



Gray Systems Incorporated
LEADING PROFESSIONAL EDUCATION PROGRAMS

Direct contracts require mandatory provisions

Claim of Lien

If you're planning to perform improvements to real property consisting of a single or multiple family dwelling (one to four units) and you're going to earn more than \$2,500, then you're required to provide your client with specific language in your direct contract. The language required is a notice provision.

The notice provision must be printed in no less than a 12-point font, capitalized and in boldfaced type on the front page or your contract, or it may appear on a separate page, and in both cases must be signed by the owner/client and dated.

The language required is found in section 713.015, F.S., and must state exactly -

ACCORDING TO FLORIDA'S CONSTRUCTION LIEN LAW (SECTIONS 713.001-713.37, FLORIDA STATUTES), THOSE WHO WORK ON YOUR PROPERTY OR PROVIDE MATERIALS AND SERVICES AND ARE NOT PAID IN FULL HAVE A RIGHT TO ENFORCE THEIR CLAIM FOR PAYMENT AGAINST YOUR PROPERTY. THIS CLAIM IS KNOWN AS A CONSTRUCTION LIEN. IF YOUR CONTRACTOR OR A SUBCONTRACTOR FAILS TO PAY SUBCONTRACTORS, SUB-SUBCONTRACTORS, OR MATERIAL SUPPLIERS, THOSE PEOPLE WHO ARE OWED MONEY MAY LOOK TO YOUR PROPERTY FOR PAYMENT, EVEN IF YOU HAVE ALREADY PAID YOUR CONTRACTOR IN FULL. IF YOU FAIL TO PAY YOUR CONTRACTOR, YOUR CONTRACTOR MAY ALSO HAVE A LIEN ON YOUR PROPERTY. THIS MEANS IF A LIEN IS FILED YOUR PROPERTY COULD BE SOLD AGAINST YOUR WILL TO PAY FOR LABOR, MATERIALS, OR OTHER SERVICES THAT YOUR CONTRACTOR OR A SUBCONTRACTOR MAY HAVE FAILED TO PAY. TO PROTECT YOURSELF, YOU SHOULD STIPULATE IN THIS CONTRACT THAT BEFORE ANY PAYMENT IS MADE, YOUR CONTRACTOR IS REQUIRED TO PROVIDE YOU WITH A WRITTEN RELEASE OF LIEN FROM ANY PERSON OR COMPANY THAT HAS PROVIDED TO YOU A "NOTICE TO OWNER." FLORIDA'S CONSTRUCTION LIEN LAW IS COMPLEX, AND IT IS

The beginning of the contractor-owner relationship requires an understanding of a complicated area of law, but rest assured the required language is designed to protect everyone. The notice provision will help you get paid for your services and it will clearly notify your client that you have the right to enforce your claim for payment of your services against his or her real property in the event of a default on payment to you.

If you have entered into an oral agreement with a client for services be sure to provide the required notice provision in a written document and have your client sign and date the document.

[Click to read the statute](#)