

Snug Harbour Condominium Homeowner's Association, Inc. Property Disclosure¹ as of 7-18-2024

Snug Harbour Condominiums was constructed in 2006 to modern building codes. It sustained damage during Hurricane Sally in September, 2020. Other damages and defects to the property (unrelated to that casualty loss) have also been discovered. An engineering firm was engaged to design and oversee the repairs from Hurricane Sally, the reconstruction related to building damages and defects, and some significant routine maintenance items such as re-coating the exterior building envelop. This work is substantially complete, with various punch list items remaining. The special assessments which have been made to-date appear to be sufficient for these work items, and the HOA does not expect another special assessment related to this work.

The HOA filed suit against the building developer and other parties related to the building defects. These suits have been settled and funds (minus litigation costs) received. These funds did not make a substantial contribution to the reconstruction costs. The HOA filed suit against a pool contractor, who received substantial deposits but abandoned the job. The HOA has received a judgment against the contractor but does not anticipate being able to recover the funds as the contractor appears to be insolvent. An owner filed suit against the HOA related to various reconstruction activities and this suit has been resolved on terms acceptable to the HOA. The parties are finalizing the payment of attorney's fees, but do not anticipate any final allocation to be material to the HOA's budget.

Snug Harbour has done periodic reserve studies and is fully funding its reserve account. The HOA does not escrow the insurance deductible, so in the event of a significant loss, the deductible will be assessed against the owners at that time².

Owners are encouraged to attend all open and noticed board meetings for the latest information.

Building Amenities

Each unit receives, at no extra charge, the following amenities:

- A well-equipped exercise facility with elliptical machines, treadmills, weights, etc., indoor pool, hot tub, and men's and women's saunas and baths.
- An outdoor pool and picnic area.
- A community room which can be reserved by owners with access to the outdoor pool.
- Cox Contour TV Ultimate³ with 250+ channels including HBO, SHOWTIME, CINEMAX, STARZ, many sports channels such as ESPN, MLB network and NFL network, and access to custom apps with up to two Digital HD Set Top Boxes and four DTA/Mini Boxes per unit.
- Cox Ultimate Internet Service and Panoramic WiFi Modem / Router.
- A building security system with unit-specific entry codes. Owners can create their own one-time building access codes for delivery personnel, open the lobby doors with an app on their phone, etc.
- Common area security cameras and parking lot control system.
- A monitored central fire alarm and sprinkler system.
- A secure website for owners to receive information and to submit maintenance requests.
- Groundskeeping and common area cleaning and maintenance.
- Trash, fresh water, and sewer service.
- Building insurance⁴ covering the structure and common areas.

¹ This information is provided in good faith and is accurate to the information and belief of the HOA.

² This has only happened once, due to Hurricane Sally.

³ The current stand-alone cost for this package would be \$146.00 / month.

⁴ Each unit owner will need to get their own insurance for the interior of their unit and contents.

Summary of Recent Studies and Work at Snug Harbour

In the aftermath of Hurricane Sally, Service Master was retained to dry out the building. This building-wide removal of sheetrock and insulation on exterior walls revealed that historical water intrusion was much more extensive than previously known and was only partially resolved by previous projects. The HOA evaluated several engineering firms to design solutions to these problems and manage the reconstruction project. It chose Rimkus⁵ – a firm that specializes in building envelop and reconstruction issues. The result was an extensive building reconstruction project, with a total budget⁶ of \$7,240,698 - about half of which was dedicated to resolving systemic issues.

The reconstruction project included:

- Installation of flashing behind Exterior Insulation and Finish Systems (EIFS) trim bands at every floor level.
- Replacement of problematic under sized windows facing east and west with correctly sized and flashed windows.
- Replacement of un-flashed vents on unprotected walls with flashed vents behind the EIFS.
- Replacement of metal tile roof with a standing seam hurricane rated roof with proper underlayment.
- Repair of various locations with spalled concrete.
- Waterproofing of the entire building envelop including ground-level concrete columns.
- Replacement of the outdoor pool deck and pool equipment and resurfacing of the pool's gunite surface.
- Installation of a new building security system.
- Installation of insulation under first floor unit slabs.
- Replacement of the sprinkler pipes and heads under first floor slabs.
- Repair of the water main copper pipes under the first floor slabs and replacement of all isolation valves.

During this time period, the HOA also took several steps to ensure the future safety and reliability of the building and its support systems, including:

- Performance of a structural evaluation⁷ of the building which included taking several cores of the building columns and performing concrete compressive strength testing. This evaluation found no problems. The HOA also hired a specialty firm to conduct chemical analysis of the concrete cores to identify any progressive concrete degradation – which again found no concerns.
- Replacement of the original fresh water pump system with a modern variable speed system that is more efficient, more reliable, and with modern electronics that are remotely monitored.
- Replacement of the original fire control system with a modern remotely monitored system.

The HOA believes that these activities should resolve the prior water intrusion issues and will ensure the future safety and reliability of the condominium for years to come.

⁵ <https://rimkus.com/group/built-environment-solutions/>

⁶ These funds have already been assessed or paid by insurance.

⁷ This evaluation exceeded any requirements in Florida law, by a substantial margin.