

# BAL HARBOUR

- V I L L A G E -

## INSTRUCTION TO OWNER-BUILDERS

Pursuant to Florida Statute 489.103 (7) owner of real property when acting as their own contractor and providing all material supervision themselves, when building or improving one - family residences or commercial property, shall be provided with the following disclosure statement by the local permitting agency:

*State law requires construction to be done by licensed contractors. You have applied for a permit under an exemption to that law. The exemption allows you, as the owner of your property, to act as your own contractor with certain restrictions even though you do not have a license. You must provide direct, onsite supervision of the construction yourself. You may build or improve a commercial building, provided your costs do not exceed \$25,000. The building or residence must be for your own use or occupancy. It may not be built or substantially improved for sale or lease. If you sell or lease a building you have built or substantially improved yourself within 1 year after the construction is complete, the law will presume that you built or substantially improved it for sale or lease, which is a violation of this exemption. You may not hire an unlicensed person to act as your contractor or to supervise people working on your building. It is your responsibility to make sure that people employed by you have licenses required by state law and by county or municipal licensing ordinances. You may not delegate the responsibility for supervising work to a licensed contractor who is not licensed to perform the work being done. Any person working on your building who is not licensed must work under your direct supervision and must be employed by you, which means that you must deduct F.I.C.A., and withholding tax and provide workers' compensation for that employee, all as prescribed by law. Your construction must comply with all applicable laws, ordinances, building codes, and zoning regulations.*

**PROOF OF OWNERSHIP** - Prior to a building permit being issued to you, you must submit proof of ownership of the land concerned in the application in the form of a recorded deed, showing you own the property, or a copy of mortgage or warranty deed of the land, or a Dade County tax receipt, statement to contain legal description of property and indicate property is in your name. Legal description and name on document of proof must correspond to the name and legal description on the application.

**RESPONSIBILITY**- You will be responsible for all work done by your day labor employees, and you must either employ licensed contractors or person to be paid on an hourly or per diem basis. Anyone contracting (including labor) with you, verbally or in writing, on a fixed fee basis for any work, who is not properly licensed, will be subject to a fine of \$500 pursuant to Florida Statute 489.127 (4) (c) and/or imprisonment for up to one year pursuant to Florida Statute 489.127.

**INSURANCE**- You should be advised that if your labor employees cause any damage to persons or property, or if any of your day labor employees are injured on the job, *you are liable*. Your regular home insurance policy ordinarily does not cover this type of liability.

**WITHHOLDING TAXES**- You should be advised to investigate your responsibility for withholding Social Security, Federal and State Unemployment Insurance Taxes from the wages of employees working for you on the proposed construction, and for making returns thereof to the proper agencies.

**DEMOLITION WORK**- In addition to meeting Florida Building Code requirements stated above, you are responsible for disconnecting all utilities, including water, sewer, septic tank, electrical service, gas, telephone, cable TV, etc., prior to commencing demolition. You are also required to obtain a permit from the State of Florida Department of Health and Rehabilitative Services in order to abandon any septic tank that is on the property.

I, \_\_\_\_\_, the owner of the property described as \_\_\_\_\_, do hereby certify that I have read the foregoing information and am aware of my responsibilities and liabilities for building permit for construction work on the above described property.

State of _____
County of _____
Sworn to or affirmed and subscribed before me this ____ day of _____, in the year 20____ by _____ who has taken an oath and is personally known to me or has produced _____ as identification
My Commission Expires:
_____
Notary Public

Signature of Owner \_\_\_\_\_

Print Name \_\_\_\_\_

# BAL HARBOUR

- V I L L A G E -

## CONSTRUCTION LIEN LAW FOR OWNERS

**NOTE: IF YOU SIGNED AS THE OWNER'S AGENT YOU ARE RESPONSIBLE FOR DELIVERING THIS INFORMATION SHEET TO THE OWNER OF THE PROPERTY.**

### WARNING TO OWNER

Florida's Construction Lien Law (Chapter 713, part one, Florida Statutes) requires the recording with the Clerk of the Courts a Notice of Commencement for real property improvements greater than \$2,500.00. However, it does not apply to the repair or replacement of an existing heating or air conditioning system less than \$7,500.00 in value. This notice must be signed by you, the property owner.

Under Florida Law, those who work on your property or provide materials and are not paid, have a right to enforce their claim for payment against your property. This claim is known as a construction lien.

### YOU MUST FILE A NOTICE OF COMMENCEMENT

For your protection under the Construction Lien Law and to avoid the possibility of paying twice for improvements to real property, you must record a Notice of Commencement in the Clerk of the Court's Office. And you must provide for inspection a certified copy of the recorded document at the construction site. The Notice of Commencement must be signed by you, the owner contracting the improvements and not your agent.

The Notice of Commencement form, provided with this information packet, must be completed and recorded within 90 days before starting the work.

A copy of the payment bond, if any as required by you, and purchased by the contractor, must be attached as part of the Notice of Commencement when recorded.

If improvements described in the Notice of Commencement are not actually started within 90 days after the recording of the Notice, a new Notice of Commencement must be recorded.

You lose your protection under the Construction Lien Law if payments are made to the contractor after the expiration of the Notice of Commencement. The Notice is good for one year after the recording date or to the date specified under item 9 of the form.

