

FLORIDA HOMEOWNER'S ¹ GUIDE TO HIRING AND MANAGING A RESIDENTIAL CONTRACTOR

*Complete Checklist & Legal Reference for Construction
Projects*

LEGAL DISCLAIMER: This guide is for educational purposes only and does not constitute legal advice. Florida construction law is complex and fact-specific. Consult with a licensed Florida attorney for advice regarding your specific situation. All statutory references are current as of 2024-2025 and should be verified for updates.

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1. Quick-Start Checklist

Complete these steps BEFORE signing any contract or paying any money:

- ☐ Verify active license at MyFloridaLicense.com (§ 489.1195)
- ☐ Check for disciplinary history with DBPR
- ☐ Verify business entity at Sunbiz.org
- ☐ Confirm workers compensation and liability insurance
- ☐ Get at least three written estimates
- ☐ Check references from recent projects (within 12 months)
- ☐ Visit at least one completed job site if possible
- ☐ Review contract with attorney before signing
- ☐ Ensure contract includes all required Florida terms (see Sect. 4)
- ☐ Verify deposit does not exceed 10% or understand § 489.126 requirements
- ☐ Confirm payment schedule ties to work completed, not calendar dates
- ☐ Get lien waivers template included in contract
- ☐ Establish written communication protocol
- ☐ Document pre-construction condition with photos/video

2. Vet the Contractor

Step-by-Step License Verification: Visit [MyFloridaLicense.com](https://myfloridalicense.com)

- Click "Verify a License"
- Search by license number or name
- Verify the contractor's license status, classification, qualifying agent, disciplinary history, and whether the license authorizes the proposed scope. Verify ALL the following: Status shows "Active" or "Current" "License type matches your project scope"
 - License Division (I or II) is appropriate for project size
 - No disciplinary actions or complaints
 - Address matches business address provided to you
 - Expiration date is current and will cover project duration

License Types You May Encounter:

- **Certified General Contractor (CGC):** Unlimited scope of work
- **Certified Building Contractor (CBC):** Buildings only, unlimited value
- **Certified Residential Contractor (CRC):** Residential only, unlimited value
- **Registered Contractors:** Limited to specific trade or project values under \$50,000

Business Entity Verification:

After license verification, cross-check business registration:

- Visit [Sunbiz.org](https://sunbiz.org) (Florida Division of Corporations)

- Search for business name or entity number and verify all the following information: Entity status is "Active"
 - Principal address matches
 - Registered agent information is current
 - Annual report is up to date
 - Business name matches license exactly

3. Compare Bids and Select Scope

Ask these questions during initial consultation. Document all answers in writing.

Experience & Qualifications

- How many years in business? Can you provide proof?
- How many projects like mine have you completed in the last 12 months?
- What percentage of your work is in this specific type of project?
- Are you licensed, bonded, and insured? May I see current certificates?
- Do you have workers' comp insurance? (Get certificate if yes; get exemption documentation if not)
- Who will be the on-site supervisor? What are their qualifications?

Project Management

- Will you use subcontractors? If yes, are they licensed and insured?
- May I have a list of all subcontractors with license numbers?
- Who will obtain permits? When will they be pulled?
- What is your typical project timeline for this scope of work?
- How do you handle delays due to weather, material shortages, etc.?

Will you provide a detailed written schedule with milestones?

Financial & Payment

3. Compare Bids and Select Scope 7

- What is your payment schedule? Is it tied to work completed or calendar dates?
- Do you require a deposit? If yes, how much? (Note: >10% triggers § 489.126)
- Will you provide lien waivers from all subcontractors with each payment?
- What happens if I am not satisfied with work before making a payment?
- Do you offer any warranties beyond legal requirements?
- What is your policy on change orders?

Communication & Documentation

- Who is my primary point of contact?
- How often will you provide progress updates?
- How do you prefer to communicate? (email, phone, text, app)
- Will you provide daily/weekly written progress reports?
- How do you document change orders and approvals?
- What is your response time for questions or concerns?

References & Past Work

- Can you provide 5 references from projects completed in the last 12 months?
- May I visit a current or recently completed job site?
- Have you ever had a complaint filed with DBPR? If yes, what was the outcome?
- Have you ever had a lien filed against a property? If yes, explain.
- Have you ever filed for bankruptcy? If yes, when and explain.
- Are there any judgments against you or your business?

