FLORIDA CONDO OUTLOOK

THE CONDO FINANCING RESET

How Florida reserve law and the 2026 Fannie Mae and Freddie Mac rules may reshape value, liquidity, and risk in Miami's condominium market

THE SHORT ANSWER

The market is more likely to split than collapse. Finance-ready buildings can preserve a broad buyer pool. Buildings with unresolved repairs, weak insurance, thin reserves, or missing records may face slower closings, fewer conventional buyers, and sharper price negotiations. The decisive asset is no longer just location. It is documented building readiness.

AUG 3
Lighter Fannie and Freddie project reviews retired for many applications

15%
2027 minimum reserve allocation for applicable project reviews

+12.0%
Miami-Dade existing condo sales, June 2026 year over year

-3.2%
Miami-Dade condo median price, June 2026 year over year

PREPARED FOR Condo owners, boards, buyers, sellers, lenders, brokers, developers, and investors

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Research cutoff: August 12, 2026. Sources and methodology appear on page 6.

THE RULE STACK

What changed - and when

Florida law and the GSE lending standards are separate systems. Their overlap now controls more of the transaction.

FLORIDA LAW: DUTY + DISCLOSURE

Milestone inspections. Covered buildings generally face inspection at age 30 and every 10 years thereafter; a local agency may set age 25 based on local conditions.

Structural Integrity Reserve Studies. Covered residential condo buildings with at least three habitable stories generally need a SIRS at least every 10 years. Legacy associations faced a December 31, 2025 deadline, with a limited coordination path through December 31, 2026.

Funding. Florida allows regular assessments, special assessments, lines of credit, loans, and pooled reserves, subject to statutory conditions. HB 913 also permits a narrowly defined two-budget pause or reduction after a milestone inspection so money can go to recommended repairs.

Buyer records. Current inspection and SIRS documents affect contract disclosures and rescission rights.

FANNIE / FREDDIE: LOAN ELIGIBILITY

August 3, 2026. Fannie retired Limited Review and Freddie retired Streamlined Review. Many established projects now face Full or Established Project Review unless an exemption or waiver applies.

Reserve study test. If a reserve study is used instead of the standard budget percentage, the budget must fund the study's highest recommended allocation. A baseline method - cash approaching but not falling below zero - is no longer acceptable for that exception.

January 4, 2027. The minimum allocation for capital expenditures and deferred maintenance rises from 10% to 15% of annual budgeted assessment income for applicable reviews.

Critical repairs. Funding alone may not cure ineligibility. Safety-related work generally must be completed.

THE GAP THAT MATTERS

An association can follow a Florida-authorized funding path and still fail a lender's Fannie Mae or Freddie Mac project review. The clearest examples are a state-law baseline reserve schedule, a temporary reserve pause, or a loan that funds repairs that remain unfinished. Legal compliance does not automatically equal conventional financeability.

THE MATH: 10% TO 15% IS A 50% INCREASE IN THE MINIMUM ALLOCATION

Illustration: with $1.2 million in annual assessment income, the floor moves from $120,000 to $180,000 - a $60,000 annual difference before considering any higher reserve-study recommendation.

Sources: Florida Statutes §§ 718.112, 718.503 and 553.899 [1-3]; Fannie Mae LL-2026-03 [4]; Freddie Mac Bulletin 2026-C [5].

FROM UNIT RISK TO BUILDING RISK

The new financeability test

The borrower's credit is only half the file. The building itself must now survive a more complete eligibility review.

1. **DOCUMENTS** — Budget, financials, minutes, questionnaires →
2. **SAFETY** — Inspections, violations, repairs, evacuation orders →
3. **RESERVES** — 2027: 15% floor or qualifying reserve-study path →
4. **INSURANCE** — Adequate master coverage and deductibles →
5. **OTHER RISK** — Litigation, delinquencies, project structure

WHAT THE MARKET MAY SEE

GREEN: FINANCE-READY

Current records, no unresolved critical repairs, adequate insurance, and a compliant reserve path. Broadest conventional buyer pool; lower execution risk.

YELLOW: CURABLE FRICTION

Structure appears sound, but budgets, insurance evidence, assessments, minutes, or reserve documentation are incomplete. Expect extra review, delays, and negotiation.

RED: RESTRICTED LIQUIDITY

Critical repairs, failed inspections, evacuation orders, inadequate insurance, or unresolved eligibility findings. Conventional agency execution may stop until cured.

