

SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2025-2026 Regular Session

AB 2692 (Irwin)
Version: April 29, 2026
Hearing Date: June 23, 2026
Fiscal: No
Urgency: Yes
ID

SUBJECT

Common interest developments: reinstatement of terminated declarations: County of
Los Angeles

DIGEST

This bill permits the declaration of a common interest development that has terminated to be reinstated by approval of the owners of the development's separate interests, as specified, limits the applicability of its provisions to the County of Los Angeles, and repeals its provisions on January 1, 2028.

EXECUTIVE SUMMARY

Common Interest Developments (CIDs) are self-governing housing developments comprised of individually-owned housing units and common space that all homeowners and residents of the CID can enjoy. CIDs are managed and governed by homeowner associations (HOAs), of which every owner within the CID is a member. The guiding framework and rules of the HOA and the CID are encompassed in the declaration of covenants, conditions, and restrictions (declaration, or CC&Rs) that are recorded with the county when the CID is established. Some CID declarations include a termination date for the declaration. Current law permits the declaration to be amended and extended by approval of the members, but it does not provide for the reinstatement of a declaration that has terminated. This gap has recently caused significant issues for at least one CID in the Pacific Palisades area that burned down in the 2025 Palisades fire, as the community has been unable to make progress on rebuilding without declaration. This bill permits the reinstatement of a terminated declaration by approval of the members, either by the percentage required by the declaration for an extension of the declaration, or by a majority of the members. AB 2692's provisions apply only to Los Angeles county, and sunset January 1, 2028. This bill includes an urgency clause.

AB 2692 is author-sponsored, and is supported by the Community Associations Institute – California Legislative Action Committee, and by the Via de la Paz

Homeowners Association. The Committee has received no timely letters of opposition. AB 2692 previously passed out of the Senate Housing Committee by a vote of 10 to 0.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Establishes the Davis-Stirling Common Interest Development Act, providing rules and regulations governing the establishment and operation of residential common interest developments (CIDs) and the rights and responsibilities of a CID's homeowner association (HOA) and its members. (Civ. Code §§ 4000 et seq.)
- 2) Specifies that a CID is created whenever a separate interest coupled with an interest in a common area or membership in an association is conveyed, provided that a declaration, condominium plan, if any, and a final map or parcel map are recorded. (Civ. Code § 4200.)
- 3) Requires the declaration to contain a legal description of the CID, a statement that the CID is a community apartment project, condominium project, planned development, stock cooperative, or a combination thereof, and set forth the name of the HOA and the restrictions on the use or enjoyment of any portion of the CID that are intended to be enforceable equitable servitudes. (Civ. Code § 4250.)
- 4) Provides that, unless otherwise provided in the declaration of a CID, the HOA is responsible for repairing, replacing, and maintaining the common area; the owners of each separate interest are responsible for repairing, replacing, and maintaining their separate interest; and the owner of each separate interest is responsible for maintaining the exclusive use common area appurtenant to that separate interest; and the association is responsible for repairing and replacing the exclusive use common area. (Civ. Code § 4775.)
- 5) Permits the declaration of a CID that specifies a termination date but does not contain provisions for an extension of the termination date, before its termination date, to be extended by the approval of the members by the percentage required by the declaration for an amendment to the declaration, or by a majority of all members if no percentage is specified in the declaration, the certification of this approval, and the recordation of the amendment in each county in which a portion of the CID is located, as specified. (Civ. Code §§ 4265, 4270.)
- 6) Permits the declaration of a CID to be amended pursuant to the declaration or statute, except where an alternative process for amending the declaration is provided in specified sections of law, and makes the amendment effective after:
 - a) the amendment has been approved by the percentage of members required by the declaration and any other person whose approval is

- required by the declaration, or by a majority of members if a percentage is not specified in the declaration;
 - b) the approval has been certified in a writing executed and acknowledged by the officer designated in the declaration, or by the President of the HOA if none is designated; and
 - c) the amendment is recorded in each county in which a portion of the CID is located. (Civ. Code § 4270.)
- 7) Specifies that, if the CID's declaration requires members with more than 50 percent of the votes of the HOA to approve an amendment to the declaration, the HOA or any member may petition the county superior court for an order reducing the percentage of votes necessary for an amendment, and requires the petition to describe the effort that has been made to solicit approval of the members in the manner provided by the declaration, the number of affirmative and negative votes actually received, the number or percentage of affirmative votes required under the existing declaration, and other matters the petitioner considers relevant to the court's determination, as well as copies of specified documents.
- a) Permits the court to grant the petition if it finds that the petitioner has given at least 15 days written notice of the court hearing to all members, the mortgagee or beneficiary of a deed of trust entitled to notice under the declaration, and to the city, county, or city and county; balloting was conducted in accordance with the governing documents; a reasonably diligent effort was made to permit all eligible members to vote; members with more than 50 percent of the votes voted in favor of the amendment; the amendment is reasonable; and granting the petition is not improper for any specified reason. (Civ. Code § 4275.)

