



Avoiding Common Board Mistakes Under Florida's New Requirements

A Risk-Reduction Guide for Condo & HOA Boards

Prepared as an educational resource for Florida community associations and their advisors.

Purpose of This Guide

Florida's evolving statutory requirements — including milestone inspections and updated reserve expectations — have placed increased responsibility on condominium and homeowners' association boards.

Most associations that encounter difficulties during this process do not do so because of poor intentions or lack of effort. Instead, challenges often arise from **timing gaps, incomplete planning, or delayed decisions.**

This guide highlights **common board-level mistakes** observed across Florida associations and explains how they can increase stress, compress timelines, and complicate compliance — even when boards are acting in good faith.

Mistake #1: Waiting Too Long to Explore Funding

What Happens

Boards often wait until repair scopes are finalized or deadlines are imminent before discussing funding.

Why This Creates Risk

- Funding options may narrow as timelines compress
- Insurance or compliance deadlines reduce flexibility
- Boards lose the ability to compare scenarios calmly

Impact on Boards

- Increased pressure to make decisions quickly
- Reduced negotiating leverage
- Heightened owner anxiety

Planning Perspective

Early exploration does not require commitment. It allows boards to understand timing, sequencing, and governance considerations before urgency sets in.

Mistake #2: Assuming Traditional Banks Will Approve

What Happens

Boards assume that long-standing banking relationships or strong payment histories will translate into straightforward approvals.

Why This Creates Risk

- Many associations are classified as non-warrantable
- Reserve levels, inspection findings, or insurance issues may limit eligibility
- Bank underwriting criteria may change unexpectedly

Impact on Boards

- Lost time pursuing unavailable options
- Delayed planning while alternatives are identified
- Increased frustration among owners and volunteers

Planning Perspective

Understanding eligibility constraints early helps boards avoid dead ends and plan around realistic timelines.

Mistake #3: Ignoring Owner Demographics

What Happens

Boards focus on project cost without fully considering how funding methods affect different ownership profiles.

Why This Creates Risk

- 55+ and fixed-income communities may have limited assessment tolerance
- Seasonal ownership can complicate voting and communication
- Owner hardship can increase resistance and conflict

Impact on Boards

- Heightened owner pushback
- Delayed approvals or failed votes
- Increased board turnover or burnout

Planning Perspective

Funding strategies that align with owner demographics tend to encounter less resistance and allow boards to maintain cohesion.

Mistake #4 & #5: Timing Blind Spots and Over-Reliance on Special Assessments

Mistake #4: Failing to Plan Around Inspection Timing

What Happens

Boards underestimate how inspection timelines interact with funding, insurance, and construction schedules.

Why This Creates Risk

- Compressed windows reduce flexibility
- Overlapping requirements create confusion
- Reactive decisions replace strategic planning

Mistake #5: Over-Relying on Special Assessments

What Happens

Special assessments are treated as the default solution due to familiarity.

Why This Creates Risk

- May require majority owner approval
- Can create hardship or inequity
- May not align with long-term planning

Key Takeaway

Most associations don't struggle because of poor decisions — but because of delayed ones.

Boards that approach compliance and funding as a **planning exercise rather than a reaction** are better positioned to:

- Reduce stress
- Preserve flexibility
- Communicate effectively
- Navigate requirements with confidence

Early orientation gives boards the space to evaluate options before urgency narrows choices.