

Post SB 326 Inspections: Avoiding Costly Surprises & Ensuring Compliance



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What Happens If Your HOA Does Not Perform Required Inspections or Repairs?



Risk of liability exposure



Potential legal claims



Financial consequences



Safety concerns



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Liability Risks

Breach of fiduciary duties by the Board

Breach of CC&Rs, leading to lawsuits

Negligence claims for injuries/property damage

Potential loss of insurance coverage

Unaddressed safety concerns



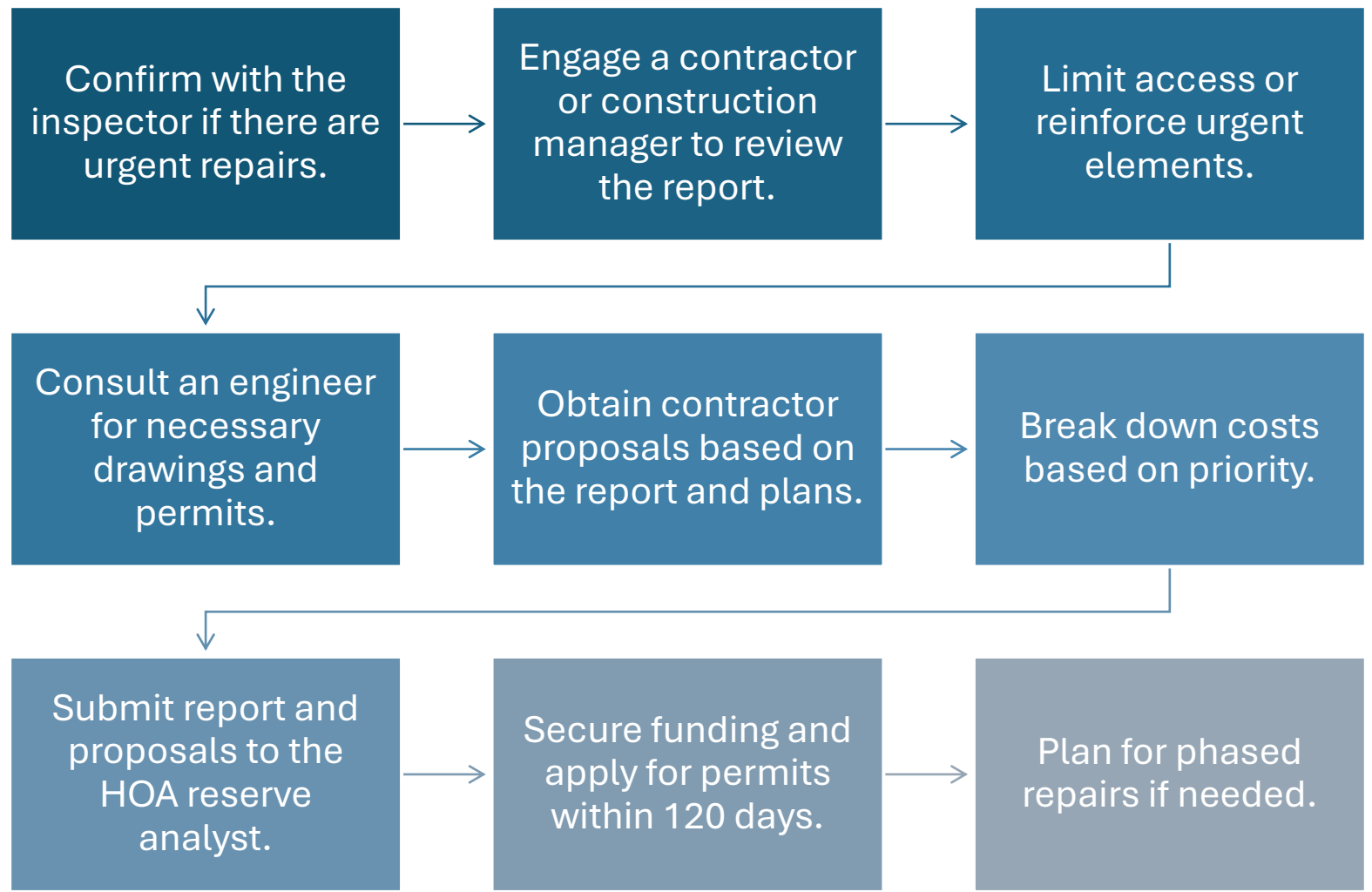
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Financial Consequences



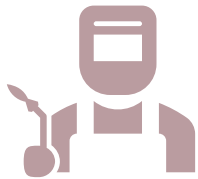
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What YOU Should Do Upon Receiving An Inspection Report



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How To Obtain Construction Documents



**HIRE AN ENGINEER FOR
DETAILED PLANS.**



**ENGAGE A CONSTRUCTION
MANAGER TO:**

- * Review the report
- * Coordinate with an engineer
- * Develop a bid package
- * Evaluate bids
- * Oversee the project



**REQUEST PROPOSALS FROM A
PREFERRED CONTRACTOR.**

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When To Hire A Construction Manager



LARGE-SCALE REPAIRS



MULTI-YEAR PHASED WORK



NEED FOR EXPERT PROJECT
OVERSIGHT



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Ensuring Apples-to-Apples Bid Comparisons



STANDARDIZE THE PROJECT SCOPE
FOR ALL BIDDERS.



USE A CONSTRUCTION MANAGER TO
ASSESS BID DIFFERENCES.



HAVE ENGINEERS/ARCHITECTS
CREATE PLANS FOR CONTRACTORS
TO BID ON.

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SB 326 Timelines – Key Reminders

Every 9 years you need to get an inspection (buildings built after 2020 need the first inspection in 6 years of obtaining its certificate of occupancy).

Deadline for the first inspection is **1/1/25**.

Inspector has **45 days** to deliver the report to the HOA.

For urgent repairs, the inspector has **15 days** to report findings to the HOA and the Building Department's Code Compliance Agency.

Priority 1 (Red-coded) elements require immediate action. The HOA must prevent occupant access or shore elements while obtaining permits.

For simple repairs and maintenance, you have **120 days** to apply for a permit.

Once the permit is approved, you have **180 days** to complete the work.

After 180 days, the building inspector will report, and civil penalties of **\$100 to \$500 per day** may apply.

You must keep your reports on file for **two cycles or 18 years**.



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Thank You!