This bill:

- 1) Permits, notwithstanding any other law, a CID's declaration that was terminated by operation of the provisions of the declaration to be reinstated if approved by the percentage of members required by the declaration for extending the term of the declaration. Specifies that, if the declaration does not specify the percentage of members who must approve the extension, the declaration may be reinstated if approved by a majority of all members.
- 2) Requires balloting on reinstatement to be conducted in accordance with the governing documents, the Davis-Sterling act, and any other applicable law. Requires that a reasonably diligent effort be made to permit all eligible members to vote.
- 3) Specifies that reinstatement of the declaration is effective after all of the following requirements are met:
 - a) The reinstatement has been approved by the members, as provided;

- b) Approval by the members was certified in a writing executed and acknowledged by the officer designated in the declaration for that purpose, or if no one is designated, by the president of the association; and
 - c) The declaration is recorded in the county recorder's office.
- 4) Requires the association, within a reasonable time after the reinstated declaration is recorded, to deliver to each member, by individual delivery pursuant to Civil Code section 4040, a copy of the reinstated declaration, together with a statement that the reinstated declaration has been recorded.
- 5) Applies its provisions only to the County of Los Angeles.
- 6) Specifies that its provisions remain in effect only until January 1, 2028, and as of that date are repealed.
- 7) Makes various findings and declarations regarding the necessity of a special statute and an urgency statute.

COMMENTS

1. Author's statement

According to the author:

The 2025 LA Wildfires wreaked havoc on our communities – destroying homes, threatening retirement assets and leaving neighborhoods paralyzed. While some have been able to begin the process of rebuilding, others remain stuck due to a legal barrier.

One specific condominium complex in Pacific Palisades discovered their governing documents – referred to as Covenants, Conditions and Restrictions (CCRs) – expired shortly before the fires wiped out over half of their 107 units. Because of this minor oversight, the complex is no longer legally bound together, which prevents the Homeowners Association (HOA) Board from taking any action, including voting to rebuild or sell. Residents have remained displaced for over a year. Despite the Board acquiring \$41 million in FAIR Plan insurance, the community is unable to spend this money on repairs without valid CCRs.

Many of the affected residents are retired adults on fixed incomes who inherited their homes and rely on them as retirement vehicles. Via de la Paz remains one of the few naturally affordable housing options in Pacific Palisades and preserving this community is critical to addressing California's housing shortage.

AB 2692 provides a tailored legislative fix to allow these fire victims to reinstate their HOA's expired CCRs. This bill is only applicable to Los Angeles County for one year until January 1, 2028, providing displaced residents with a narrow window to take appropriate action and move forward with recovery.

2. Common Interest Developments in California

Common Interest Developments (CIDs) are self-governing housing developments comprised of individually-owned housing units and common space that all homeowners and residents of the CID can enjoy. Arrangements of CIDs can vary widely, from condominiums, townhouses, and detached single-family homes, to apartment-like high rises. They may be comprised of only a few housing units, or thousands. CIDs are commonly referred to as homeowner associations, or HOAs, for the body that provides for the CID's self-governance. There are an estimated 51,700 CIDs in the state, housing an estimated 14,489,00 Californians.¹

The laws that regulate CIDs are encompassed in the Davis-Sterling Common Interest Development Act (Civ. Code §§ 4000 et seq.). Many of the rules and structural elements of a CID are determined by the Declaration of Covenants, Conditions, and Restrictions (CC&Rs) that are filed with the county recorder when the CID is established by the developer. These CC&Rs are the guiding rules of the CID and outline the CID's common area, the HOA's responsibilities, the obligation of the HOA to collect assessments from homeowners to cover the HOA's expenses, and a variety of other topics. The CC&Rs of the CID run with the land, as in they apply to each homeowner's property and remain on the land after a sale or transfer, encumbering future owners of the land.

All homeowners in the CID are members of the HOA, which is often incorporated as a mutual benefit corporation upon the formation of the CID. The HOA manages the CID and maintains its common space. To do so, the HOA elects a board of directors (board), and passes bylaws outlining the governance rules of the HOA and its board of directors. The board has a number of duties and powers for the management of the community, including setting the regular, monthly assessments that members must pay in order to cover communal expenses. When a homeowner in the CID does not pay their assessments, the HOA board has the authority to impose a lien and foreclose on the individual's property. (Civ. Code §§ 5660, 5700.) The HOA may also impose fines on individual members for violations of the rules of the HOA.