▶ **RED FLAG:** If a contractor refuses to answer any of these questions or becomes defensive, consider this a serious warning sign.

3. Contract Essentials

Every construction contract in Florida should include these elements:

Required Legal Components:

Complete scope of work: Detailed description of all work to be performed, materials to be used (brand, model, quality grade), and specifications

Total contract price: Clear breakdown of costs including labor, materials, permits, and any allowances

Payment schedule: Specific amounts tied to completion milestones, NOT calendar dates

Start and completion dates: Realistic timeline with specific dates and milestone dates

Contractor license number: Must match active license (§ 489.129)

Cancellation may be limited: : Florida's three-business-day cancellation right generally applies to qualifying home-solicitation sales. Whether it applies to a particular construction agreement depends on how and where the sale was made and other statutory conditions. Do not assume a cancellation right applies; review the agreement and obtain legal advice promptly if you are considering cancellation.

(§ 501.025)

Lien law notice: Required warning about construction liens per § 713.015

Change order procedure: Process for handling changes to scope or price

Warranty terms: Explicit warranties beyond implied warranties

Dispute resolution: Arbitration, mediation, or court procedures

Permit responsibility: Who pulls permits and pays permit fees

Insurance requirements: Proof of liability and workers comp insurance

Cleanup responsibilities: Daily and final cleanup obligations

Project supervision: Who will supervise and their qualifications

Subcontractor disclosure: List of subcontractors and their licenses

Terms to Watch For (Potentially Problematic):

- **Mandatory arbitration clauses:** You may waive your right to sue in court. Consult an attorney.
- **Liquidated damages:** Pre-determined penalty amounts that may be excessive.
- **"Time is of the essence" language:** Makes deadlines strictly enforceable.
- **Waiver of consequential damages:** You may not recover for business losses, relocation costs, etc.
- **Attorney fee provisions:** Determine who pays legal fees if dispute arises.
- **Open-ended completion dates:** Like "within reasonable time" - get specific dates.
- **Vague material specifications:** Like "builder grade" - demand specific brands/models.
- **Front-loaded payment schedule:** Payments should match completed work, not favor contractor.
- **No lien waiver requirement:** Always require waivers from contractor AND subcontractors.
- **Automatic renewal or extension clauses:** Read carefully to avoid unintended obligations.

The 10% Deposit Rule (§ 489.126):

Critical Legal Requirement: If you pay a deposit exceeding 10% of the contract price, Florida law imposes additional requirements. Except in a few exceptions the contractor **MUST**:

Apply for all required permits within 30 days of initial payment
, AND
Begin work within 90 days of permit issuance

If those obligations are not met, the owner must follow written demand procedure and this could trigger license suspension under § 489.126

PRACTICAL ADVICE: Keep initial deposit at or above 10% whenever possible. This protects you and keeps the contractor motivated to start promptly.

Before you Sign

- ☐ Make sure you receive the following:
- ☐ detailed written proposal, plans, and specifications incorporated by reference;
- ☐ contractor license verification result and business-entity record;
- ☐ certificates of insurance, including carrier/agent contact information and policy dates;
- ☐ proposed payment schedule and any financing documents;
- ☐ permit responsibility and permit estimate;
- ☐ written warranty and manufacturer warranty documents;
- ☐ list of anticipated subcontractors and suppliers, when available;
- ☐ proposed start date, substantial-completion date, and delay-notice process;
- ☐ dispute-resolution and attorney-fee clauses.

A note about insurance: certificate of insurance may not establish coverage for the project. You should ask the issuing agent to confirm that the policy is in force and to determine whether the

contractor has workers' compensation coverage, a valid exemption, or another legally applicable status. You should also check their own property insurer before work begins, particularly for major renovation, vacant property, roof work, or water intrusion risk.

5. Documentation Best Practices

Proper documentation is your best protection if disputes arise.

