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. You also must provide 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 by 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 is 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 the 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 up to the date specified under item nine of the form.

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

YOU MUST POST THE NOTICE OF COMMENCEMENT AT THE JOB SITE

By law, the Department of Regulatory and Economic Resources is required to verify at the first inspection, 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, (Florida Statute 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 FROM 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 subcontractor 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 to the owner 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 payments 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 Agricultural 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. First Street, 1st Floor, Miami, FL 33128.

You can record the Notice of Commencement by mail. The original Notice should be sent to the County Recorder, P.O. Box 011711, Flagler Station, Miami, Florida 33101. Please make sure the original Notice is signed and notarized. Also, remember to enclose the recording fee (for a single copy) and written instructions for recording and returning a certified copy of the recorded documents. For additional information on fees and recording documents call (305) 275-1155.

NOTICE OF COMMENCEMENT

A RECORDED COPY MUST BE POSTED ON THE JOB SITE AT 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 himself, 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)

WARNING TO OWNER: ANY PAYMENTS MADE BY THE OWNER AFTER THE EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE CONSIDERED IMPROPER PAYMENTS UNDER CHAPTER 713, PART I, SECTION 713.13. FLORIDA STATUTES, AND CAN RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR NOTICE OF COMMENCEMENT.

Signature(s) of Owner(s) or Owner(s)' Authorized Officer/Director/Partner/Manager

Prepared By _____ Prepared By _____
Print Name _____ Print Name _____
Title/Office _____ Title/Office _____

STATE OF FLORIDA
COUNTY OF MIAMI-DADE
The foregoing instrument was acknowledged before me this _____ day of_____. _____
By _____
❑ Individually, or ❑ as_____ for _____
❑ Personally known, or ❑ produced the following type of identification: _____
Signature of Notary Public: _____
Print Name: _____
(SEAL)

VERIFICATION PURSUANT TO SECTION 92.525, FLORIDA STATUTES
Under penalties of perjury, I declare that I have read the foregoing and that the facts stated in it are true, to the best of my knowledge and belief.

Signature(s) of Owner(s) or Owner(s)'s Authorized Officer/Director/Partner/Manager who signed above:

By _____ By _____