

Senate Bill No. 410

CHAPTER 516

An act to amend Sections 4525, 4528, 5200, 5210, and 5551 of the Civil Code, relating to common interest developments.

[Approved by Governor October 10, 2025. Filed with Secretary
of State October 10, 2025.]

LEGISLATIVE COUNSEL'S DIGEST

SB 410, Grayson. Common interest developments: association records: exterior elevated elements inspection.

Existing law, the Davis-Stirling Common Interest Development Act, governs the management and operation of common interest developments. Existing law requires the board of an association of a condominium project to cause a visual inspection to be conducted, at least every 9 years, of the exterior elevated elements for which the association has maintenance or repair responsibility. Existing law requires an inspector to perform the visual inspection described above, as specified, and to issue a written report containing certain information, including recommendations for any necessary repair or replacement of the load-bearing components and associated waterproofing system, as those terms are defined. Existing law limits the above-described provisions related to exterior elevated element inspections to buildings containing 3 or more multifamily dwelling units. Existing law requires the owner of a separate interest, as defined, to provide specified documents to a prospective purchaser, as provided, and an association, as defined, to provide to the owner of a separate interest, upon request, those specified documents. Existing law requires an association to distinguish and bill separately any fee charged for providing those specified documents to a separate interest owner and provides a form for billing disclosures, as provided.

This bill would, in addition, require the above-described inspector's report to contain certain information, including the total number of units in the condominium project, as prescribed, and a certification that the inspector has conducted a visual inspection and evaluated a statistically significant sample, as defined, of the exterior elevated elements within the condominium project. The bill would, instead, apply the above-described provisions related to exterior elevated element inspections to buildings containing 3 or more attached multifamily dwelling units. The bill would include in the list of documents that a separate interest owner is required to provide to a prospective purchaser a copy of the report issued pursuant to the most recent inspection of any exterior elevated elements, as provided, and would modify the above-described form to reflect this requirement.

Existing law requires an association to make association records available for inspection and copying by a member of the association or the member's designated representative, as specified. Existing law defines the term association records for this purpose to include, among other things, any financial document or statement required to be provided pursuant to certain provisions governing the prospective purchase of a separate interest, as described above. Existing law provides specified time periods for member inspection of certain association records, including those described above, and generally requires any association records from the current fiscal year and the prior 2 fiscal years to be available for inspection, except as provided.

This bill would include in the definition of association records the above-described inspector's reports and would require those reports to be available for member inspection for 2 inspection cycles, as provided.

The people of the State of California do enact as follows:

SECTION 1. Section 4525 of the Civil Code is amended to read:

4525. (a) The owner of a separate interest shall provide the following documents to a prospective purchaser of the separate interest, as soon as practicable before the transfer of title or the execution of a real property sales contract, as defined in Section 2985:

(1) A copy of all governing documents. If the association is not incorporated, this shall include a statement in writing from an authorized representative of the association that the association is not incorporated.

(2) If there is a restriction in the governing documents limiting the occupancy, residency, or use of a separate interest on the basis of age in a manner different from that provided in Section 51.3, a statement that the restriction is only enforceable to the extent permitted by Section 51.3 and a statement specifying the applicable provisions of Section 51.3.

(3) A copy of the most recent documents distributed pursuant to Article 7 (commencing with Section 5300) of Chapter 6.

(4) A true statement in writing obtained from an authorized representative of the association as to the amount of the association's current regular and special assessments and fees, any assessments levied upon the owner's interest in the common interest development that are unpaid on the date of the statement, and any monetary fines or penalties levied upon the owner's interest and unpaid on the date of the statement. The statement obtained from an authorized representative shall also include true information on late charges, interest, and costs of collection which, as of the date of the statement, are or may be made a lien upon the owner's interest in a common interest development pursuant to Article 2 (commencing with Section 5650) of Chapter 8.

(5) A copy or a summary of any notice previously sent to the owner pursuant to Section 5855 that sets forth any alleged violation of the governing documents that remains unresolved at the time of the request. The notice shall not be deemed a waiver of the association's right to enforce the

governing documents against the owner or the prospective purchaser of the separate interest with respect to any violation. This paragraph shall not be construed to require an association to inspect an owner's separate interest.

