



A NALU ARCHITECTURE GUIDE · 2026 EDITION

The Balcony Law HOA Board Playbook

SB 326 and SB 721 — what boards, managers,
and multifamily owners actually need to do in 2026.

The balcony law playbook for HOA boards.

Both deadlines have now passed. Senate Bill 326 required the first inspection of exterior elevated elements on condominium associations by January 1, 2025, on a nine-year recurring cycle. Senate Bill 721 — extended by AB 2579 to January 1, 2026 for apartment buildings — required the first inspection on a six-year recurring cycle. Boards and owners who did not complete the first inspection are now in the post-deadline compliance phase, and the exposure is real: local enforcement can recover costs, and unresolved life-safety findings sit on the reserve study for the next nine years.

This is a plain-English playbook for board members, property managers, and multifamily owners in San Diego and California. What the laws actually require, who can perform the inspection, what it costs, what to do with the report, and the six moments where a licensed architect earns their fee on a balcony-law project.

HOW TO USE THIS PLAYBOOK

If your association or property has not completed the first inspection, start with Sections 1 and 2 — scope and cost — and get on a proposal cycle now. If your inspection is complete and the report found deficiencies, jump to Section 4: the 120-day repair-permit clock is the number that matters, and missing it is where daily fines start.

The rules, plain English.

Both laws apply to buildings with three or more units and to exterior elevated elements more than six feet off the ground — balconies, decks, walkways, stairways, and railings supported substantially by wood. What differs is who owns the building and how often the inspection repeats.

Requirement	SB 326 (Condos / HOAs)	SB 721 (Apartments)
Applies to	Condominium associations and other common interest developments (3+ units)	Apartment buildings with 3+ rental units
Responsible party	HOA board	Building owner
First inspection deadline	January 1, 2025 (passed)	January 1, 2026 (extended by AB 2579)
Recurring cycle	Every 9 years	Every 6 years
Report retention	Two inspection cycles, integrated with reserve study	Two inspection cycles
Who may perform inspection	Licensed architect or structural / civil engineer	Licensed architect, structural / civil engineer, or A / B / C-5 contractor
Penalties for non-compliance	Local enforcement can recover costs; liens and fines possible	Daily fines; local enforcement authority

Sources: Civil Code §5551 (SB 326), Health and Safety Code §17973 (SB 721), Assembly Bill 2579 (2024), Davis-Stirling.com (2025), Rimkus (2026), Bay Cities Construction (2026).

What the inspection actually costs — and what repair costs look like.

The visual inspection itself is a modest number for most properties. The real financial exposure comes when the inspector finds a condition that requires invasive testing, when a deficiency triggers a repair, or when the report finds an immediate life-safety threat that has to be reported to local code enforcement within 15 days.

WHERE BOARDS GET SURPRISED

The proposal covers the visual inspection. It does not cover invasive/destructive testing, the repair permit and drawings, or the actual construction. A \$6,000 inspection can turn into a \$150,000+ repair project once concealed damage is opened up. Reserve-study planning is where boards get ahead of that number.

Scope	2026 cost range	Notes
Visual inspection, per element	\$300 – \$550 per balcony / EEE	Standard rate for the SB 326 / SB 721 scope
Full-property visual inspection	\$1,500 – \$5,000+	Depends on element count, access, height
Mid-sized apartment total	\$5,000 – \$20,000	Complete SB 721 scope with report
Invasive / destructive testing	\$1,500 – \$3,000 per element	When visual signs suggest concealed damage
Immediate-threat reporting	Included in inspection	Inspector must notify local code enforcement in 15 days
Repair drawings and permit set	\$5,000 – \$25,000+	Scoped separately; needed if repairs are required
Balcony / EEE repair construction	\$8,000 – \$30,000+ per element	Depends on damage extent and finishes

Sources: AGGCG (2026), Great Buildz (2026), Bay Cities Construction (2026), Apex Balcony (2026), Rimkus (2026).

Choosing the right inspector.

SB 326 (condos / HOAs)

Only a licensed structural engineer or licensed architect may perform an SB 326 inspection. AB 2114 (2024) also permits licensed civil engineers. A general contractor may not sign off on an SB 326 inspection — this is a common mistake boards make when soliciting low bids.

SB 721 (apartments)

A licensed architect, licensed civil or structural engineer, or a general contractor holding an A, B, or C-5 license may perform the SB 721 inspection. Owners often choose engineers or architects to avoid conflicts of interest — a contractor who inspects and then bids the repair work is a common finding in insurance disputes later.

What to ask before you sign an inspection proposal

Ask for the inspector's active California license number and confirm it. Ask how many elements will be visually inspected and how the sample is chosen (SB 326 requires a random and statistically significant sample). Ask what happens when concealed damage is found — is invasive testing included, or quoted separately? Ask for the exact report format, and confirm the inspector will report immediate threats to local code enforcement within 15 days.