SEVEN DOCUMENTS THAT NOW MOVE VALUE

- Latest milestone inspection and engineer summary
- Latest SIRS and every funding recommendation
- Current budget and reserve contribution schedule
- Special assessment terms, balances, delinquencies, and purpose
- Master insurance declaration, valuation support, and deductibles
- Board minutes showing repair decisions and pending assessments
- Evidence that required repairs and code issues are complete

THE PRACTICAL RULE

Do not wait for the buyer's lender to discover the building. Build the project file before listing, refinancing, budgeting, or negotiating a major assessment.

Sources: Fannie Mae project standards, Condo Status Finder, and Form 1076 [4, 6, 7]; Freddie Mac condominium FAQs [5, 8].

THE SOUTH FLORIDA MARKET

Miami is not one condo market

The latest data show improving transaction volume and falling inventory alongside modest price pressure. Building-level readiness can decide who participates.

EXISTING CONDO SALES

JUN 2025 945

JUN 2026 1,058

+12.0%

ACTIVE CONDO INVENTORY

JUN 2025 13,046

JUN 2026 11,550

-11.5%

MEDIAN SALE PRICE

JUN 2025 $445K

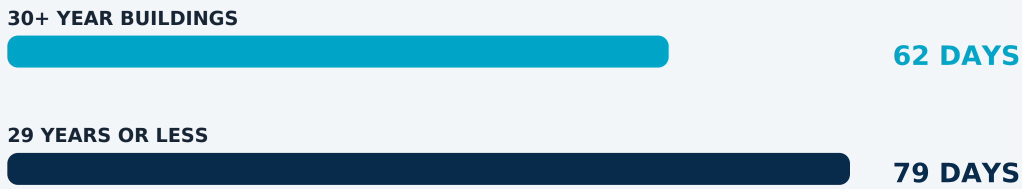
JUN 2026 $431K

-3.2%

Miami-Dade existing condominium market, June 2025 versus June 2026. Source: MIAMI REALTORS® [9].

OLDER DOES NOT AUTOMATICALLY MEAN UNSELLABLE

In 2025 year-to-date data, Miami-Dade condos in buildings at least 30 years old spent fewer days on market than units in newer buildings.



Source: MIAMI REALTORS®, June 2025 year-to-date market analysis [10]. Age is a proxy, not a project eligibility finding.

WHAT THE DATA SAY

- Demand remains present.
- Inventory is tightening.
- Prices are not moving uniformly upward.
- Older buildings can remain liquid when price, location, condition, and records align.
- Condo dollar volume rose 31.5% year over year in June 2026.

WHAT THE DATA DO NOT SAY

The countywide median cannot identify a specific building's financeability. Fannie Mae reported only 3.6% of known projects carried an ineligible status as of August 2025, but that figure reflects projects for which eligibility information had been obtained. It is not a complete census of future review outcomes.

MARKET THESIS

The likely repricing is building-specific: a liquidity premium for transparent, well-funded projects and a financing discount for unresolved or undocumented risk.

Additional context: only 21 of 2,397 South Florida condo buildings were FHA-approved in the cited June 2026 dataset, increasing the importance of conventional and private financing channels [9].

General information only. Not legal, financial, tax, engineering, or lending advice.

STAKEHOLDER PLAYBOOK

Who is exposed - and what to do now

The most effective response is operational: assemble the file, reconcile the funding plan, complete priority repairs, and control the transaction timeline.

OWNERS + SELLERS

- Request the complete building file before pricing or listing.
- Pre-screen likely lender questions before accepting a financed offer.
- Disclose assessments and inspection documents on the contract timetable.
- Model cash, private, jumbo, and agency-financed buyer pools separately.

BUYERS + LENDERS

- Underwrite the project before treating a preapproval as closing certainty.
- Compare the Florida SIRS schedule with the GSE-eligible funding path.
- Read minutes for planned assessments, unresolved repairs, and insurance changes.
- Build document and eligibility contingencies into the contract schedule.

BOARDS + MANAGERS

- Create a lender-ready digital project packet with version control.
- Reconcile the budget, SIRS, loans, assessments, and repair schedule.
- Avoid unanswered questionnaire fields when supporting records exist.
- Track inspection findings through documented completion and closeout.

