

Distribution	SUBJECT	Date
	NOTICE TO OWNER	09-01-2014

A **Notice to Owner** may be filed by a supplier who is providing materials to a Subcontractor. Examples of this are air-conditioning compressors sold to the air-conditioning contractor or pipe being sold to the site work contractor. The supplier of the compressors or the pipe has a right to file a Notice to Owner which is sent to both the General Contractor and the Owner.

State laws provide that the supplier may collect for these materials from both the Owner and/or the General Contractor even if the Subcontractor has been paid in full! Therefore it is necessary that proper procedures be followed to ensure this does not happen.

The steps to be taken upon receipt of a Notice to Owner are as follows:

1. Upon receipt, C.S. sends a letter to the supplier, certified mail/return receipt requested.
2. C.S. files copy of the Notice to Owner and the letter in the Subcontractor's file.
3. C.S. sends a letter to the Subcontractor, certified mail/return receipt requested, notifying him that he will need to provide lien waivers from the vendor filing the Notice to Owner each month prior to disbursement of his check.
4. C.S. shall maintain an additional separate file for each Notice to Owner in the 441 file for the project. Each file shall have an index and the documents shall be filed per the index.
5. All accounting copies of the Purchase Orders issued to the Subcontractor shall be stamped by AP with a "Joint Check To _____" with the name of the supplier or vendor sending the Notice to Owner.
6. The checks for the Subcontractor shall be memorized in QuickBooks as **joint checks**.
7. Lien Waivers from both the Subcontractor and vendor must be received prior to the release of the Subcontractor's check.
8. A joint check shall be issued made payable to both the Subcontractor and the supplier/vendor as dual payees. CS shall type on the front of each check: **"This is a joint check. Two signatures are required."** CS will type on the back of the check, "Two signatures are required." A line shall be provided with the Subcontractor's name below it and another line for the vendor's name typed below it.

EXAMPLE

NOTICE TO OWNER
FILE INDEX - RIGHT SIDE

Vendor Name: City Electric Supply Co.

Subcontractor Name: Tucci & Family Co. Inc. DBA T&F Electric

Project: Rolling Hills Apartments

	DATE	COMMENTS
Final "Account Closed/Paid in Full" Letter	_____	_____
Signed Final Lien Waiver	_____	_____
Signed Lien Waivers	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
Signature Authorization Letter	_____	_____
Vendor Statement of Account	_____	_____
FDC Response Letter to Lienor (w/Certified Mail Receipt Attached	<u>11-26-13</u>	_____
Subcontractor Letter (w/Certified Mail Receipt Attached)	<u>11-26-13</u>	_____
Original Notice to Owner	<u>11-22-13</u>	_____

EXAMPLE

November 25, 2013

Tucci & Family Co., Inc. DBA T&F Electric
1737 SW Big Tree Rd.
Dunnellon, FL 34431

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7012 1010 0002 5733 8497
and U.S. MAIL

**RE: Rolling Hills Apartments
Dunnellon, Florida**

Dear Mr. Tucci:

You are hereby notified that we have received the attached Notice to Owner from City Electric Supply Co., who claims to be supplying materials to the above job site.

You are hereby notified that we will require you to provide us with an executed Waiver of Lien from this supplier **prior** to release of your check each month. We are writing this letter in hopes that it will help you avoid any unnecessary delays in receiving your check.

Sincerely,
FLYNN DEVELOPMENT CORPORATION

Thomas F. Flynn
President

DIRECT LINE 727-449-1182 EXT. 211

TFF/kif

Enclosure

C-310-B

kif[76]Tucci & Family 112513

EXAMPLE

November 25, 2013

City Electric Supply Co.
Attn: North Division
PO Box 609521
Orlando, FL 32860

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7012 1010 0002 5733 8503
AND U.S. MAIL

**RE: Demand for Copy of Contract & Demand for Sworn Statement of Account
Rolling Hills Apartments, Dunnellon Florida**

Dear Ms. Fetchen:

RHHR, Ltd. (the "Owner") is in receipt of your recently furnished Notice to Owner or has otherwise become aware that you are furnishing labor, material, or other services for the above described-property.

Please provide Owner with a copy of your contract regarding the above-described property.

The Owner also hereby demands a written statement under oath of your account showing the nature of the labor or services performed and to be performed, if any, the materials furnished, the materials to be furnished, if known, the amount paid on account to date, the amount due, and the amount to become due, if known, as of the date of the statement for the improvement of real property identified above.

WARNING: YOUR FAILURE TO FURNISH THE REQUESTED STATEMENT, SIGNED UNDER OATH, WITHIN 30 DAYS OR THE FURNISHING OF A FALSE STATEMENT WILL RESULT IN THE LOSS OF YOUR LIEN.

Sincerely,
RHHR, Ltd.

Thomas F. Flynn
Agent

DIRECT LINE 727-449-1182 EXT. 211

TFF/klf