

Buying a Condo in Pensacola: What Florida's Condo Laws Mean for You in 2026

Pam Heinold · September 27, 2026 · 9 min read

Florida changed the rules for condo buildings after 2021, and those changes now shape financing, monthly dues, and resale risk on nearly every Pensacola-area condo. Here's what to actually check before you make an offer.

If you're used to buying single-family homes, condo shopping in Pensacola will feel familiar right up until it doesn't. Florida rewrote its condo safety and reserve-funding laws after the 2021 Surfside collapse, and those changes now touch nearly everything that matters about owning a unit here — what your dues actually pay for, whether a special assessment could land on your desk after closing, and whether your lender will even approve the building. None of this shows up in the listing photos.

This isn't meant to scare you off condo ownership — plenty of Pensacola-area condos are excellent, well-run buildings. It's meant to make sure you're asking the right questions before you fall in love with a view.

What Changed: Florida's Post-Surfside Condo Laws

Milestone inspections are now mandatory for condo and co-op buildings three stories or taller once they hit 30 years old (25 years if within three miles of the coast — which describes a large share of Pensacola-area buildings). A licensed engineer inspects the structure and issues a report on its condition.

A Structural Integrity Reserve Study (SIRS) is now required for buildings meeting the same age/height thresholds, evaluating major structural components — roof, load-bearing walls, foundation, waterproofing, electrical, plumbing, and more — and projecting what they'll cost to maintain or replace.

Associations can no longer waive or underfund reserves for the structural items identified in the SIRS. Before 2022, many associations kept dues artificially low by voting to waive reserve

funding year after year. That option is now closed for the components the law considers essential to safety, which means dues at older buildings have been rising — sometimes sharply — as associations catch up to real funding levels.

What This Means for Your Wallet: Reserves and Special Assessments

The practical effect of these laws is that a building's true financial health now shows up in two places: the ongoing monthly dues, and the risk of a special assessment — a one-time (or sometimes multi-year) bill to all owners to cover a shortfall the reserves didn't catch in time.

A building that spent the last decade under-reserving is now working through years of deferred catch-up in a much shorter window, and that bill doesn't fall on the seller — it falls on whoever owns the unit when the assessment is levied, which could be you, three months after closing. This is the single most important financial risk in Florida condo buying right now, and it's almost invisible unless you ask for the right documents.

Financing a Pensacola-Area Condo

Lenders got more cautious about condos after Surfside too. Conventional loans require the building to carry Fannie Mae or Freddie Mac project approval, and buildings with unresolved structural issues, insufficient reserves, or pending litigation can land on an ineligible list — meaning conventional financing simply isn't available there, regardless of how much you want the unit or how good your own credit is.

This is sometimes called a "non-warrantable" condo, and it usually means a smaller pool of buyers (cash or portfolio-loan buyers only), which affects both your financing options now and your resale pool later. Ask your lender to check project approval status before you write an offer — not after.

Questions to Ask Before You Make an Offer

Request the association's most recent SIRS and milestone inspection report (if the building meets the age/height thresholds), the current reserve study and funding percentage, the last 2-3 years of board meeting minutes, and a disclosure of any pending or threatened litigation. Ask directly whether a special assessment has been discussed, voted on, or is anticipated. A well-run association will have these documents ready and won't hesitate to share them — hesitation itself is useful

information.

Where Pensacola-Area Condos Make the Most Sense

Newer buildings on Pensacola Beach and Perdido Key generally have an easier time meeting reserve requirements since they haven't accumulated decades of deferred maintenance, though newer doesn't automatically mean well-managed — always check the documents regardless of build year. Older downtown and beach-adjacent buildings can still be excellent buys, but they're exactly where the SIRS and reserve-funding question matters most, since that's where decades of underfunded reserves are most likely to surface.

What I Tell Every Condo Buyer

Don't skip the paperwork because the unit looks great and the price feels right. A condo with strong reserves, a clean milestone inspection, and no pending litigation is a genuinely good, low-drama purchase. A condo without those things can turn into a five-figure surprise a year after closing — and by then, it's your surprise, not the seller's. I build document review into every condo transaction I'm part of, and I'd rather you walk away from a unit before closing than discover a problem after.

Frequently Asked Questions About Buying a Condo in Pensacola

What is a milestone inspection and does my Pensacola condo need one?

A milestone inspection is a mandatory structural inspection by a licensed engineer, required for Florida condo and co-op buildings three stories or taller once they reach 30 years old — or 25 years if within three miles of the coast, which applies to most Pensacola Beach and Perdido Key buildings. Ask the association for the report before you make an offer.

Can I get hit with a special assessment after I buy a Pensacola condo?

Yes — special assessments attach to whoever owns the unit when the assessment is levied, not the previous owner, and there's no rule protecting a recent buyer. This is why reviewing the reserve study, funding percentage, and recent board minutes before closing matters more in Florida condo purchases than almost anywhere else in the country.

Are all Pensacola-area condos warrantable for conventional financing?

No. Buildings with insufficient reserves, unresolved structural issues from a milestone inspection, or pending litigation can be placed on Fannie Mae or Freddie Mac's ineligible list, making the building "non-warrantable" for conventional loans. Ask your lender to check the specific building's approval status before writing an offer, since this varies building by building, not by neighborhood.