¹ Foundation for Community Association Research, *Community Association Fact Book 2025: 2025 U.S. National and State Statistical Review* (2025).

3. Current law allows CC&Rs to be amended and extended before their termination

As the CC&Rs bind current and future property owners and are the guiding documents of the CID, they are typically designed to be difficult to change. They often include language specifying how they may be amended, including the vote threshold of the HOA required to pass amendments. If the CC&Rs do not include provisions for their amendment, they may be amended by approval of a majority of all HOA members and the recording of the amendment. (Civ. Code § 4270.) If the vote threshold in the CC&Rs proves too burdensome, the law also allows a court to lower the threshold to a majority in certain circumstances. (Civ. Code § 4275.) Amendments to the CID's CC&Rs are applied retroactively to every member regardless of when they purchased their unit. (*Villa de las Palmas Homeowners Assn. v. Terifaj* (2004) 33 Cal. 4th 73, 79.)

Many CC&Rs also include a date by which they expire. However, they may also be extended, or restated. This permits the members to revisit the CC&Rs and amend or extend them without their encumbrances lasting in perpetuity. The CC&Rs may themselves include provisions to extend their validity, or they may be extended before their termination by the approval of a majority of the HOA members. (Civ. Code §§ 4265, 4270.)

However, if the CC&Rs expire without being extended, it can cause significant issues for the HOA. After the CC&Rs expire, the HOA would cease to exist, its board would be unable to collect dues for the HOA's operations and maintenance of the CID, and HOA members would not be bound by any previous rules of the HOA. Such a termination can result in significant legal uncertainty regarding the common areas of the CID and individual members' interests. Moreover, once the CC&Rs expire, they currently may only be re-instituted by a unanimous vote of all of the members.

4. The Via de la Paz condominium complex was destroyed by the Palisades fire after the expiration of its CC&Rs

Unfortunately, this was exactly the scenario that happened to the Via de la Paz condominium complex (Via de la Paz) in Pacific Palisades. Via de la Paz was burned in the January 2025 Palisades fire that destroyed substantial swaths of the Pacific Palisades. The Palisades fire burned a total of 23,448 acres and damaged or destroyed almost 8,000 structures in the Pacific Palisades and the Topanga State Park area of west Los Angeles, destroying about half of all properties in the city.²

The Via de la Paz condominium complex was one of the buildings destroyed by the fire. 67 of the complex's 107 units were destroyed, and many of the remaining units suffered

² CalFire, "Palisades Fire," (3/27/2025) <https://www.fire.ca.gov/incidents/2025/1/7/palisades-fire>.

considerable damage.³ However, as the HOA began the process to rebuild, they ran into another roadblock: the CID's CC&Rs had expired in January 2024. Without proper CC&Rs, the complex has been unable to rebuild, and the HOA has been unable to utilize the funds meant to rebuild. In attempting to reinstate the community's CC&Rs, the HOA obtained the approval of 101 of 107 members; however, because the CC&Rs had already expired, it needed to obtain unanimous approval. The HOA also filed a lawsuit seeking a judicial solution that would reinstate the CC&Rs, but the court denied the request. (*Via de la Paz Homeowners Ass'n v. N/A* (2026) 25SMCP00504 2026 Cal. Super. 5390.)

5. AB 2692 provides a narrow solution for HOAs in Los Angeles to reinstitute expired CC&Rs

To resolve this issue and help the Via de la Paz community rebuild, AB 2692 creates a narrowly-tailored process by which an HOA may reinstate expired CC&Rs. It would permit expired CC&Rs to be reinstated if the reinstatement is approved by the same percentage of members as the HOA's CC&Rs require for an extension of the CC&Rs. If the CC&Rs do not specify the percentage of members who must approve an extension, AB 2692 would permit reinstatement by a majority of members.

AB 2692 specifies that reinstatement would be effective once it is approved by the requisite required percentage of members, the approval has been certified in a writing executed and acknowledged by a designated officer or the president of the HOA, and the reinstated declaration has been recorded. AB 2692 also requires that, within a reasonable time from the recordation of the reinstated CC&Rs, the HOA must deliver a copy of the reinstated CC&Rs to each member, along with a statement that the reinstated declaration has been recorded.

While AB 2692 is an urgency measure that will apply upon enactment, its provisions apply narrowly. They only apply to HOAs within the County of Los Angeles, and sunset on January 1, 2028.