Before Construction Starts:

- Photograph/video entire project area from multiple angles
- Document existing conditions including walls, floors, ceilings, landscaping, driveways
- Save original signed contract and all amendments in both paper and digital format
- Create project binder or digital folder with organized sections
- Get copies of all insurance certificates
- Get copy of building permits before work begins

During Construction:

- Take daily photos of work progress (use phone with date/time stamp)
- Keep written log of daily activities, workers on-site, and weather
- Save all text messages and emails with contractors
- Document any verbal conversations in follow-up email ("confirming our discussion today...")
- Collect lien waivers before making each payment
- Save all invoices and receipts
- Document any issues or concerns immediately in writing
- Keep copies of all change orders with signatures
- Note any deviations from contract or plans
- Record names and license numbers of subcontractors who appear on-site

Document Organization System:

Create folders (physical or digital) for each category:

- Contract & Amendments
- Permits & Approvals
- Insurance Certificates
- Payment Records & Lien Waivers
- Change Orders
- Correspondence (emails, texts, letters)
- Photos & Videos (organized by date)
- Daily Log
- Invoices & Receipts
- Product Specifications & Warranties
- Inspection Reports
- Problems & Resolutions

PRO TIP: Use cloud storage (Google Drive, Dropbox) with date-stamped files. This creates automatic backup and time-stamp evidence.

6. Payment Guidelines & Legal Protection

Golden Rules of Payment:

Never pay in advance for work not yet performed: Payments should be earned, not anticipated

Tie payments to completed milestones, not dates: Pay for what you can see and verify

Never make final payment until project is 100% complete: Keep 10-15% as leverage

Always get lien waivers before paying: From both contractor AND subcontractors AND supplier that sent you a Notice of Owner and is being paid from that payment. [Fla. Stat. § 713.015](#)

Pay by check or with credit card, never cash: Create paper trail and payment protection

Document payment purpose on check memo: Write "Progress Payment #3 - Framing" etc.

Recommended Payment Schedule:

- **Initial deposit:** 10% or less upon signed contract
- **Foundation complete & inspected:** 15% upon approval
- **Framing/rough-in complete & inspected:** 25% upon approval
- **Mechanicals complete & inspected:** 20% upon approval
- **Interior finishes substantial completion:** 15% upon verification
- **Completion with certificate of occupancy:** 10% after walk through
- **Final retention after punch list:** 5% after all items corrected (30 days max)
-

Lien Waivers Explained:

What is a lien waiver? A legal document where the contractor or subcontractor waives their right to file a construction lien on your property in exchange for payment.

Before each payment:

- Ask the contractor for a list of every subcontractor and supplier that has sent you a **Notice to Owner**.
- Ask for a lien waiver from the contractor and from each listed company that is being paid for that payment.
- Make sure each waiver identifies your project, the payment amount or payment period, and the company signing it.
- Keep the waivers with your contract, invoices, payment records, and Notices to Owner.

Four types of lien waivers in Florida:

Conditional Waiver on Progress Payment: Waives lien rights upon receipt of a progress payment check

Unconditional Waiver on Progress Payment: Waives lien rights immediately; only use after check clears

Conditional Waiver on Final Payment: Waives lien rights upon receipt of final payment check

Unconditional Waiver on Final Payment: Waives all lien rights; only use after final check clears

 **CRITICAL:** Get lien waivers from BOTH the general contractor AND all subcontractors/suppliers. A contractor lien waiver does NOT prevent subcontractors from filing liens.

Florida Recovery Fund (§ 489.140-143):

If you suffer financial loss due to contractor misconduct, you may recover from the Florida Homeowners' Construction Recovery Fund*

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Division I contractors (CBC, CGC, CRC): Maximum \$100,000 per claim

Division II contractors (Registered): Maximum \$30,000 per claim

Aggregate caps per contractor: Division I \$2,000,000; Division II \$600,000

Claims must be filed within specific timeframes after final judgment

You must exhaust other remedies first (sue contractor, get judgment, attempt collection)

Contact DBPR for Recovery Fund claim forms: (850) 487-1395

*It is important to note that the Florida Recovery Fund is not a substitute for insurance or an automatic remedy.

7. Project Timeline Expectations

Understanding realistic timelines helps you identify delays early.

Typical Timelines by Project Type:

These are general ranges and can vary based on complexity, weather, permitting, and material availability:

- **Small repair/patch job:** 1-3 days
- **Bathroom renovation:** 3-6 weeks
- **Kitchen renovation:** 6-12 weeks
- **Room addition (< 500 sq ft):** 3-6 months
- **Major addition (> 500 sq ft):** 6-12 months
- **New home construction:** 8-18 months
- **Roof replacement:** 1-5 days
- **Pool construction:** 8-16 weeks
- **HVAC replacement:** 1-3 days
- **Whole-house remodel:** 4-9 months

Milestone Timeline Components:

A proper schedule should include:

