

CHANGES ARE HERE.

IS YOUR ASSOCIATION BEHIND?



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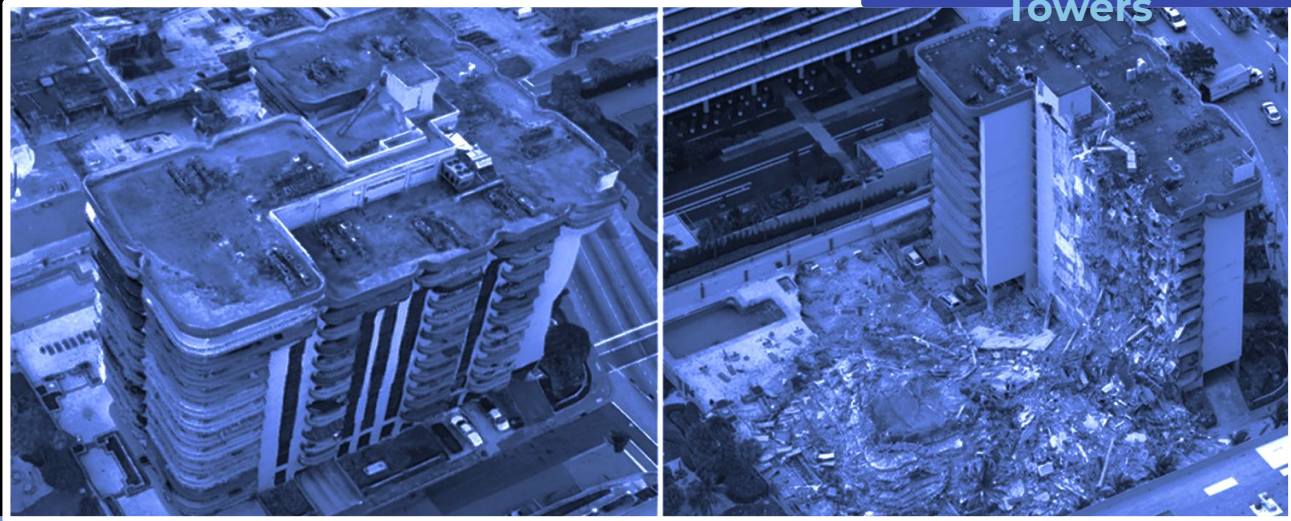
**Don't make 5 calls,
make one.**

- 1 inspection
- 5 reports
- Guaranteed savings

Compliant, comprehensive and easy.



**Champlain
Towers**



**Killing 98, the Surfside collapse was the 3rd
deadliest structural engineering failure in US history**

Concerns sat for 2 years.



**Insurance
Banking
Politics**

3 Main Factors Changing Condos



Insurance

For Profit Companies

Hard Market

Expensive

Difficult to keep

Pay more get less coverage

How to keep carriers in the state

Irma changed it all...

BANKING



Can't repeat last housing crash.

Banks were asking for reports.

Banks were starting to require more and more to grant loans.

Legislation was needed...

They can afford the loan... How can they afford the additional assessments??



STONEBUILDING
SOLUTIONS

The Legislative Storm





STONEBUILDING
SOLUTIONS

Why the sudden change?

What are you required to do?





The change is here

Milestone Inspections **Deadline 2024**
(*25 year coastline was removed)

Structural Integrity Reserve Studies **Deadline 2024**
Fund by 2026

What is a
Milestone
Inspection?

WHAT: A structural inspection of “load-bearing-walls and primary structural members.”

WHO: Licensed architect or engineer.

WHY: Attesting to the life safety & adequacy of a building’s structural components.

NOT FOR: Compliance with the Florida Building-Code or fire safety code.

