

SUMMARY OF CALDERON BILL



Construction Defect Claims and Litigation Guide



XIV. Appendix • Calderon Summary

SUMMARY OF CALDERON BILL (Calif.Civ.Code §1375)

- I. Applies to apartments, condominiums, planned developments over 20 units.
- II. Prior to suit must give builder:
 - A. Written list of defects
 - B. Written expert report, or
 - C. Written summary of test results
- III. Within 25 days of notice, builder must demand meeting (must take place within 10 days of demand).
 - A. May also demand expert testing
 1. If demanded, tests are performed with 15 days
 - B. Builder's failure to meet or perform testing constitutes opt-out of Calderon
 - C. If meeting demanded, must concurrently put insurers on notice
- IV. Within 30 days of inspection, or if no inspection, the time of the board and builder meeting, the builder must:
 - A. Request settlement meeting with board
 - B. Provide a written settlement offer
 - C. Provide statement of funds sufficient to satisfy settlement
 - D. Summary of builder test results
 - E. Settlement meeting must be within 10 days of request
 - F. If builder fails HOA can opt-out of Calderon
- V. If HOA board rejects settlement offer, must be a general meeting for all owners in 15 days.
 - A. Builder must pay cost of notice to owners
 - B. If owners' meeting doesn't result in settlement, suit can follow with-in 30 days
- VI. If HOA fails to comply; court can put stay on suit filed by HOA for 90 days to determine compliance.

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