A 90-DAY FINANCEABILITY SPRINT

DAYS 1-15	**INVENTORY**	Collect the SIRS, milestone reports, current budget, financials, insurance, assessments, minutes, violations, repair contracts, and completion evidence.
DAYS 16-30	**RECONCILE**	Map every inspection finding to a funding source, board action, contractor, target date, and closeout document. Identify gaps between state compliance and GSE eligibility.
DAYS 31-60	**CURE**	Prioritize critical repairs, insurance deficiencies, missing records, and inconsistent reserve schedules. Update the SIRS or budget when the selected funding method changes.
DAYS 61-90	**PUBLISH**	Maintain one controlled lender packet, one owner packet, and a dated response protocol. Recheck the project before every sale or refinance application.

THREE TRANSACTION SCENARIOS

SCENARIO	LIKELY EFFECT	BEST RESPONSE
Clean building file	Normal underwriting path; strongest financed-buyer reach	Distribute early and keep it current
Curable document gap	Longer review, extensions, credits, or lender change	Identify missing item and assign an owner/date
Critical repair or insurance failure	Agency execution may stop; buyer pool narrows	Complete the cure and document it before relaunch

PERSPECTIVE + SOURCES

The long view: from deposits to financeability

Aaron Resnick's documented condo-buyer work during the last market break shows how project-level facts can overwhelm the unit-level story.

1998
Licensed in Florida

AV PREEMINENT
Martindale-Hubbell peer rating

PAST PRESIDENT
Miami Beach Bar Association

2013-2026
Selected to Florida Super Lawyers

DOCUMENTED CONDO-DEPOSIT WORK FROM THE PRIOR CYCLE

CANYON RANCH / NORTH CARILLON | 2009

Contemporaneous reporting identified Aaron as counsel for buyers who filed individual suits alleging that the project's branding and Canyon Ranch relationship had been misrepresented. One couple reportedly deposited $236,000 toward a $1.18 million unit. The developer denied the allegations. No result is claimed here.

W SOUTH BEACH | 2012

Miami New Times reported that Aaron represented four professional football players in separate suits seeking return of deposits of $182,000 to $194,000 each. The reported claims concerned more than 30 liens and W branding and management disclosures. No result is claimed here.

RECORD NOTE A later North Carillon appeal addressed a separate escrow question. The Florida Supreme Court ruled for the developer in 2014. Published appellate materials list other counsel, so this report does not attribute the appeal to Aaron.

THE REPEATING LESSON

Then, branding, disclosures, liens, escrow, and lender stress could destabilize a signed purchase. Now, inspections, repairs, reserves, insurance, and lender records can do the same. Underwrite the building, not just the unit.

SOURCES + RECORD NOTES

[1] Florida Statute § 718.112. Budgets, reserves, and SIRS (2025). Official text

[2] Florida Statute § 553.899. Milestone inspections (2025). Official text

[3] Florida Senate. CS/CS/HB 913 bill summary (2025). Bill summary

[4] Fannie Mae. Lender Letter LL-2026-03 (Mar. 18, 2026). Lender letter

[5] Freddie Mac. Guide Bulletin 2026-C (Mar. 18, 2026). Guide bulletin

[6] Fannie Mae. Condo Status Finder. Status Finder

[7] Fannie Mae / Freddie Mac. Form 1076 / 476. Questionnaire

[8] Freddie Mac. Condominium Unit Mortgage FAQ. Official FAQ

[9] MIAMI REALTORS®. June 2026 Miami-Dade market report (July 17, 2026). Market report

[10] MIAMI REALTORS®. Older vs. newer condo analysis (July 23, 2025). Market analysis

[11] Super Lawyers. Aaron Resnick profile: licensed 1998; selections 2013-2026. Profile

[12] Martindale-Hubbell. AV Preeminent peer rating. Profile

[13] The Firm Miami. Firm founding and bar leadership. Attorney profile

[14] RecoverMyDeposit.com. Aaron Resnick / LOAR condo-buyer practice microsite. Site

[15] Miami condo reporting. Canyon Ranch buyer suits (Feb. 4, 2009). Report

[16] Miami New Times. W South Beach suits (July 13, 2012). Report

[17] Florida Supreme Court. North Carillon v. CRC 603 (2014). Opinion

QUESTIONS ABOUT A CONDO DISPUTE, ASSESSMENT, DISCLOSURE, OR ASSOCIATION DECISION?

Call Aaron at 305-672-7495 or visit thefirmmiami.com/consultation. Reading this report does not create an attorney-client relationship.

Method: primary rules were checked against official sources. Historical matters are attributed to public reporting; allegations are not findings and no outcome is implied.