



**Insurance Appraisals and Reserve Studies**  
**Serving Our Clients Over 100 Years**

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## **GAB Robins and EFI Global Team Up to Present Reserve Studies and Engineering Reports**

**Who is EFI Global?** EFI Global is a full service engineering, environmental and specialty consulting services firm serving commercial, industrial, institutional, insurance, government, public and private entities for the past 30 years. They have completed more than 21,000 projects annually for clients worldwide in a variety of industries. GAB Robins is proud to partner with EFI Global in assisting our clients with compliance with the Florida Statute requirement for engineering reports for their condominiums.

For many years GAB Robins has been a respected provider for Reserve Studies and has performed studies for numerous properties throughout Florida and the nation. Our clients know that a reserve study is perhaps the most valuable tool available to a property in helping them set their budget for future expenditures for repair or replacement of components of their property. In addition to offering much needed reserve studies, we have now teamed up with EFI Global in order to provide engineering reports which are now required under the Florida Condominium Act. In receiving both the GAB Robins Reserve Study and the EFI Engineering Report, properties can rest assured that they have all the information they need in order to know with certainty the condition of their property and how to fund properly for future repair or replacement.

### **What is a Reserve Study?**

In the simplest of terms, a Reserve Study is a list of common maintenance items, when these repair/replacements are anticipated and an estimated cost. A professional reserve study is also a complete financial plan, which accurately projects the remaining useful life of each component selected by the client to be included and an estimate of which year each maintenance or repair will be needed. The reserve study also calculated the amount of annual contributions required to ensure adequate funding is available to meet each expense. Our analysis generally projects budgets for a 20 year period.

### **What does a Reserve Study provide?**

#### **A Reserve Study consist of two parts:**

- ◆ the physical analysis (which identifies the major replacement or repair components of a property, their total estimated cost and their estimated useful and remaining life)
- ◆ the financial analysis (which incorporates information from the component study into a long-term budget plan to fund the anticipated future expenditures)

### **Amendments to the Florida Condominium Act,**

Section 718.113, effective October, 2008 require "any condominium building **greater than three stories in height**, at least **every 5 years**, and within 5 years if not available for inspection on October 1, 2008, the board shall have the condominium building inspected to provide a report **under seal of an architect or engineer** authorized to practice in this state attesting to required maintenance, useful life, and replacement costs of the common elements."

### **What is an Engineering Report?**

The Engineering Report is performed to determine if conditions exist that may have a significant impact on a facility's continued operation. This report will provide information on any problem found within the components of the common areas, such as weak areas in the roof, cracks in walls or foundations, loose railings, etc. The Florida Condominium Act, Section 718.301 defines common elements as, "roof, structure, fireproofing and fire protection systems, elevators, heating and cooling systems, plumbing, electrical systems, swimming pools and related equipment, seawalls, pavement and parking areas, drainage systems, painting, and irrigation systems."

### **What does an Engineering Report provide?**

- ◆ Identifies the components of the common areas of the property
- ◆ Provides the useful life
- ◆ Future replacement cost of the common elements
- ◆ Descriptions of any problems discovered within the common areas



### Who performs a Reserve Study?

At GAB Robins, our reserve studies are performed by Reserve Study Specialists, a designation granted by the CAI to appraisers who have demonstrated a high level of expertise and experience by accurately performing Reserve Studies for many properties



### Who performs an Engineering Report?

This report, as required by the Florida Statute, can only be provided by an architect or engineer authorized to practice in the state of Florida.

## Why obtain both a Reserve Study and an Engineering Report?

It must be understood that the Reserve Study analysis and the Engineering Report are not interchangeable. While they each identify the common elements and provide life expectancy of the item, and engineering report provides current cost to repair or replace, while a reserve study provides a budgetary analysis over the lives of the existing building/site components for future repair or replacement. The engineering report provides information on the condition of the common elements if problems or defects are noted to a much greater degree than does a reserve study. A reserve study does not include any destructive testing methods (i.e., roof core sampling, etc.). A reserve study reflects typical market standards for repair/replacement costs and/or useful lives for short lived building and/or site components.

The engineering report is required every five years under the current Florida statute. We recommend an annual reserve study to assist the properties in maintaining their financial goals for future repair or replacement. Any changes during one fiscal year can change the projection of future funding dollars available at the time they will be needed, so an annual update is necessary to maintain the future financial goal.

**Combining a GAB Robins Reserve Study and EFI Engineering Report** provides you with one combined package including the engineering report and the reserve study analysis. This partnership ensures that you are in compliance with the Florida Condominium Act requirements under seal of an engineer and provides **one trusted source for consistent, reliable information for your budgeting.**

#### Obtaining a Reserve Study:

- ◆ Demonstrates good fiduciary responsibility
- ◆ Helps properties identify all components that may need to be funded for future repair or replacement
- ◆ Provides properties with a financial tool necessary in planning budgets
- ◆ Provides an annual summary of beginning reserve fund balances, ending reserve fund balances, planned expenditures, cumulative interest income, and graphical information

#### Obtaining an Engineering Report:

- ◆ Complies with the Florida State Statute
- ◆ Provides properties with descriptions of repairs or replacements that may be necessary in the future
- ◆ Provides current cost for repair or replacement, without plan as to how to budget for future cost of these items

To obtain a free proposal for a  
**GAB Reserve Study and/or an EFI Engineering Report**  
call Linda Straufe at GAB Robins at  
**800-248-3376, ext 264**

