tree

How to use this: Start at the top and follow the branch that matches your building. This is a screening tool, not a compliance determination; confirm your conclusion with your attorney and a licensed engineer.

Is your building a condominium or cooperative (Chapter 718/719)?

NO · STANDALONE-HOME / TOWNHOME HOA (CH. 720)

Milestone/SIRS do not apply to your HOA directly. Confirm no individual building is separately condo-organized.

YES

Is the building three or more habitable stories?

NO · ONE OR TWO STORIES

Below the statutory threshold. Milestone inspection and SIRS are not required by height alone.

YES

Has the building reached 30 years since its certificate of occupancy (or a locally determined coastal trigger as early as 25)?

NO · NOT YET AT TRIGGER AGE

Milestone inspection not yet due. SIRS deadline still applies independently, check Section 2.

YES

Milestone inspection is required now (or overdue). Has your SIRS also been completed and adopted? If not, both requirements are outstanding, engage your attorney and a licensed engineer this quarter.

This tool screens for the two headline requirements only. It does not cover HB 1021 director education, quarterly meetings, website posting, financial reporting tiers, or insurance disclosure obligations, all of which may still apply. See Sections 2 and 10.

Tool 8 | Vendor / Bid RFP Cover Sheet

How to use this: Attach this cover sheet to the front of every bid package you send to prospective contractors, along with the engineer's Phase 2 specifications and Tool 2's scope language. It sets a level playing field so every bidder answers the same questions.

Project: [*Community name and address*] | **RFP Issue Date:** [*date*] | **Proposal Due Date:** [*date, time*]

Scope Reference: This RFP is issued in connection with [*Phase 1 / Phase 2 milestone inspection report / SIRS*] prepared by [*engineer firm*], dated [*date*]. Bidders must price to the attached engineer-approved specification; substitutions require prior written engineer approval.

Required From Every Bidder:

- ☐ Current Florida CGC license number, verifiable at myfloridalicense.com
- ☐ Certificate of Insurance: general liability, workers' compensation, and completed operations, naming the Association as additional insured
- ☐ Written confirmation of self-performed vs. subcontracted scope, by trade
- ☐ Minimum three references from occupied multi-family or condominium restoration projects in the past three years
- ☐ Detailed, line-itemized proposal referencing the engineer's specification (a lump-sum-only bid will not be considered)
- ☐ Proposed project schedule with milestone dates and phasing plan for occupied-building work
- ☐ Workmanship warranty term and scope

On-Site Inspection: A walkthrough for all bidders is scheduled for [*date, time, meeting location*]. Questions must be submitted in writing to [*contact name and email*] by [*date*]; answers will be distributed to all bidders equally.

Selection Basis: The Association will evaluate proposals using the Contractor Comparison Scorecard (Tool 3) and reserves the right to reject any or all proposals. The lowest price alone does not determine award.

Fill in every bracketed item before issuing. Send this cover sheet to every bidder simultaneously to keep the process fair and defensible.

Tool 9 | Board-Meeting Agenda: Engineer's Report Review

How to use this: Use this agenda template for the specific board meeting where the milestone inspection or SIRS report is formally reviewed. Post it with your standard meeting notice.

Call to Order and Quorum

- [ ] Confirm quorum and record attendance

Report Presentation

- [ ] Engineer (or CAM, if engineer unavailable) presents the report summary
- [ ] Confirm: was substantial structural deterioration found? (Section 6, Question 1)
- [ ] Confirm: are any conditions unsafe or dangerous? (Section 6, Question 2)

Legal and Compliance Review

- [ ] Association attorney confirms statutory clocks now running (45-day owner notice, 180-day Phase 2, 365-day repair commencement, as applicable)
- [ ] Confirm SIRS status and funding-plan adoption status

Financial Discussion

- [ ] Reserve specialist or treasurer presents current percent-funded status and funding gap (Tool 1)
- [ ] Discuss funding path options: reserve build-up, special assessment, financing, or a blend (Sections 7 and 11)

Action Items and Next Steps

- [ ] Authorize procurement of Phase 2 investigation or contractor RFP, as applicable
- [ ] Assign owner communication timeline and responsible party (Tool 5)
- [ ] Set date for follow-up meeting to review bids or financing proposals

Adjournment

- [ ] Confirm minutes will document all findings, votes, and assigned action items with owners

> This agenda assumes a report with findings. If the report finds no substantial deterioration and no SIRS action is needed, a shorter informational agenda is appropriate. Have your attorney review the agenda if any unsafe condition or access restriction is anticipated.

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Full Disclaimer and Source Notes

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Cost ranges cited are approximate, are derived from available market data as of 2024 and 2025, and may vary substantially based on building-specific conditions, local labor market, scope, and access. Readers should verify current statutory requirements with qualified legal counsel and current cost information with licensed contractors submitting proposals against engineer-approved specifications.

Always consult a licensed Florida professional engineer for any structural assessment and a qualified Florida community association attorney for legal interpretation of your specific obligations. Element Service Solutions makes no warranty, expressed or implied, regarding the accuracy, completeness, or applicability of information provided herein to any specific building or situation.

Key Sources: Florida Statutes Section 553.899 (Milestone Inspections), Section 718.112(2)(g) (Structural Integrity Reserve Study requirements), and Section 718.111 (insurance, financial reporting, and records), flsenate.gov. Florida SB 4-D (2022), HB 1021 (2024), and HB 913 (2025). NIST preliminary findings on the Champlain Towers South investigation, 2025; Winston & Strawn and NPR reporting on the Surfside settlement, 2022. NBC Miami and NBC News reporting on the Morabito engineering reports, 2018 and 2021. Florida DBPR SIRS Reporting Guide (September 2024). myfloridalicense.com for contractor license verification. Association Reserves / CAI National Reserve Study Standards for percent-funded risk bands and component useful-life ranges. Regency Gardens, Orlando facts reported by FOX35 Orlando and WFTV, 2024, and ClickOrlando, May 3, 2024. The Cricket Club and Mediterranean Village special-assessment figures reported by Axios Miami and Miami Herald, 2024, and Brosda & Bentley, 2025-2026. Newsweek and Norada Florida condo market reporting, 2026.

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