- Permit application and approval period (2-6 weeks typical)
- Material ordering and delivery lead times
- Demolition phase (if applicable)
- Foundation/structural work
- Rough-in phases (plumbing, electrical, HVAC)
- Inspection periods (allow 2-5 days per inspection)
- Finish work and installation
- Final inspections and certificate of occupancy
- Punchlist completion period (7-14 days)
- Final walkthrough and acceptance

Acceptable vs. Unacceptable Delays:

Typically acceptable reasons for delay:

- ✓ Permitting delays by government agency beyond contractor control
- ✓ Weather preventing exterior work for safety reasons
- ✓ Material backorders or supply chain disruptions (with documentation)
- ✓ Hidden conditions discovered (mold, structural issues) requiring plan revision
- ✓ Required inspection failures necessitating corrective work

Typically unacceptable reasons for delay:

- X Contractor scheduling conflicts or taking on too many projects
- X Contractor failure to order materials on time
- X Contractor failure to schedule inspections promptly
- X Repeated no-shows with no communication
- X Subcontractor coordination failures
- X Payment disputes due to quality issues

ADVICE: Require contractor to notify you in writing within 48 hours of any anticipated delay and provide explanation and revised timeline.

8. Budget Planning & Contingencies

Realistic Budget Components:

- **Base construction cost:** The contractor bid for labor and materials
- **Permit fees:** 0.5-2% of project cost typically
- **Design/architectural fees:** 5-15% if using architect or designer
- **Engineering fees:** If structural calculations needed (\$500-5,000+)
- **Contingency fund:** 10-20% for unexpected issues
- **Allowances:** For owner-selected items (fixtures, finishes)
- **Temporary housing/storage:** If you must vacate during construction
- **Landscaping restoration:** Often overlooked - budget 3-5% of project

The 20% Contingency Rule:

Why you need a contingency: Construction almost always reveals unexpected conditions. Budget at minimum 10-15% over the contract price for:

- Hidden damage discovered during demolition
- Code compliance upgrades required by inspector
- Material price increases during long projects
- Scope creep (your changes and additions)
- Unforeseen site conditions
- Extended timeline costs (temporary housing, storage)

Cost-Saving Strategies (Without Sacrificing Quality):

- Get multiple bids and compare apples-to-apples

- Serve as your own general contractor if experienced (save 15-25%)
- Provide some labor yourself for non-skilled tasks (demo, painting, cleanup)
- Purchase your own fixtures and materials (verify contractor approval first)
- Schedule project during contractor slow season
- Avoid peak construction season (spring/summer in Florida)
- Choose standard sizes for windows, doors, cabinets (custom is 30-50% more)
- Use quality mid-range materials instead of luxury premium
- Postpone purely cosmetic upgrades to phase 2
- Reuse existing materials where feasible (doors, fixtures, trim)

 **DO NOT SAVE MONEY BY:** Hiring unlicensed contractors, skipping permits, using cheapest bid without vetting, eliminating contract protections, or waiving inspections.

9. Communication Protocol

Clear communication prevents most construction disputes.

Establish These Expectations in Writing:

- Primary point of contact (name, phone, email)
- Preferred communication methods (email, text, phone, app)
- Expected response time for non-emergency questions (24 hours reasonable)
- Emergency contact information and definition of "emergency"
- Progress update frequency (daily, weekly, or milestone-based)
- Access to project site (will you be present? need notification? have key?)
- Work hours and days (noise considerations for neighbors)
- Notification requirements before subcontractors arrive
- How change orders will be communicated and approved
- Photo documentation frequency and sharing method

Communication Best Practices:

For Homeowners:

- Put everything in writing, even if discussed verbally
- Use email or text for paper trail (avoid phone-only discussions)
- Send confirmation emails after any verbal conversation
- Be specific and clear in requests
- Respond promptly to contractor questions to avoid delays
- Do not change scope verbally - always use change order process
- Keep emotions in check even when frustrated
- Document problems with photos before calling
- Give contractor reasonable opportunity to correct issues
- Escalate through proper channels (see Section 14)

What to Request Regularly:

- Weekly progress photos with date stamps
- Updated schedule showing status vs. planned

- Notice of upcoming inspections (so you can attend if desired)
- List of subcontractors scheduled for upcoming week
- Material delivery schedules
- Permit inspection results
- Any issues or concerns contractor has identified
- Upcoming decisions you need to make

10. Red Flags & Warning Signs

Pay attention to these warning signs, as they may be red flags.

