

# The Forward Eagle

News, Reviews & Elisions  
Of Mutual Interest  
Compiled Weekly by Tim Forward  
for  
The Riverdale Senior Services Center  
Bronx, NY

## Current events

### Briefly Noted

#### Way Down South in the Land of Condominia

Wall Street Journal  
April 23, 2025

The costs associated with owning a Florida condo have exploded. A combination of tenant-action gridlock, new building regulations, insurance increases, special assessments, aging properties, high repair costs, and limited financing options have elevated costs beyond what many owners and shareholders are able to bear. These have all sparked a wave of condo sales, flooding the market and straining prices.

South Florida condominiums enjoyed one of the biggest real-estate booms in the country for years. Median condo prices in Miami-Dade County were up 8% in February from the same month last year. More companies are relocating to Miami, West Palm and other South Florida cities.

These areas are, however, outliers. Condo prices in the state of Florida overall have fallen between 1% and 6% each month since July 2024, according to Florida Realtors. In February 2025 prices were down 3%.

The selloff is particularly concentrated in older properties. Even in South Florida, prices for buildings 30 years or older have depreciated 22% in the past 24 months, according to IGS World, a South Florida real-estate firm. By contrast, condos less than 30 years old have appreciated an average of 12% over the past decade.

The collapse in value of older buildings reflects new requirements for making sure they are structurally sound after the partial collapse of the Surfside condominium building near Miami in 2021 that killed 98 people.

The deadline to comply with the new regulations came at the end of last year, but fewer than one-quarter of the condominium associations in the state have indicated compliance, according to data from the Florida Department of Business and Professional Regulation.

Florida is home to about 20% of all U.S. condominiums, according to the Census Bureau. As of 2022, more than half of them were at least 30 years old, according to the UF Bergstrom Center for Real Estate Studies.

“If these buildings are subject to reserve requirements, buyers want to be sure they’re getting into a situation where the condos have their act together,” said Brad O’Connor, chief economist at Florida Realtors. “Whether it’s the lenders or the buyers themselves, we’ve seen a slowdown in condo demand.”

Lenders also are skittish about financing many Florida condominiums, especially if a property is undergoing any type of repair. “They don’t want to finance something until the repairs are completed.” Said Anibal Torres, a mortgage lender with CMG Financial. ■

#### Meanwhile in NYC

NYS Bar Association  
August 25, 2021

New York City has a better governance system of the exterior (and a few interior items) of tall buildings than other jurisdictions. Since 1980, the city has had laws in place requiring mandatory inspection and repair of building facades. The latest iteration of the law, the Façade Inspection and Safety Program (FISP) (formerly known as Local Law 1), RCNY § 103-04 (Periodic Inspection of Exterior



Looks great from the outside.  
Riverpoint Towers Co-operative, Inc., 555 Kappock Street,  
Bronx, NY 10463

An empty reserve fund, debt service, high repair costs, and both tenant and board reluctance to accept assessments have left this fine example of mid-twentieth century urbanism under stress.

Walls and Appurtenances of Buildings) was updated in February 2020, to include additional inspection items, increased levels of inspection and more comprehensive documentation.

The law requires buildings higher than six stories have their exterior walls and appurtenances (including, among other things, fire escapes, exterior fixtures, ladders to rooftops, parapets, copings, balcony and terrace enclosures, greenhouses and solariums, and any other equipment attached to or protruding from the façade) inspected in five-year cycles. Inspections must be conducted by Qualified Exterior Wall Inspectors (QEWI) with at least seven years of relevant experience.

The FISP scaffolds or other observation platforms are a routine fact of life on the streets of New York. However, there is currently no law, in either New York City or anywhere else in New York state, that mandates inspection and repair of the interior structural elements of any building whatever its size. The FISP law could be expanded to cover major structural, electrical, mechanical, plumbing and life safety building components located within exterior walls.

In the absence of mandated governmental requirements for interior structural inspections (other than for elevators, boilers and gas piping, which are subject to regularly scheduled inspections) building owners (including both commercial and private landlords, cooperative apartment corporations and condominium boards) must themselves assume the responsibility of implementing the prudential actions necessary to ensure the continuing stability of their buildings.

The cost of maintaining and repairing interior building components, for both old and new structures, can be daunting. Landlords (whether commercial or residential, including cooperatives and condominiums), as a matter of prudent management, and pursuant to any applicable statutory or contractual lease obligations, need to maintain sufficient reserve funds to address capital

repairs, improvements and replacements required for their tenants’ health and safety.

Similarly, sponsors seeking to convert buildings with residential tenants to condominium or cooperative ownership must comply with New York City’s Reserve Fund Law. This mandates that they provide sufficient funds to create the reserves that will be necessary for capital repairs, improvements and health and safety items required in the future operation of the condominium or cooperative.

The law requires that sponsor-created reserve funds be at least equal to a statutorily calculated minimum of no less than 3% of the total price that was offered to tenants in occupancy prior to the effective date of the conversion plan regardless of the number of sales made.

A form of this law could be expanded to existing cooperatives and condominiums. Many NYC residential buildings do not carry enough reserves and refuse to spend money to repair buildings, placing tenants and neighbors at risk.

Aside from normal maintenance costs, which rent, maintenance payments or common charges are expected to cover, necessary capital improvements and repairs to aging buildings, are formidable. They are most likely to be well in excess of whatever amount of reserve funds a building’s management is likely to accrue, even over several years.

This is true of buildings with residents and board members who have fixed incomes and may be reluctant to assess unit owners for the kind of sums necessary to perform extraordinary repairs.

There is unit-owner resistance to all but emergency assessments for events and building failures. Tenant resistance to assessments is found in any number of condos and co-ops in New York City. Bylaws often include provisions requiring a 66 2/3% (or higher) of owners or shareholders to approve costs for necessary repairs and renovations above specified amounts.

Condo and co-op boards could revisit their bylaws and consider amending them to be less restrictive. There could be minimum approval required when there is evidence certified by independent engineers and architects that repairs are necessary to protect safety, health and welfare of tenants and their families.

Assessments are likely to be less burdensome at the early stage of a detectible but not yet critical problem. Later, after several years of neglect, the defective condition may have reached an unmanageable level.

In recent years, it has become incumbent on building owners and shareholders to seek ways of accumulating the reserve funds to address extraordinary repairs. ■

## The Forward Eagle

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Tim Forward Editor

This paper is offered as a review of recent topics taken up by the current events discussion group at Riverdale Senior Services Center.

Please join us at the Center for Ageless Living, 2600 Netherland Avenue, Bronx, NY each Monday at 1:00 o’clock in the afternoon for Current Events with Tim.

This week’s articles were excerpted and edited from  
*The Wall Street Journal* and *The New York State Bar Association*