

# Condo Insights

## **#32 – Governmental Inspections for condominium associations Part 1**

If you own a condo at the New Jersey shore, you may be aware that your building is subject to numerous building inspections performed by various governmental agencies. In New Jersey, there are many different types of inspections for various building equipment, components and systems.

Multi-family buildings have essential building equipment, components and systems that need to be inspected – as part of a regular maintenance program and for safety purposes. The majority of inspections, such as for elevators, fire alarm and suppression systems, boilers and swimming pools are performed annually by municipal or State officials.

In New Jersey, elevators are inspected annually by a State code official. State requirements also mandate periodic maintenance by an elevator services contractor. Records of this maintenance become part of the State inspection process. Fire alarm panels, horns, strobes, fire suppression system pumps, sprinklers and standpipes must also be inspected annually and those reports are filed with municipal fire officials.

Because every building is different, not every building is subject to the same inspections. A taller building will have more frequent and rigorous inspection requirements for elevators, fire suppression systems and stairwell requirements to ensure occupants have safe passage out of the building in event of emergency. A townhome building probably doesn't have an elevator but may have inter-connected smoke detectors that communicate with each other across multiple floors that must be tested and inspected.

In addition to annual testing and inspection of Association common areas and equipment, almost every individual residential condominium in the State is inspected for health and safety, typically every five years. The State of New Jersey Department of Community Affairs ("DCA") is responsible for ensuring that multiple-family buildings of three or more dwelling units operating within the State of New Jersey are properly maintained and do not pose a threat to the health, safety and welfare of their residents, nor the community in general.

To achieve these objectives, the State mandates and/or inspects multi-family buildings and properties. What is the inspector looking for? The inspector is looking for working smoke detectors (and carbon monoxide detectors if the building has natural gas) on each floor of a residential unit. Detectors are usually required inside and outside of every bedroom, the living room and any other sleeping areas. In most cases, detectors need to be hard-wired, that is connected to the electric circuit in the unit and have a battery backup. Each residential unit must have a front entry door that closes & latches on its own so that a fire within a unit would be self-contained as the resident leaves. Inspectors look for overloaded extension cords and properly installed electrical outlets. Inspectors look to make sure water heaters are vented properly. Inspectors observe general conditions and will cite units that are loaded with furniture, boxes, or other items that would block or impede egress from the unit.

During an inspection, the DCA representative will identify deficiencies which are then documented in the written inspection report. Associations receive a copy of the report and are given a period of time to correct deficiencies. Depending on the severity of the deficiency or lack of response by the Association if it fails to correct deficiencies within a reasonable amount of time, the DCA has the authority to enforce State Regulations by issuing citations and may impose monetary fines in addition to mandating that the deficiencies be corrected.

The Condominium Association is for the most part considered to have the responsibilities of the building "owner" and is responsible for ensuring that all cited violations are corrected, including violations within units. Sometimes unit owners fail on the same violations with each reinspection. The repeated violation fines can be a staggering amount and, unfortunately, the DCA does not impose these fines on the unit owners, they impose them on the Association. However Associations can pass on fines to unit owners so unit owners should understand they have a stake in the success of the inspection and have financial responsibility for fines related to violations within areas under their control. Owners that are aware they have a potential obligation may help with cooperation and compliance.

The worst thing a Condominium Board can do is ignore an inspection report or fail to correct a violation. While the Association Board may disagree with the inspector's judgment, failing to address deficiencies in an inspection report only makes a problem worse. Correcting some problems can take a long time and incur significant expense. Inspectors have discretion to extend time frames to allow condo Boards additional time to arrange for repairs so long as good faith efforts are demonstrated by the Association. A condominium Board failing to correct violations after an inspector makes a good faith gesture to extend deadlines can be subject to fines that can exceed the cost of the initial inspection.

These inspections include significant fees paid to the State, as well as the costs for annual testing and certification by service contractors. There are also fees charged by the property manager to coordinate and administer the initial and follow-up inspections. Many Board members do not have the time nor professional experience to inspect their condominium building. Boards retain property managers and/or engineers to oversee inspections to provide a level of assurance that the condominium units and common elements are safe for residential occupancy and to guide the Board's response to correcting violations.

Part two of this column will focus on strategies Associations can employ to make the inspection process run smoothly and avoid violations or deficiencies.

*Jim Yost owns Elite Management and Advisory Services, LLC and is managing partner for Ocean Property Management Corporation, based in Wildwood. The firms manage numerous community, condominium and homeowner associations in southern New Jersey. He can be reached at [yostpmc@comcast.net](mailto:yostpmc@comcast.net). Past columns are available online at [www.oceanpropertymgmt.com](http://www.oceanpropertymgmt.com).*

*Karim Kaspar, Esq. is Senior Counsel with Lowenstein Sandler LLP. He serves as general counsel to numerous community and condominium associations throughout New Jersey. He specializes in complex commercial litigation and real estate matters and has been active and instrumental in the firm's pro-bono activities. He can be reached at [kkaspar@lowenstein.com](mailto:kkaspar@lowenstein.com).*