What to do with the report.

This is the section boards miss most often. Once the inspection report is delivered, the clock starts. Under current California law, the association or owner has 120 days from submission of the inspection report to apply for repair permits when the report identifies deficiencies. Missing that window is where daily fines and local enforcement action start.

THE 120-DAY REPAIR-PERMIT DEADLINE

If the report identifies deficiencies, the association or owner has 120 days from the report submission to apply for repair permits. This is a hard deadline. Boards that let the report sit while they debate scope with counsel routinely blow past it — and that is the point at which local enforcement authority activates.

Immediate threats — the 15-day rule

If the inspector determines that a balcony, deck, walkway, or stairway poses an immediate threat to occupant safety, they must provide the report to local code enforcement within 15 days of completion. This is not optional. The board or owner should assume this notice creates a compliance timeline of days, not months.

Reserve study integration (SB 326 only)

Under Civil Code §5551, SB 326 findings must be integrated into the association's reserve study — not filed away. This is where the inspection report becomes a budgeting tool. Deficiencies identified now get funded over the next nine-year cycle, not deferred indefinitely.

Insurance disclosure

Many California insurers now request the SB 326 or SB 721 report as part of renewal underwriting. A missing or overdue inspection can affect the association's master policy rate — sometimes materially. Boards should assume the report is a risk-management document, not just a compliance document.

Six moments where design pays for itself.

1. Performing the inspection to the letter of the law

A licensed architect performing the inspection produces a report that matches the statutory format, is defensible in a reserve-study dispute, and includes the immediate-threat reporting mechanism the law requires.

2. Scoping the repair set, not the inspection

The board's real cost exposure is the repair, not the inspection. Turning inspection findings into a permit-ready repair drawing set — with structural engineering, waterproofing details, and correct code path — is where an architect controls scope creep.

3. Managing the 120-day permit clock

Reserving the plan-check slot, coordinating the structural engineer, and getting a submittal into the city within 120 days is a project-management task. Boards that self-manage this often miss the window.

4. Coordinating multiple buildings on one association

Large associations with dozens of buildings need a phased inspection and repair plan — not one giant simultaneous project. An architect can sequence the work so the reserve study funds it cleanly over the compliance cycle.

5. Insurance and lender coordination

The report goes to the master-policy insurer and, on refinance, to the lender. Boards benefit from a design professional who can speak to underwriters and reserve-study consultants in the language each of them uses.

6. Construction administration on the repair

Once repairs begin, the architect stays on for construction administration — confirming concealed conditions match the drawings, approving substitutions, and closing the permit at final inspection.

Before you sign an inspection proposal.

Every board we work with runs this checklist before hiring an inspector. It saves money, prevents scope disputes, and shortens the path from inspection to compliant reserve study.

- ❑ Confirm which law applies. SB 326 for condominiums and common interest developments; SB 721 for rental apartments. Mixed-use and converted buildings sometimes trigger both.
- ❑ Confirm the inspector's license type. SB 326 requires a licensed architect or structural / civil engineer. Contractor sign-off does not satisfy SB 326.
- ❑ Verify sample methodology in writing. SB 326 requires a random, statistically significant sample. Ask for the exact number of elements the inspector will review.
- ❑ Clarify what is included and what is quoted separately. Get invasive testing, repair drawings, and construction administration priced or excluded in writing.
- ❑ Ask about the immediate-threat protocol. Confirm the inspector will notify local code enforcement within 15 days when required — and will notify the board first.
- ❑ Plan the report's path to the reserve study. For SB 326, findings must be integrated. Coordinate with the reserve-study consultant before the inspection begins.
- ❑ Schedule around the 120-day repair-permit clock. If the report finds deficiencies, the association has 120 days to apply for repair permits. Reserve the plan-check slot in advance.
- ❑ Notify the master-policy insurer. Many California insurers now request the report at renewal. Loop the broker in early.

The clock is already running.

Both deadlines have passed. If your association or property has not completed the first inspection, or if the report is sitting on a repair scope that has not moved in 120 days, book a compliance conversation. We can perform the inspection, scope the repair set, and coordinate the reserve-study integration — all under one licensed architect.

BOOK A CONSULTATION

naluarchitecture.com/contact

CALL DIRECT

[858-381-0141](tel:858-381-0141)

VISIT ONLINE

naluarchitecture.com

Nalu Architecture Inc.
Chris Schumm, Principal Architect
California License C-36569
San Diego, California

This guide is provided for general planning information only. Every project has unique site, code, and jurisdictional conditions. Cost ranges and timelines reflect 2026 market data and are not a bid, quote, or commitment. Nalu Architecture Inc. scopes and contracts every engagement individually.

© 2026 Nalu Architecture Inc. All rights reserved.