Top 7 Things to Know About Milestones

Florida Statute 553.899

1. ***Residential Condos and Co-Ops 3 stories or more**
2. ***Buildings 30 years older - Local government can make shorter or extend**
3. **CO 1992 and earlier - Deadline 2024**
4. **Then every 10 years thereafter**
5. **Must be performed by licensed engineer or architect**
6. **Not intended to determine if the building is up to code**
7. ***Must be sent via "snail mail " AND electronic (if opted in) AND post AND website (if have)**

Question - Why only condos?



Does our condo have to complete a *Milestone* Inspection?

If you have 3 or more stories, AND:

Residential

30 yrs old

Then every 10 years after

SB154 does allow local government agencies to set a 25-year inspection requirement based on environmental conditions.

You are required to complete your 1st. *Milestone* Inspection and submit the report by December 31, 2024.

If you have 2 or fewer stories, OR.

If you are a single-family, two-family, or three-family dwelling:

You are NOT required to complete a *Milestone* Inspection.



PHASE 1

Visual Inspection



PHASE 2

Deeper Investigation



***TIMELINES**

**14 days of receiving letter for Milestone
Notify owners - electronic or post on website**

**180 of posting- Must complete Phase 1
If Phase 2 is required must schedule**

Complete Phase 2, or submit plan for completion

**45 after receiving report 4 forms of delivery to
owners**

365 days commence work on Phase 2 findings.



Question 1



Question 2



Question 3





We are under 30 years of age, are we good?

You MUST prepare!

Structural Integrity Reserve Study

SIRS:

WHAT: A study of reserve funds reviewing 8 structural building component

WHY: Funding of reserves for continued maintenance and repair of these structural elements- Now Mandated

WHO: Condos 3+ stories, no age requirements

WHEN: Every 10 years

HOW: *The visual inspection segment of it must be performed by an engineer, architect or RS





At a minimum, a **SIRS** must:

- Review the 8 items.

- Provide the useful life, estimated replacement cost or deferred maintenance expense.

- Provide a recommended annual reserve amount that achieves the estimated cost by the end of the remaining life.

**-No more waiving reserves...
...for 8 items.**

- 1. Roof.**
- 2. Load-bearing walls or other primary structural members.**
- 3. Fireproofing & fire protection systems.**
- 4. Plumbing.**
- 5. Electrical systems.**
- 6. Waterproofing and exterior painting.**
- 7. *Windows/Doors**
- 8. Any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000, and the failure to replace or maintain such item negatively affects the items listed above as determined by the licensed engineer or architect performing the visual inspection of the *SIRS*.**

Threshold vs. Component Funding

Threshold/Pooled

- ❖ Has a goal of conservative funding
- ❖ Usually less expensive than component
- ❖ More flexible for spending
- ❖ Less risk of special assessment

Component/Straight-line

- ❖ Funds cannot be moved from one line to the other without a vote
- ❖ Has a goal of 100% funded
- ❖ Limited flexibility
- ❖ Higher risk of special assessment

Question 1:

Does this pool need to be included in the SIRS since the replacement cost exceeds \$10,000?



Question 2:



Are elevators
included in
SIRS?

Question 3:

How about
this pool?



SIRS Structural Integrity Reserve Study	Traditional Reserve Study
Requires for 3+ story Condos	All Building Types- no requirements
8 specific structural items	Structural and non-structural items
Engineer, Architect or RS	Anyone can inspect
Funding required (not waived)	No funding requirements
Required every 10 years	Document Specific

No more waiving reserves...

***Change in voting requirements for reserves (all reserves).**

- **Previously: Majority of the members present at the meeting could vote to waive or partially fund reserves.** This lasts until 12/31/2024 for 2025 fiscal year
- **Now: Must have majority of total voting interest to make changes to reserves**(minus SIRS).

Requirements completed, now what?

Milestone Inspection: ✓

Structural Integrity Reserve Study: ✓

Now: Post, give to the building department, sleep easy.

