CALIFORNIA WEST
real estate management

Monthly Newsletter

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California's AB 628 enhances habitability standards for rental properties.

On October 6, 2025, Governor Gavin Newsom signed Assembly Bill 628 (AB 628) into law, amending the state’s longstanding habitability requirements. Effective January 1, 2026, this legislation mandates that landlords provide and maintain a functioning stove and refrigerator in all applicable rental units, integrating these essentials into the core definition of a “habitable” dwelling.

Under previous law, California Civil Code § 1941.1 outlines the minimum standards for tenantable housing, including effective waterproofing, adequate plumbing, heating facilities, and electrical lighting. AB 628 specifically adds to subdivision (a)(1) of § 1941.1 the following: “a stove and refrigerator that are maintained in good working order and are capable of safely generating heat for cooking purposes and capable of safely storing food, respectively.”

This applies to all new leases, renewals, or amendments executed on or after January 1, 2026.

Previously, appliances like refrigerators were often treated as optional amenities, leaving tenants to furnish them at their own expense. Now, failure to comply could expose landlords to tenant remedies, including rent withholding, repair-and-deduct claims, or defenses against eviction.

Additionally, if a provided appliance is subject to a manufacturer recall, the landlord must repair or replace it within 30 days of notice to avoid habitability violations.

Exceptions include single-room occupancy units, residential hotels, and permanent supportive housing. Tenants may opt out of the landlord-provided refrigerator via written agreement at lease inception, but they cannot waive the stove requirement.

Opting out requires very specific lease language and is subject to a tenant’s right to revoke the opt out at any time with 30 days advance notice to the landlord.

California's AB 1154 streamlines ADU and JADU development for rental opportunities.

On October 10, 2025, Governor Gavin Newsom signed Assembly Bill 1154 (AB 1154) into law, effective January 1, 2026. This legislation promotes parity between Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs), making it easier to construct smaller secondary units on single-family lots.

AB 1154 eliminates the mandatory owner-occupancy requirement for JADUs with a private bathroom, while preserving it for those sharing facilities with the primary residence.

Rentals of any JADU must now exceed 30 days to curb short-term use, and a deed restriction remains to prevent separate sale from the main home.

Additionally, the new legislation adds an exemption from on-site parking requirements for ADUs of 500 square feet or smaller, aligning them with existing JADU exemptions and reducing development costs.

Lately, we have seen a significant amount of ADU construction, especially in San Luis Obispo. ADUs are secondary housing units on the same lot as a single-family home, up to 1,200 square feet, with full kitchens (sink, cooking appliance, food prep area) and private bathrooms. "Granny units" are ADUs.

An ADU can be detached, attached, or converted from spaces like garages. JADUs, however, are compact—capped at 500 square feet—and must be carved from the existing primary residence's footprint, featuring only an efficiency kitchen (no full oven) but allowing shared bathrooms.

AB 1154's changes make JADUs more investor-friendly by eliminating the owner occupancy requirement if there is a separate bathroom.

Reminder: pay your property taxes by December 10.

As we mentioned last month, the first installment of property taxes are due on November 1 and delinquent after December 10.

If you are expecting California West to pay your tax bill then please check your monthly financial statements and make sure the bills have been paid and contact us if they are not.

Also, please give us plenty of notice if you wish to pay the second installment of your taxes before the end of the year. CPA's sometimes recommend this, depending on your tax circumstances.

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