(6) A copy of the initial list of defects provided to each member pursuant to Section 6000, unless the association and the builder subsequently enter into a settlement agreement or otherwise resolve the matter and the association complies with Section 6100. Disclosure of the initial list of defects pursuant to this paragraph does not waive any privilege attached to the document. The initial list of defects shall also include a statement that a final determination as to whether the list of defects is accurate and complete has not been made.

(7) A copy of the latest information provided for in Section 6100.

(8) Any change in the association's current regular and special assessments and fees which have been approved by the board, but have not become due and payable as of the date disclosure is provided pursuant to this subdivision.

(9) If there is a provision in the governing documents that prohibits the rental or leasing of any of the separate interests in the common interest development to a renter, lessee, or tenant, a statement describing the prohibition.

(10) If requested by the prospective purchaser, a copy of the minutes of board meetings, excluding meetings held in executive session, conducted over the previous 12 months, that were approved by the board.

(11) A copy of the report issued pursuant to the most recent inspection conducted pursuant to Section 5551.

(b) This section does not apply to an owner that is subject to Section 11018.6 of the Business and Professions Code.

SEC. 2. Section 4528 of the Civil Code is amended to read:

4528. The form for billing disclosures required by Section 4530 shall be in at least 10-point type and substantially the following form:

CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525*

The seller may, in accordance with Section 4530 of the Civil Code, provide to the prospective purchaser, at no cost, current copies of any documents specified by Section 4525 that are in the possession of the seller.

A seller may request to purchase some or all of these documents, but shall not be required to purchase ALL of the documents listed on this form.

Property Address

Owner of Property

Owner's Mailing Address (If known or different from property address.)

Provider of the Section 4525 Items:

Print Name _____ Position or Title _____ Association or Agent _____

Date Form Completed _____

Check or Complete Applicable Column or Columns Below

Document	Civil Code Section Included	Fee for Document	Not Available (N/A), Not Applicable (N/App), or Directly Provided by Seller and confirmed in writing by Seller as a current document (DP)
Articles of Incorporation or statement that not incorporated	Section 4525(a)(1)		
CC&Rs	Section 4525(a)(1)		
Bylaws	Section 4525(a)(1)		
Operating Rules	Section 4525(a)(1)		
Age restrictions, if any	Section 4525(a)(2)		
Rental restrictions, if any	Section 4525(a)(9)		
Annual budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)		
Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)		
Financial statement review	Sections 5305 and 4525(a)(3)		
Assessment enforcement policy	Sections 5310 and 4525(a)(4)		

Insurance summary	Sections 5300 and 4525(a)(3)
Regular assessment	Section 4525(a)(4)
Special assessment	Section 4525(a)(4)
Emergency assessment	Section 4525(a)(4)
Other unpaid obligations of seller	Sections 5675 and 4525(a)(4)
Approved changes to assessments	Sections 5300 and 4525(a)(4), (8)
Settlement notice regarding common area defects	Sections 4525(a)(6), (7), and 6100
Preliminary list of defects	Sections 4525(a)(6), 6000, and 6100
Notice(s) of violation	Sections 5855 and 4525(a)(5)
Required statement of fees	Section 4525
Minutes of regular board meetings conducted over the previous 12 months, if requested	Section 4525(a)(10)
Copy of the report issued pursuant to the most recent inspection of exterior elevated elements	Sections 4525(a)(11) and 5551

Total fees for these documents:

* The information provided by this form may not include all fees that may be imposed before the close of escrow. Additional fees that are not related to the requirements of Section 4525 shall be charged separately.

SEC. 3. Section 5200 of the Civil Code is amended to read:

5200. For the purposes of this article, the following definitions shall apply:

(a) “Association records” means all of the following:

(1) Any financial document required to be provided to a member in Article 7 (commencing with Section 5300) or in Sections 5565 and 5810.

(2) Any financial document or statement required to be provided in Article 2 (commencing with Section 4525) of Chapter 4.

(3) Interim financial statements, periodic or as compiled, containing any of the following:

(A) Balance sheet.

(B) Income and expense statement.

(C) Budget comparison.