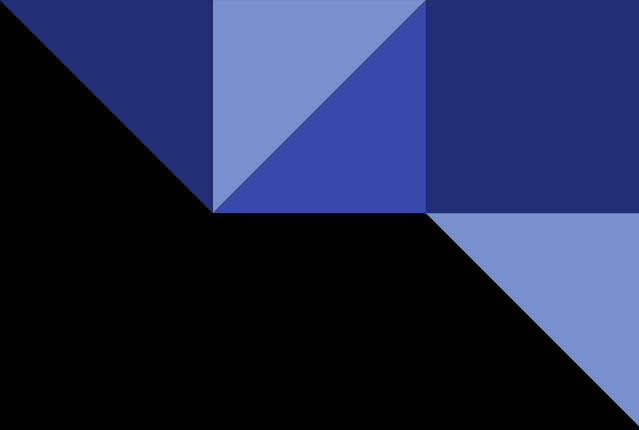
Fund reserves by: 2026



Sellers DISCLOSURES


1. The declaration of condominium.
2. Articles of incorporation of the association.
3. Bylaws and rules of the association.
4. Financial information required by s. 718.111.
- 5. Copy of Milestone inspection report**
- 6. Copy of SIRS (or statement)**
- 7. Turnover Report (if applicable)**
- 8. Document entitled “Frequently Asked Questions and Answers” required by s. 718.504.**





A contract that does not conform to the requirements of this paragraph is voidable at the option of the purchaser prior to closing.

b. Any determination of whether assessments exceed 115 percent of assessments for the prior fiscal year shall exclude any authorized provision for reasonable reserves for repair or replacement of the condominium property, anticipated expenses of the association which the board does not expect to be incurred on a regular or annual basis, insurance premiums, or assessments for betterments to the condominium property.



Just weeks before the Champlain Towers collapsed, the association's board president informed unit owners they would soon need to pay high assessments to repair structural damage that had "gotten significantly worse" since 2018.

But before they made repairs, the building collapsed, killing 98.

**Is your community behind?
Have you completed these?**



1. **Milestone Inspection:** Every condo 3 stories or more, and over 30 years. 1st one completed by Dec 31, 2024; required every 10 years after.
1. **SIRS:** Every condo 3 stories or more, regardless of age. 1st one completed by Dec 31, 2024; required every 10 years after.
1. **Fully funded reserves to maintain buildings:** by 2026.
1. **Traditional Reserve Study:** Timeframe based on community documents.
1. **Valuation Appraisal:** Still required every 3 years.



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make one.**

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Communities need:

- ◆ Reserve Studies
- ◆ Engineering
- ◆ Expert Services
- ◆ *SIRS*
- ◆ *Milestone Inspections*
- ◆ Damage Claims





**Building Envelope-
Roofing, Exterior Walls, Windows & Doors.**



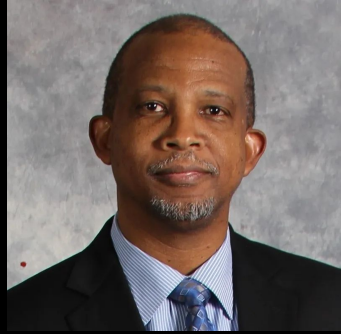
Problem Solving

Design Specification and Repairs

Sealed Envelope Bid Process

Construction Monitor





Dr. Dudley McFarquhar PE

Designated Structural Engineer
Practitioner Buildings All over the world

Example Projects:

93 story skyscrapers

DFW People Mover

Sam R. Gibbons Courthouse, Tampa

Shreveport Convention Center

Arkansas Insurance Building

University of Alabama Birmingham Campus, Parking Garages

University of California at Davis Athletic Center



Still not sure if you need a Milestone, SIRS, or BOTH?

1.
If your community is over 30 years old and 3 stories or more:

You need BOTH, a Milestone Inspection & a Structural Integrity Reserve Study by 2024.

2. If your community is less than 30 years old, but is 3 stories or more:

You only need a Structural Integrity Reserve Study by 2024.

We can provide proposals for your community to complete both!

THANK YOU!



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