

SB 326 HOA Guide: Complete Compliance Checklist

Your Essential Guide to California Condominium Balcony Inspection Requirements

PassUP LLC

9486 Stone Springs Dr, Elk Grove, CA 95624

Phone: (916) 694-7441

Email: support@passupeng.com

Website: passupeng.com

What Is SB 326?

SB 326 is a California law (Civil Code § 5551) that mandates periodic inspections of **Exterior Elevated Elements (EEEs)** in common-interest developments (condominiums/HOAs).

The law was enacted after the Berkeley balcony collapse to increase structural safety and applies specifically to **condominiums or other common interest developments** — not to rental apartment buildings.

Key Definitions & Scope: What Is Covered

Exterior Elevated Elements (EEEs)

Definition: Load-bearing structural components that extend beyond the building's exterior walls.

Examples include:

- Balconies
- Decks
- Catwalks
- Stairways
- Elevated walkways
- Railings

Requirements:

- **Elevation:** Walking surface must be **6 feet or more above grade**
- **Structural material:** Must be wholly or substantially supported by **wood or wood-based products**

Waterproofing Systems

Includes flashings, membranes, sealants, coatings, and other systems that protect load-bearing components from moisture intrusion.

Statistically Significant Sample

The inspector must choose a “**statistically significant sample**” of EEEs to inspect, defined as:

*“A sufficient number to provide **95% confidence** with a **margin of error $\pm 5\%$** ”*

This typically means inspecting a larger percentage of elements than SB 721’s 15% minimum requirement.

Inspection Type

Primary method: Visual inspections aided by tools such as:

- Moisture meters
- Borescopes
- Infrared (IR) imaging

When necessary: Invasive or exploratory work (e.g., removing soffits) may be required if hidden damage is suspected.

Who Must Do the Inspection & When

Qualified Inspectors

Only the following may perform SB 326 inspections:

- Licensed structural engineer
- Licensed architect

Inspection Timeline

Milestone	Deadline
First Inspection	January 1, 2025
Re-Inspection Cycle	Every 9 years

Exception for New Construction

For condominium buildings with a certificate of occupancy issued **after January 1, 2020**, the first inspection must occur **within 6 years** of that certificate.

What Must Be In the Inspection Report

When the inspection is complete, the inspector's report must include:

1. Assessment of Structural Safety

Are the EEEs in “generally safe condition” and performing to standards?

2. Condition Analysis

- Load-bearing components (beams, joists, supports)
- Waterproofing elements (membranes, flashings, sealants)

3. Useful-Life Estimate

How much longer key components are expected to last.

4. Repair or Remediation Recommendations

Specific actions needed to address identified issues.

5. Photos and Documentation

Supporting evidence for all findings.

6. Immediate Hazard Reporting

If something is immediately unsafe:

- Inspector must notify the HOA **immediately**
 - Report to local building department **within 15 days**
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HOA Board Responsibilities & Liability

Record Keeping

The inspection report must be kept on file for **at least two inspection cycles** (18 years, since each cycle is 9 years).

Sharing Requirements

The board must make the report available to:

- Homeowners
- Potential buyers
- Local authorities (as required)

Reserve Study Integration

Inspection findings (conditions, life expectancy, repair recommendations) should be integrated into the HOA's **long-term reserve study and budget planning**.

Repair Obligations

If the inspection identifies issues, the board must:

- Budget for repairs
- Schedule necessary work
- Prioritize safety-critical items

Immediate Risk Response

For any “immediate threat,” the board must:

- Restrict access to affected areas
- Take emergency protective measures
- Coordinate with the building department

Fiduciary Duty

Board members face potential liability risk. **Failing to comply or ignoring serious issues may expose the association to legal risk**, especially if someone is harmed.

Risk Management & Insurance

Insurance Exposure

Non-compliance or failure to fix identified issues could **jeopardize the association's insurance coverage**.

Local Enforcement

Code enforcement agencies may enforce SB 326. Some jurisdictions require reports to be submitted to local building departments.