(D) General ledger. A “general ledger” is a report that shows all transactions that occurred in an association account over a specified period of time.

The records described in this paragraph shall be prepared in accordance with an accrual or modified accrual basis of accounting.

(4) Executed contracts not otherwise privileged under law.

(5) Written board approval of vendor or contractor proposals or invoices.

(6) State and federal tax returns.

(7) Reserve account balances and records of payments made from reserve accounts.

(8) Agendas and minutes of meetings of the members, the board, and any committees appointed by the board pursuant to Section 7212 of the Corporations Code; excluding, however, minutes and other information from executive sessions of the board as described in Article 2 (commencing with Section 4900).

(9) Membership lists, including name, property address, mailing address, email address, as collected by the association in accordance with Section 4041 where applicable, but not including information for members who have opted out pursuant to Section 5220.

(10) Check registers.

(11) The governing documents.

(12) An accounting prepared pursuant to subdivision (b) of Section 5520.

(13) An “enhanced association record” as defined in subdivision (b).

(14) “Association election materials” as defined in subdivision (c).

(15) All inspector’s reports compiled pursuant to Section 5551.

(b) “Enhanced association records” means invoices, receipts, and canceled checks for payments made by the association, purchase orders approved by the association, bank account statements for bank accounts in which assessments are deposited or withdrawn, credit card statements for credit cards issued in the name of the association, statements for services rendered, and reimbursement requests submitted to the association.

(c) “Association election materials” means returned ballots, signed voter envelopes, the voter list of names, parcel numbers, and voters to whom ballots were to be sent, proxies, the candidate registration list, and the tally sheet of votes cast by electronic secret ballot. Signed voter envelopes may be inspected but may not be copied. An association shall maintain association election materials for one year after the date of the election.

SEC. 4. Section 5210 of the Civil Code is amended to read:

5210. (a) Association records are subject to member inspection for the following time periods:

(1) For the current fiscal year and for each of the previous two fiscal years.

(2) Notwithstanding paragraph (1), minutes of member and board meetings are subject to inspection permanently. If a committee has decisionmaking authority, minutes of the meetings of that committee shall be made available commencing January 1, 2007, and shall thereafter be permanently subject to inspection.

(3) Notwithstanding paragraph (1), all inspector's reports compiled pursuant to Section 5551 shall be subject to inspection for the time period required by subdivision (i) of Section 5551.

(b) When a member properly requests access to association records, access to the requested records shall be granted within the following time periods:

(1) Association records prepared during the current fiscal year, within 10 business days following the association's receipt of the request.

(2) Association records prepared during the previous two fiscal years, within 30 calendar days following the association's receipt of the request.

(3) Any record or statement available pursuant to Article 2 (commencing with Section 4525) of Chapter 4, Article 7 (commencing with Section 5300), Section 5565, or Section 5810, within the timeframe specified therein.

(4) Minutes of member and board meetings, within the timeframe specified in subdivision (a) of Section 4950.

(5) Minutes of meetings of committees with decisionmaking authority for meetings commencing on or after January 1, 2007, within 15 calendar days following approval.

(6) Membership list, within the timeframe specified in Section 8330 of the Corporations Code.

(c) There shall be no liability pursuant to this article for an association that fails to retain records for the periods specified in subdivision (a) that were created prior to January 1, 2006.

SEC. 5. Section 5551 of the Civil Code is amended to read:

5551. (a) For purposes of this section, the following definitions apply:

(1) "Associated waterproofing systems" include flashings, membranes, coatings, and sealants that protect the load-bearing components of exterior elevated elements from exposure to water.

(2) "Exterior elevated elements" mean the load-bearing components together with their associated waterproofing system.

(3) "Load-bearing components" means those components that extend beyond the exterior walls of the building to deliver structural loads to the building from decks, balconies, stairways, walkways, and their railings, that have a walking surface elevated more than six feet above ground level, that are designed for human occupancy or use, and that are supported in whole or in substantial part by wood or wood-based products.

(4) “Statistically significant sample” means a sufficient number of units inspected to provide 95 percent confidence that the results from the sample are reflective of the whole, with a margin of error of no greater than plus or minus 5 percent.

