PRE-LISTING PROPERTY INSPECTION REPORT

Property: Palm Bay Palms Apartments

Address: 2750 Malabar Road SE, Palm Bay, FL 32907

Inspection Date: February 10, 2026

Inspector: John Martinez, HI-3847, FL Licensed Inspector

Client: Sunshine Palms Holdings LLC

EXECUTIVE SUMMARY

Overall Condition: Fair-to-Good

This inspection was conducted on February 10, 2026, covering all common areas, building exteriors, roofing, and a representative sample of six (6) of the eighteen (18) residential units. The property is generally well-maintained with several items requiring attention prior to or shortly after listing.

Major Items Requiring Attention

1. Roof — Approximately 12 years old with an estimated 5 years of remaining useful life. Granule loss observed on south-facing exposure. Budget $45,000–$55,000 for full replacement within 3–5 years.

2. HVAC — Three units (103, 206, 303) have failing compressors and require immediate replacement. Estimated cost: $4,500 per unit ($13,500 total).

3. Building 2 Exterior — Stucco cracking observed at window headers on east and north elevations. Currently cosmetic but should be repaired to prevent moisture intrusion. Estimated cost: $8,000.

Capital Expenditure Overview

Total estimated capital expenditures over the next 1–5 years: **$87,300**. A detailed breakdown is provided on the final page of this report.

STRUCTURAL

Foundation

Type: Slab on grade.

No visible settlement, cracking, or structural concerns were observed at either building. The foundation appears to be performing as intended with no evidence of differential movement.

Exterior Walls

Finish: Stucco over concrete block construction.

Building 1: Good condition. No significant cracking, staining, or damage observed. Stucco finish is intact with no signs of moisture intrusion.

Building 2: Hairline cracks observed at window headers on the east and north elevations. These cracks appear cosmetic in nature at this time. Recommend monitoring for progression and sealing to prevent moisture penetration. Estimated repair cost: $8,000.

Windows and Doors

Type: Single-hung aluminum frame windows throughout both buildings.

All windows inspected were functional with intact weather seals. No fogging between panes was observed, indicating seals are performing adequately.

Entry doors are solid-core with deadbolt locks. All operated properly during inspection.

Stairs and Walkways

Exterior concrete stairways and walkways are in good condition. Handrails are secure and meet current code requirements. No trip hazards were identified.

ROOFING

Attribute	Details
Roof Type	Architectural shingle
Year Installed	2014 (approximately 12 years old)
Estimated Remaining Life	5 years
Active Leaks	None observed
Replacement Budget	$45,000 - $55,000

Observations

- No active leaks were observed during the inspection. Attic spaces inspected in both buildings showed no signs of water staining or moisture damage.
- Some granule loss was noted on south-facing roof sections, which is consistent with the age of the roofing material and exposure to direct sunlight. This is a normal wear pattern and does not indicate an immediate failure.
- Flashing around roof penetrations (vents, exhaust fans) appears intact and properly sealed.
- Gutters and downspouts are present and functional. Minor debris accumulation noted; recommend routine cleaning schedule.

Recommendation

Plan for full roof replacement within 3–5 years. Budget $45,000–$55,000 for architectural shingle replacement on both buildings. Recommend obtaining competitive bids 12–18 months prior to anticipated replacement to lock in favorable pricing.

PLUMBING

Supply Lines

Material: Copper throughout both buildings.

Condition: Good. No evidence of corrosion, pinhole leaks, or past repairs. Water pressure tested at representative units was within normal range (45–60 PSI).

Drain Lines

Material: PVC (polyvinyl chloride).

Condition: Good. No blockages, slow drains, or evidence of past backups were noted during inspection. Clean-outs are accessible at grade level.

Water Heaters

Configuration: 18 individual tank-type water heaters (one per unit).

Six (6) units have water heaters that are 8+ years old and approaching the end of their expected useful life. Recommend proactive replacement within 1–2 years to avoid emergency failures and potential water damage.

Estimated cost: $800 per unit x 6 units = **$4,800**.

Polybutylene Piping

No polybutylene piping was found. This is a positive finding, as polybutylene supply lines (common in 1980s construction) are prone to failure and are a significant insurance and liability concern.

Additional Plumbing Notes

Hose bibs at building exteriors are functional with proper anti-siphon devices.

Main shut-off valves for each building are accessible and operational.

No evidence of slab leaks or unusual water usage patterns per utility records.

ELECTRICAL

Main Service

Each building is served by a 200-amp main panel, which is adequate for the number and type of units served.

Panel Type

All panels have been updated to circuit breakers. No fuse boxes were found on the property. This is a positive finding for both safety and insurability.

GFCI Protection

Ground Fault Circuit Interrupter (GFCI) protection is present and functional in all kitchens and bathrooms inspected. This meets current safety standards.

Exterior Lighting

Exterior lighting is adequate for security purposes. Building-mounted fixtures illuminate walkways, stairways, and parking areas. All fixtures observed were operational at the time of inspection.

Smoke and CO Detectors

Smoke detectors and carbon monoxide (CO) detectors are present in all inspected units. Detectors appeared to be of recent manufacture and in working condition. Recommend verifying battery replacement schedule with property management.