Transparency with Homeowners

Good communication with members is critical regarding:

- Inspection schedules
 - Findings and recommendations
 - Repair planning and costs
 - Helps reduce risk and avoid surprise assessments
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Practical Steps for Boards to Comply

Step 1: Inventory Your EEEs

Action items:

- Identify all balconies, decks, stairways, walkways, etc.
- Create a map or list noting:
 - Which are wood-based
 - Their heights above grade
 - Their structural types

Step 2: Hire an Inspector

What to do:

- Solicit proposals from structural engineers or architects experienced with SB 326
- Confirm their methodology:
 - Sample size calculation
 - Inspection tools and techniques

- Report format and deliverables

Step 3: Budget and Communicate

Planning:

- Estimate total cost (inspection + potential repairs)
- Inform homeowners about:
 - SB 326 requirements
 - Timeline for compliance
 - Possible special assessments

Step 4: Schedule Inspection

Execution:

- Execute contract with qualified inspector
- Coordinate access to all areas
- Complete inspection before January 1, 2025 deadline (if not already done)

Step 5: Review and Act on the Report

After inspection:

- Review findings with the full board
- Prioritize repairs (especially safety risks)
- Obtain repair bids from qualified contractors
- Schedule work based on urgency and budget

Step 6: Record and Integrate

Documentation:

- Store inspection report in HOA records (18-year retention)
- Update reserve study with inspection data
- Document all repair work completed

Step 7: Plan for the Future

Long-term strategy:

- Build 9-year inspection cycle into planning
 - Maintain ongoing communication with homeowners
 - Budget for future inspections and maintenance
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Common Pitfalls / Challenges

1. Under-Sampling

Problem: Some inspectors may propose inspecting fewer EEEs than legally required to cut costs.

Solution: Ensure the sampling plan meets the “statistically significant” requirement (95% confidence, $\pm 5\%$ margin of error).

2. Hidden Damage

Problem: Visual-only inspections might miss hidden decay behind soffits or in concealed cavities.

Solution: Budget for invasive exploration when visual inspection raises concerns.

3. Access Issues

Problem: Getting to certain balconies, stairways, or walkways may require cooperation from unit owners.

Solution: Communicate early with residents and coordinate access well in advance.

4. Conflict of Interest

Problem: Some companies both inspect and perform repair work, creating potential conflicts.

Solution: Use independent inspectors separate from repair contractors.

5. Record Retention

Problem: Failing to keep inspection records properly may create compliance issues later.

Solution: Implement systematic record-keeping with 18-year retention policy.

Summary: Why SB 326 Matters for HOAs

It's a Legal Requirement

Not optional for condo associations with wood-framed elevated elements.

It's About Safety

Protecting residents and reducing the risk of structural failures.

It Has Financial Implications

- Inspection and repair costs
- Reserve planning requirements
- Liability exposure
- Insurance considerations

It's Not a One-Off

Inspections recur every 9 years, requiring long-term strategic planning.

Quick Reference: SB 326 vs SB 721

Feature	SB 326 (HOAs/Condos)	SB 721 (Apartments)
Applies To	Common interest developments	Multifamily rental (3+ units)
Inspector	Licensed SE or Architect	Licensed SE, Architect, or qualified contractor
First Deadline	January 1, 2025	January 1, 2026
Re-Inspection	Every 9 years	Every 6 years
Sample Size	Statistically significant (95% confidence, $\pm 5\%$)	Minimum 15% of each type

Why Choose PassUP for Your SB 326 Inspection?

Licensed Structural Engineers

California-licensed professionals with extensive HOA inspection experience.

48-Hour Report Turnaround

Industry-leading speed to help you meet deadlines quickly.

AI-Enhanced Accuracy

30% higher defect detection rate using advanced thermal imaging and algorithms.

Transparent Pricing

Instant online quotes with no hidden fees.

10-Year Guarantee

Confidence in our work backed by comprehensive warranty.

300+ Inspections Completed

Proven track record across California's diverse property types.

Contact PassUP Today

Don't wait until the deadline!

Schedule your SB 326 inspection now to ensure compliance and protect your community.

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Useful Resources

- **California Civil Code § 5551** - Official SB 326 legal text
 - **PassUP Blog** - Educational articles on HOA compliance
 - **Free Consultation** - Call us to discuss your specific property needs
 - **SB 721 Compliance Checklist** - Download our companion guide for apartments
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Disclaimer: This guide provides general information and should not be construed as legal advice. HOA boards should consult with qualified legal counsel and licensed professionals regarding specific compliance obligations. Information current as of November 2025.
