

Milestone Inspections & Reserve Study Rules

New condo regulations in Florida were enacted in May 2022 as part of Senate Bill 4-D, which was passed in response to the Surfside condo collapse. The law took effect immediately, introducing requirements for milestone inspections, reserve studies, and mandatory reserve funding to ensure building safety and financial stability.

1. Milestone Inspections (30-Year Certification):

- **Frequency:** Buildings that are three stories or higher and are 30 years old must undergo a structural milestone inspection. After the initial inspection, these must be repeated every 10 years.
- **Scope:** These inspections assess the safety and structural integrity of the building's load-bearing components and the general condition of the structure. The findings must be reported to the condo association and local building officials.
- **Compliance:** If significant issues are found, repairs must be prioritized to address safety concerns.

To date, only Venice @ Deering Bay has completed their 30-Year Certification, as they are the only building reaching the 30-Year criteria.

2. Reserve Studies:

- **Mandatory Reserves:** Condo associations are now required to maintain sufficient reserves for major repairs and replacements, including specific funding for items like roofing, structural components, and plumbing.
- **Frequency:** A reserve study must be conducted at least every 10 years to assess the amount needed to adequately fund these reserves. The initial reserve study must be completed by December 31, 2024, and reserves must be fully funded based on these reports by December 31, 2026. The reserve funds cannot be waived or reduced unless the building is in full compliance with the reserve study requirements.
- **Transparency:** The results of reserve studies and milestone inspections must be shared with unit owners, ensuring they are informed of the building's condition and any potential future costs. Associations must make these reports available to unit owners or their representatives within 45 days after receiving them.

Venice @ Deering Bay has completed their Reserve Study as well. Other properties at Deering Bay are in the process of having it completed.

We recommend that all condo owners ask their property managers about these issues, especially if you are considering selling in the next few months. And Buyers... BE AWARE. Be sure to ask your agents about these, and be sure to include a discussion with the property manager to discuss these during your due diligence period.