

Understanding Florida's Lien Laws

This is not to be construed as legal advice, contact a competent real estate attorney to understand the law. This resource is presented as an overview.

Florida is a lien state. This means that any contractor or labor men that does work on your property or home, has the right to lien the property for work they provided, if they are not paid.

In order to protect yourself and your property, it is vital to file a Notice of Commencement with the County. A Notice of Commencement is a document that states the property address, description of work being performed, the property owner's information, and is required to be notarized. It then needs to be filed and recorded with the County in which the home is located. This is your notice to the world; this information is now available to anyone searching for it.

Depending on the municipality in which your home is located, and permit is issued, a Notice of Commencement is required before any inspections can take place. It should be filed first thing once you have the builder or even if you are contracting the work yourself.

Now that the Notice of Commencement is filed and recorded, any contractors or labor men that wish to take advantage of their legal rights, will be able to look up the information (as it is public record) and will file and record their own form called a Notice to Owner. A Notice to Owner is a legal form mailed (typically Certified Mail) to notify the owner that they are on the property performing work. This protects them in the way of making sure that they are paid for the work. In the event that the contractor (or supplier) is not paid, they have the right to file a Claim of Lien. This is a lien on your property, which means your property is being used as collateral essentially to collect the debt owed. You will be limited as to what you can do with your property (for example: selling your home) until the payments are made and/or the lien is otherwise satisfied.

That being said, once the Notice of Commencement is filed and recorded, you will begin to receive copies of Notice to Owners as they are filed and recorded by contractors, sub-contractors and suppliers working on your property. Save and/or file these so that you know which contractors you need to make sure are released from their lien rights as they get paid.

In order to ensure that the contractor's payments are satisfied, and no Claim of Liens are filed, as payments are made through the job, a Release of Lien must be signed by the contractor/supplier for each progress payment and final payment. This releases their right to lien for work performed up to the date on the release. All progress payments that are paid to the contractor must sign a Partial Release of Lien. Once the job has been completed, then a Final Release of Lien must be signed. This completely and fully releases their right to lien your property.

Once all contractors who have filed a Notice to Owner have been fully paid and have all signed Final Releases of Lien, then a Notice of Termination is to be filed and recorded with the County for your property. The Notice of Termination states that all contractors who filed a Notice to Owner on your property have been paid for the work described, and that the project is completed. This ends the lien right. No other contractors will be able to file a legitimate Notice to Owner on this project once the Notice of Termination has been properly filed and recorded.

The above is an interpretation of 2022 Florida Statute Chapter 713. You may google the entire Statue.