Electrical Summary

The electrical systems are in good overall condition with no significant deficiencies noted. No immediate capital expenditures are anticipated for electrical components.

HVAC

System Configuration

The property has 18 individual split systems (one per unit), each consisting of an exterior condensing unit and interior air handler. This configuration allows each tenant to control their own heating and cooling independently.

System Age

Average system age across all 18 units: approximately **8 years**.

Expected useful life for split systems in this climate: 12–15 years.

Units Requiring Immediate Attention

Unit	Issue	Recommendation	Est. Cost
103	Compressor failing; excessive noise and poor cooling output	Immediate replacement	$4,500
206	Compressor failing; unit cycling on/off repeatedly	Immediate replacement	$4,500
303	Compressor failing; refrigerant leak detected	Immediate replacement	$4,500
Total			**$13,500**

Remaining Systems

The remaining 15 HVAC systems are operational and performing within acceptable parameters. Air filters were checked in all inspected units; several were due for replacement (normal maintenance item).

Recommend continued annual preventive maintenance service for all 18 systems to maximize useful life and efficiency.

ENVIRONMENTAL

Concern	Finding	Risk Level	Action Required
Mold	No visible mold observed in inspected units or common areas	Low	None at this time
Asbestos	Building constructed 1986 — possible asbestos in popcorn ceilings	Moderate	Recommend testing before any removal or renovation
Lead Paint	Unlikely — post-1978 construction	Low	None
Radon	Low risk area (Palm Bay, FL)	Low	None
Termites / WDO	No visible evidence of wood-destroying organisms	Low	Recommend annual WDO inspection

Detailed Notes

Mold

A visual inspection for mold was conducted in all common areas, building exteriors, and the six (6) sampled residential units. No visible mold growth, musty odors, or signs of chronic moisture were observed. HVAC condensate drain lines appeared clear and properly routed.

Asbestos

The property was constructed in 1986, which is within the era when asbestos-containing materials were commonly used in popcorn ceilings (acoustic texture), floor tiles, and pipe insulation. While no friable asbestos was observed, the presence of textured ceilings warrants laboratory testing before any renovation, scraping, or removal work is performed.

Recommendation: Obtain an asbestos survey from a licensed environmental consultant before undertaking any ceiling modifications.

Lead Paint

The property was built in 1986, after the federal ban on lead-based paint (effective 1978). The risk of lead paint is considered low. No peeling or deteriorating paint was observed during inspection.

Termites

No visible evidence of termite activity or damage was observed at either building. However, South Florida properties are in a high-risk zone for subterranean termites. Recommend maintaining an annual Wood-Destroying Organism (WDO) inspection program.

UNIT INTERIORS

A representative sample of six (6) units was inspected to assess interior conditions, deferred maintenance, and overall habitability. Units were selected to include a mix of unit types and floors.

Unit	Type	Condition	Notes	Est. Cost
101	1BR/1BA	Good	Normal wear; no significant issues	$0
103	1BR/1BA	Fair	Deferred maintenance: damaged vinyl flooring in kitchen, stained carpet in bedroom	$2,500
201	2BR/1BA	Good	Normal wear; no significant issues	$0
202	2BR/1BA	Good	Normal wear; no significant issues	$0
208	2BR/1BA	Good	Normal wear; no significant issues	$0
301	3BR/2BA	Good	Normal wear; no significant issues	$0
302	3BR/2BA	Good	Normal wear; no significant issues	$0

Units Not Inspected — Noted Conditions

Unit 207 (not in inspection sample): Property management reports deferred maintenance including worn carpet and minor wall damage. Budget approximately **$2,500** for full unit turn.

Common Areas

Common areas including hallways, stairwells, laundry rooms, and exterior walkways are in good condition. Interior common areas appear to have been recently painted. Flooring in common areas is clean and in acceptable condition. Laundry equipment (coin-operated) is functional.

CAPITAL EXPENDITURE SUMMARY

The following table summarizes anticipated capital expenditures identified during this inspection, organized by priority level. These estimates are based on observed conditions and current market pricing for the Palm Bay, FL area.

Item	Priority	Est. Cost	Timeline
Roof replacement	Medium	$50,000	3-5 years
HVAC (3 units)	High	$13,500	Immediate
Water heaters (6)	Medium	$4,800	1-2 years
Stucco repair Bldg 2	Low	$8,000	1 year
Unit 103 turn	High	$2,500	Before listing
Unit 207 turn	Medium	$2,500	Before listing
Parking lot reseal	Low	$6,000	1 year
Total		**$87,300**	

Priority Definitions

- **High:** Immediate attention required. Address before or concurrent with listing to avoid buyer objections or safety concerns.
- **Medium:** Important but not urgent. Should be budgeted for within the stated timeline. May be negotiation points during sale.
- **Low:** Routine maintenance or cosmetic items. Can be addressed on a standard maintenance schedule.

Disclaimer

This inspection report reflects conditions observed on February 10, 2026. Cost estimates are approximate and based on current market conditions. Actual costs may vary. This report does not constitute a warranty or guarantee of property condition. A full home warranty or structural warranty should be considered as part of any transaction.

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John Martinez, HI-3847

FL Licensed Home Inspector

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Date: February 10, 2026