Florida law requires the building department to be a second source of information concerning the improvements made to the real property. The Building Permit Application (included with this packet) has been expanded to include information on the construction lender and contractor's surety, if any. The new application requires your signature or your agent's, as being informed or to inform you of the Construction Lien Law.

### YOU MUST POST THE NOTICE OF COMMENCEMENT AT THE JOB SITE

By law, the Building and Zoning Department is required to verify at the first inspection, which occurs 7 days after the building permit is issued, that a certified copy of the recorded Notice of Commencement, with attached bonds if any, is posted at the construction site. Failure to show the inspector a certified copy of the recorded Notice will result in a disapproved inspection.  
(F.S. 713.135 (1)(d))

### NOTICE TO OWNER FROM SUBCONTRACTORS AND SUPPLIERS

You may receive a Notice to Owner from subcontractors and material suppliers. This notice advises you that the sender is providing services or materials. Subcontractors and suppliers must serve a Notice to Owner within 45 days of commencing work to preserve their ability to lien your property.

If your address changes from that given in the Notice of Commencement, you should record a corrected Notice reflecting your current address. This is done to help ensure you will receive all notices.

### RELEASE OF LIEN FROM CONTRACTOR

Prior to paying the contractor, you need to receive a release of lien and affidavit to the extent of payment from the general contractor. The release of lien and affidavit shall state either that all the subcontractors and suppliers have been paid or list those unpaid and the amount owed. The contractor is required to list on the release of lien and affidavit any subcontractor or supplier that has not been paid. That amount may be withheld from the contractor's pay and paid directly to the subcontractors or suppliers after 10 days' written notice to the contractor.

If the balance due to the contractor is not sufficient to pay in full all subcontractors and suppliers listed on the contractor's affidavit, you may wish to consult an attorney.

The general contractor shall furnish a final release of lien and affidavit indicating all subcontractors and suppliers have been paid at the time he requests final payment. You can rely on the affidavit in making final payment to the general contractor. If you make final payment to the general contractor without obtaining the affidavit, your property can be liened for non-payment if the general contractor fails to pay the subcontractors or suppliers. You should always obtain a release of lien and affidavit from the Contractor to the extent of any payment being made.

### RELY ON YOUR LENDER FOR COMPLIANCE WITH CONSTRUCTION LIEN LAW.

If you have a lender, you may rely on the lender to handle the recording of the Notice of Commencement. Learn more about the Construction lien law by contacting an attorney, your lender, or the Florida Department of Agriculture and Consumer Services, Division of Consumer Services.

Documents are recorded at the Clerk of the Courts, MIAMI DADE COUNTY RECORDER COURTHOUSE EAST, 22 N.W. 1<sup>ST</sup> Street, 1<sup>ST</sup> Floor, Miami Florida 33128, (305) 275-1155.

You can record the Notice of Commencement by mail. Send to the County Recorder. P.O. Box 011711, Flagler Station, Miami, Florida 33101, The original Notice signed and notarized with County Required Fee + postage and instructions to record and return a certified copy of the recorded documents. For additional information on recording documents, call (305) 275-1155.

# NOTICE OF COMMENCEMENT

**A RECORDED COPY MUST BE POSTED ON THE  
JOB SITE AT THE TIME OF FIRST INSPECTION**

Permit No. \_\_\_\_\_ Tax Folio No. \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

THE UNDERSIGNED hereby gives notice that improvements will be made to certain real property, and in accordance with Chapter 713, Florida Statutes, the following information is provided in this Notice of Commencement:

*Space above reserved for use of recording office*

1. Legal description of property and street address: \_\_\_\_\_  
\_\_\_\_\_
2. Description of improvement: \_\_\_\_\_  
\_\_\_\_\_
3. Owner(s) name and address: \_\_\_\_\_  
\_\_\_\_\_  
Interest in property: \_\_\_\_\_  
Name and address of fee simple titleholder: \_\_\_\_\_
4. Contractor's name, address and phone number: \_\_\_\_\_  
\_\_\_\_\_
5. Surety: (Payment bond required by owner from contractor, if any)  
Name, address and phone number: \_\_\_\_\_  
\_\_\_\_\_  
Amount of bond \$ \_\_\_\_\_
6. Lender's name and address: \_\_\_\_\_  
\_\_\_\_\_
7. Persons within the State of Florida designated by Owner upon whom notices or other documents may be served as provided by Section 713.13(1)(a)7., Florida Statutes: \_\_\_\_\_  
Name, address and phone number: \_\_\_\_\_
8. In addition to them self, Owners designates the following person(s) to receive a copy of the Lienor's Notice as provided in Section 713.13(1)(b), Florida Statutes. \_\_\_\_\_  
Name, address and phone number: \_\_\_\_\_
9. Expiration date of this Notice of Commencement: \_\_\_\_\_  
(the expiration date is 1 year from the date of recording unless a different date is specified)

State of _____ County of _____ Sworn to or affirmed and subscribed before me this ____ day of _____, in the year 20__ by _____ who has taken an oath and is personally known to me or has produced _____ as identification My Commission Expires: _____  _____ Notary Public
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Print Name \_\_\_\_\_

Signature of Owner \_\_\_\_\_

Prepared by: \_\_\_\_\_  
\_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

BAL HARBOUR  
- VILLAGE -