(5) “Visual inspection” means inspection through the least intrusive method necessary to inspect load-bearing components, including visual observation only or visual observation in conjunction with, for example, the use of moisture meters, borescopes, or infrared technology.

(b) (1) At least once every nine years, the board of an association of a condominium project shall cause a reasonably competent and diligent visual inspection to be conducted by a licensed structural or civil engineer or architect of a random and statistically significant sample of exterior elevated elements for which the association has maintenance or repair responsibility.

(2) The inspection shall determine whether the exterior elevated elements are in a generally safe condition and performing in accordance with applicable standards.

(c) Prior to conducting the first visual inspection, the inspector shall generate a random list of the locations of each type of exterior elevated element. The list shall include all exterior elevated elements for which the association has maintenance or repair responsibility. The list shall be provided to the association for future use.

(d) The inspector shall perform the visual inspections in accordance with the random list generated pursuant to subdivision (c). If during the visual inspection the inspector observes building conditions indicating that unintended water or water vapor has passed into the associated waterproofing system, thereby creating the potential for damage to the load-bearing components, then the inspector may conduct a further inspection. The inspector shall exercise their best professional judgment in determining the necessity, scope, and breadth of any further inspection.

(e) Based upon the inspector’s visual inspections, further inspection, and construction and materials expertise, the inspector shall issue a written report containing the following:

(1) The identification of the building components comprising the load-bearing components and associated waterproofing system.

(2) The current physical condition of the load-bearing components and associated waterproofing system, including whether the condition presents an immediate threat to the health and safety of the residents.

(3) The expected future performance and remaining useful life of the load-bearing components and associated waterproofing system.

(4) Recommendations for any necessary repair or replacement of the load-bearing components and associated waterproofing system.

(5) On the first page of the report, all of the following:

(A) The date of inspection.

(B) The total number of units in the condominium project.

(C) The total number of units in the condominium project with exterior elevated elements.

(D) The total number of exterior elevated elements in the condominium project.

(E) The total number of exterior elevated elements inspected pursuant to subdivision (b).

(F) As of the date of inspection in subparagraph (A), the total number of inspected exterior elevated elements identified as posing an immediate threat to the safety of the occupants, pursuant to subdivision (g), and the number of units impacted.

(G) A certification that the inspector has conducted a visual inspection and evaluated a statistically significant sample of the exterior elevated elements within the condominium project, as required by subdivision (b).

(f) The report issued pursuant to subdivision (e) shall be stamped or signed by the inspector, presented to the board, and incorporated into the study required by Section 5550.

(g) (1) If, after inspection of any exterior elevated element, the inspector advises that the exterior elevated element poses an immediate threat to the safety of the occupants, the inspector shall provide a copy of the inspection report to the association immediately upon completion of the report, and to the local code enforcement agency within 15 days of completion of the report. Upon receiving the report, the association shall take preventive measures immediately, including preventing occupant access to the exterior elevated element until repairs have been inspected and approved by the local enforcement agency.

(2) Local enforcement agencies shall have the ability to recover enforcement costs associated with the requirements of this section from the association.

(h) Each subsequent visual inspection conducted under this section shall commence with the next exterior elevated element identified on the random list and shall proceed in order through the list.

(i) The first inspection shall be completed by January 1, 2025, and then every nine years thereafter in coordination with the reserve study inspection pursuant to Section 5550. All written reports shall be maintained for two inspection cycles as records of the association.

(j) (1) The association shall be responsible for complying with the requirements of this section.

(2) The continued and ongoing maintenance and repair of the load-bearing components and associated waterproofing systems in a safe, functional, and sanitary condition shall be the responsibility of the association as required by the association's governing documents.

(k) The inspection of buildings for which a building permit application has been submitted on or after January 1, 2020, shall occur no later than six years following the issuance of a certificate of occupancy. The inspection shall otherwise comply with the provisions of this section.

(l) This section shall only apply to buildings containing three or more attached multifamily dwelling units.

(m) The association board may enact rules or bylaws imposing requirements greater than those imposed by this section.

(n) A local government or local enforcement agency may enact an ordinance or other rule imposing requirements greater than those imposed by this section.