The amendment or extension of CC&Rs is a significant act, considering that CC&Rs encumber the properties to which they apply, and do so for substantial periods of time. Thus, they substantially affect property rights and the alienability of the land to which they apply. However, the CC&Rs also help with the organization of the CID and the HOA, as well as management of common area, and should benefit the individual properties to which they apply. Whether an HOA's CC&Rs expire due to mistake or failure of the HOA to agree to their extension or amendment, substantial legal uncertainty can be avoided by extending or permitting the reinstatement of CC&Rs. For

³ CBS News, "Legal issues some condominium residents face following Palisades fire," (Feb. 19, 2026) <https://www.cbsnews.com/losangeles/video/legal-issues-some-condominium-residents-face-following-palisades-fire/>.

the Via de la Paz HOA, doing so would help the community rebuild after the Palisades fire.

6. Amendments

The author has agreed to amendments that will clarify the term for the reinstated CC&Rs, considering the terminated CC&Rs have a termination date that will have passed. These amendments make the term equal to the term of the original CC&Rs, or 20 years, whichever is less. This language is consistent with that in the provisions of the Davis-Sterling Act relating to extending CC&Rs. A full mock-up is attached at the end of this analysis.

SUPPORT

Community Associations Institute – California Legislative Action Committee
Via de la Paz Homeowners Association

OPPOSITION

None received

RELATED LEGISLATION

Pending Legislation:

AB 2035 (Dixon, 2026) permits a court to lower the threshold to amend an HOA's CC&Rs to 37 percent of the votes if the court finds that the CID is a senior citizen housing development, the separate interests in the CID meet specified criteria, and the CC&R has not been amended in at least 35 years. AB 2035 is currently pending before this Committee.

AB 1184 (Patterson, 2025) excludes a vote for an amendment of an HOA's governing documents from the requirement that the vote be held by secret ballot, among other things. AB 1184 is currently pending before this Committee.

Prior Legislation:

AB 21 (DeMaio, 2024) would have, among other things, excluded a vote for an amendment of an HOA's governing documents from the requirement that the vote be held by secret ballot, among other things. AB 1184 failed reconsideration in the Assembly Housing and Community Development Committee.

AB 805 (Torres, Ch. 180, Stats. 2012) comprehensively reorganized and recodified the Davis-Sterling Common Interest Development Act into its current code sections and Civil Code sections 4000 et seq., and made a number of substantive changes to the Act.

(Sterling, Ch. 874, Stats. 1985) established the Davis-Sterling Common Interest Development Act.

PRIOR VOTES:

Senate Housing Committee (Ayes 10, Noes 0)

Assembly Floor (Ayes 66, Noes 0)

Assembly Judiciary Committee (Ayes 12, Noes 0)

Assembly Housing and Community Development Committee (Ayes 12, Noes 0)

Mock-up of Proposed Amendments for 2025-2026 AB-2692 (Irwin)
(Amendments may be subject to technical changes required by Legislative Counsel)

Mock-up based on Version Number 97 - Amended Assembly 4/29/26

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

SECTION 1. Section 4276 is added to the Civil Code, to read:

4276. (a) Notwithstanding any other law, a declaration that has terminated by operation of the provisions that set forth the initial term of the declaration may be reinstated pursuant to this section if approved by the percentage of members required by the declaration for extending the term of the declaration. If the declaration does not specify the percentage of members who must approve the extension of the declaration, a declaration may be reinstated pursuant to this section if approved by a majority of all members.

(b) Balloting on reinstatement shall be conducted in accordance with the governing documents, this act, and any other applicable law. A reasonably diligent effort shall be made to permit all eligible members to vote.

(c) The reinstatement of the declaration is effective after all of the following requirements have been met:

(1) The reinstatement of the declaration has been approved by the percentage of members specified in subdivision (a).

(2) Approval by the members has been certified in a writing executed and acknowledged by the officer designated in the declaration by the association for that purpose or, if no one is designated, by the president of the association.

(3) The declaration has been recorded in the county recorder's office.

(d) The extension of the terms of the declaration made pursuant to this section shall be equal to the number of years of the initial term of the declaration or 20 years, whichever is less.

(e) Within a reasonable time after the reinstated declaration is recorded, the association shall deliver to each member, by individual delivery, pursuant to Section 4040, a copy of the reinstated declaration, together with a statement that the reinstated declaration has been recorded.

~~(e)~~

(f) This section shall be applicable only to the County of Los Angeles.

~~(f)~~

(g) This section shall remain in effect only until January 1, 2028, and as of that date is repealed.

SEC. 2. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the need to prevent displacement and promote the rebuilding of common interest developments that were damaged or destroyed as a result of the 2025 Palisades and Eaton Fires in Los Angeles.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to prevent displacement and promote the rebuilding of common interest developments that were damaged or destroyed as a result of the 2025 Palisades and Eaton Fires in Los Angeles, it is necessary for this act to take effect immediately.