



Monthly Newsletter

October 2022

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Deck inspection law takes full force on January 1, 2025 and therefore will soon require immediate attention.

According to Health and Safety Code, § 17973 (also referred to as “SB 721”), starting no later than January 1, 2025 all multifamily buildings with decks must have a deck inspection performed by a qualified individual once every six years.

This applies to all buildings with 3 or more units that have:

- Balconies, decks, porches, stairways, walkways, and entry structures that extend beyond exterior walls of the building and that rely in whole or in substantial part on wood or wood-based products for structural support or stability; and
- A walking surface that is elevated more than 6 feet above the ground level; and
- Balconies designed for human occupancy or use.

The qualified individuals who are authorized to perform these inspections include the following:

- A licensed architect; or
- Licensed civil or structural engineer; or
- General Contractor holding any or all A, B, or C-5 Licenses issued by the Contractors State License Board, with a minimum of 5 years’ experience in constructing multistory wood frame buildings; or
- Individuals certified as a building inspector or building official, as specified and who is not employed by the local jurisdiction while performing these inspections.

At California West, we are in the process of finding qualified, reputable, and affordable professionals to perform these deck inspections on behalf of our clients. Our hope is to have a plan in place before the end of 2023 to inspect all the properties that we manage.

One of our clients has done some preliminary research on this subject and is being quoted an inspection price of approximately \$500 per element or \$5,000 - \$8,000 per property. We hope to find more options.

The rental market remains strong in all markets.

Our San Luis Obispo office has almost zero vacancy at the moment but that is mostly due to the fact that leases in San Luis Obispo are generally from Summer to Summer due to Cal Poly's schedule. This is not unusual, even in a weak market. That said, the present market is not weak at all.

It is very uncommon for tenants to choose to move between Thanksgiving and the New Year.

Of all the local markets that we serve, San Luis Obispo has the most new homes under construction and that remains an area of interest to us as we move forward. To date, though, we have seen very little indication that the new inventory is adversely impacting rental demand.

In our Lompoc and Arroyo Grande offices, which do not revolve around the Cal Poly academic year, there are ordinary vacancies but units are renting quickly and with lots of interest, even with significant rent increases. We are also not seeing a lot of movement even when we send out significant rent raises, often close to the legal maximum of 10 percent for multifamily units. The vacancies that we are seeing are more of the ordinary sort where people have to move for life events and not because of price increases or unaffordability.

San Luis Obispo Office
1380 Broad Street
San Luis Obispo, CA 93401
Ph: (805) 543-9119
E-mail: slo@calwest.com

With all that in mind, we are approaching a traditionally slow season for the rental market for our Lompoc and Arroyo Grande offices. This is because, for obvious reasons, and barring special circumstances, it is very uncommon for tenants to choose to move between Thanksgiving and the New Year.

Arroyo Grande Office
145 S. Halcyon #H
Arroyo Grande, CA 93420
Ph: (805) 489-9400
E-mail: ag@calwest.com

Property taxes are due on November 1 and late after December 10.

As always, the first installment of property taxes are due by November 1 and late after December 10. Second installments are due on February 1 and late after April 10.

Lompoc Office
119 E. Walnut Avenue
Lompoc, CA 93436
Ph: (805) 736-1293
E-mail: lompoc@calwest.com

If when reviewing your October financial statement you do not see that your property taxes have been paid and if you are expecting California West to make those payments from your property account then please notify us immediately or forward us the property tax if you have not already done so.

www.california-west.com

Furthermore, tax professionals sometimes recommend paying second installments before the end of the year, so please let us know if that is your tax situation so we may know to pay your bill accordingly.

Broker: Derek Banducci
DRE Lic. No. 01276163