

The statute of repose and statute of limitation limit when an AOA can bring claims to recover from a developer-builder for construction deficiencies. If an AOA does not file a lawsuit by either deadline, it loses its corresponding claim forever. Therefore, it is important to know the statutory deadlines.

### I. The Difference Between Statutes of Repose and Limitation

<b>Statute of Repose (10-yr)</b>	Deadline that occurs ten years after a residential building is substantially completed*
<b>Statute of Limitation for Negligence Claims (2-yr)</b>	Deadline that occurs two years after the AOA discovers* it has a claim or should have discovered that it has a claim
<b>Statute of Limitation for Contract Claims (6-yr)</b>	Deadline that occurs six years after a developer-builder breaches a contract or the AOA discovers*—or should have discovered—that it has a claim

\* Dates of “substantial completion” and “discovery” require a complicated legal analysis. We recommend contacting your construction defect lawyer as soon as possible to determine when the dates SOL occur.

### II. The 10-Year Limit Is an Outer Limit, and the 2- and 6-Year Limits Are Inner Limits

Every lawsuit must be filed before the 2-year, 6-year, and 10-year limits. The example timeline below highlights how the limits are applied.

#### Example Timeline:

If an AOA discovers a defect claim in Year 2, it must file a lawsuit before Year 4 to preserve its negligence claims and Year 8 to preserve its contract claims

