

# Florida Milestone Inspections Condominiums & Cooperative Buildings (Florida SB 4-D, SB 154, Statute 2023-203)

- Florida recently enacted a new law that created a milestone inspection program across the entire state, it is currently limited to condominium and cooperative association buildings 3-stories or taller.
- The state of Florida recently passed Senate Bill 4D (SB4D), a comprehensive legislation aimed at improving building safety and maintenance standards throughout the state.
- Our team of licensed Professional Engineers, Inspectors and General Contractors will assist immediately to address all requirements of Florida SB 4-D.
- We will conduct all aspects of the inspection and prepare the complete report to be submitted to Building Department. Our professional experience and track record meet all County requirements.
- We provide Florida milestone inspection services for condominiums and cooperative buildings, including building assessments, financial reserve studies, and consulting on repairs and remediation.

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## Milestone Inspection Services

- Building Envelope Assessments
- Code Upgrade & Compliance Analysis
- Drone Services
- Due Diligence Property Investigations
- Exposure & Vulnerability Assessments
- Facility Condition Assessments
- Ground Movement & Failure Analysis
- Infrared Thermal Imaging
- Moisture Surveys
- Property & Infrastructure Damage Assessments
- Roof Evaluations
- Structural Integrity Reserve Studies (SIRS)
- Vibration Studies & Assessments
- Water Intrusion Investigations

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## What Does the Law Require?

The Florida Legislature passed Senate Bill 4-D in May 2022, which creates new requirements for condominium and co-op buildings three or more stories tall. SB-4D establishes a statewide inspection program, requiring condominium and cooperative associations to conduct milestone structural inspections and perform structural integrity reserve studies to ensure that condominium and cooperative buildings are safe for continued use.

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## Phase One (1) Milestone Inspections

- Milestone inspections can be performed by team of professionals with the Florida-based architect or engineer acting as the design professional in responsible charge of work and reports signed and sealed by team members.
- Require visual inspection of primary structural members and systems.
- Identify any substantial structural deterioration that negatively affects the building's general condition, integrity, or life-safety of occupants.
- Document whether unsafe or dangerous conditions were observed.
- Report to include determination of any items requiring further inspection and necessary maintenance, repair or replacement of structural components.
- The association is responsible for costs in which governing documents say the association must maintain, not necessarily all costs from inspection.

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## Phase Two (2) Milestone Inspections

- If, after a Florida-licensed engineer or architect performs a phase-one inspection, a phase-two milestone inspection is necessary, it may involve materials testing, probing or removal of finishes, or non-destructive testing such as ground penetrating radar.
- A report describing the manner and type of inspections, stating whether unsafe or dangerous conditions were observed, identifying and describing the extent of any substantial structural deterioration, and recommending maintenance, repairs or replacement of structural components as appropriate.
- Failure to progress required repairs within a year of the phase-two inspection report submission requires the municipal authority to assess if the building is safe for continued occupancy.

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## Details and Best Practices

- We've learned from experience that even when visual signs of deterioration are not obvious, additional testing or probing may be necessary based on the age and composition of structural materials.
- All reports must be signed and sealed by the licensed professional.
- Inspector-prepared report must be issued to associations and local building officials, with a summary posted in the building and provided to unit owners.
- A willful and knowing failure by an officer or director of an association to have a Milestone inspection performed is a breach of the officer's and director's fiduciary responsibility.

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## Structural Integrity Reserve Studies

The law requires reserves to be funded, and the study determines the reserve funds required for future major repairs and replacement of the common area based on visual inspection of the common areas.

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## Requirements of the Study Include:

- Visual inspection performed by an individual certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.
- Identification of common area elements inspected.
- Estimated remaining useful life of each element.
- Replacement cost or deferred maintenance expense of each element.
- Recommended annual reserve amount needed for replacement or deferred maintenance expense of each element.
- Studies must be maintained for at least 15 years after completion. Residential condominiums three stories or higher must have structural integrity reserve study every 10 years.



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## Fiduciary & Financial Requirements

- Effective December 31, 2024, unit-owner controlled associations must properly fund items identified in the structural integrity reserve study.
- Using or reducing these funds is prohibited and funds can only be used for the specific item identified in the study.
- It is a breach of a board member or officer's fiduciary duty if an association fails to complete a structural integrity reserve study.
- It is a breach of the director or officer's fiduciary duty if an association fails to properly fund reserves related to items identified in the Structural Integrity Reserve Study.
- Failure to comply with SB-4D can result in personal liability on the part of board members.

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## Minimum Inspection Requirements

- Roofs
- Load bearing walls
- Primary structural members as defined in s.627.706
- Floors
- Foundations
- Fireproofing & fire protection systems
- Plumbing
- Electrical systems
- Waterproofing & exterior painting
- Windows and exterior doors
- Any item with a deferred maintenance expense or replacement cost that exceeds \$10,000, if failure to replace or maintain negatively affects the building's structural integrity.