Before Signing Contract:

-  Refuses to provide license number or says "it is being renewed"
-  Pressures you to sign immediately or offer "today only" discounts
-  Requests large upfront payment (more than 10% deposit)
-  Bid is significantly lower than other bids (30%+ difference)
-  Will not provide references or provided references are vague
-  No physical business address, only P.O. box or cell phone
-  Offers to "save you money" by skipping permits
-  Cannot provide proof of insurance
-  Uses high-pressure sales tactics or scare tactics
-  Contract terms are vague or incomplete
-  Asks you to get the permits
-  Accepts only cash payment
-  Recently filed for bankruptcy
-  Defensive when asked standard questions
-  No written contract, only verbal agreement

During Construction:

-  Repeatedly does not show up without notice
-  Work quality is visibly poor or sloppy

-  Workers appear unlicensed or inexperienced
-  No permits visible on job site
-  Requests payment ahead of work performed
-  Refuses to provide lien waivers
-  Will not schedule required inspections
-  Uses obviously inferior materials than specified
-  Project is significantly behind schedule with no explanation
-  Subcontractors contact you about non-payment
-  Contractor becomes difficult to reach
-  Work site is unsafe (no fall protection, exposed wiring, etc.)
-  Contractor asks you to pay suppliers directly
-  Change order prices are vastly inflated
-  Threatens to put lien on your house if you do not pay immediately
-  Defensive or aggressive when you point out problems
-  Work does not match plans or contract
-  Fails inspections repeatedly

What to Do When You See Red Flags:

If you spot red flags BEFORE signing:

- Walk away. There are other contractors.
- Trust your instincts.
- Report unlicensed contractors to DBPR.

If you spot red flags AFTER signing:

- Document everything thoroughly (photos, written records)
- Send written notice of concerns via email and certified mail
- Give contractor reasonable time to correct (48-72 hours for minor, longer for major)
- Hold payment if work is not performed or defective

- Consult with construction attorney immediately
- File complaint with DBPR if license violations suspected
- Consider terminating contract if serious (consult attorney first)
- Do NOT abandon projects or stop communicating

11. Change Order Management

What is a Change Order?

A written modification to the original contract that changes:

- Scope of work (adding, removing, or altering work)
- Contract price (increases or decreases)
- Project timeline (extensions or accelerations)
- Materials or specifications (upgrades or substitutions)

Why Change Orders Matter:

- Protects both parties by documenting agreed changes
- Prevents "scope creep" and billing disputes
- Creates legal record if dispute arises
- Clarifies exactly what is being changed and why
- Documents price and timeline impacts

Required Elements of Valid Change Order:

Change order number (sequential numbering)

Date of change order

Description of the change

Reason for the change

Price adjustment (increase, decrease, or none)

Schedule impact (days added or subtracted)

Updated total contract price

Updated completion date

Both parties signatures

Date signed

Change Order Best Practices:

Never approve changes verbally - always in writing

- Get price quote BEFORE approving the change
- Understand schedule impact before proceeding
- Be aware that change orders are typically profitable for contractors
- Get multiple quotes for major changes if possible
- Review cumulative change order impact regularly
- Keep all change orders in chronological order
- Verify change order work is completed before final payment
- • Do not rush - take time to review before signing
- • If contractor says "unexpected condition" verify it truly was unforeseeable

Common Change Order Scenarios:

- **Owner-requested upgrades:** You decide you want higher-end materials or additional features
- **Hidden conditions:** Contractor discovers rot, mold, structural issues, or outdated systems during demo
- **Code compliance:** Inspector requires additional work to meet current building codes
- **Design errors:** Plans contain mistakes or omissions that must be corrected
- **Site conditions:** Unexpected utilities, easements, or property line issues
- **Material unavailability:** Specified products discontinued or backordered, substitution needed

 **WATCH OUT:** Excessive change orders (especially in the first 30 days) may indicate poor planning by contractor or intentional low-balling of original bid. A well-planned project should have minimal change orders.

12. Final Walkthrough Checklist

Complete this walkthrough BEFORE making final payment.

Scheduling the Walkthrough:

- Schedule during daylight hours for best visibility
- Allow 2-4 hours for thorough inspection
- Bring camera, flashlight, and notepad
- Have contractor present to answer questions
- Consider hiring independent inspector for large projects

Walkthrough Inspection Areas:

Exterior:

- ☐ Roof: shingles flat, flashing secure, no visible damage
- ☐ Gutters and downspouts: secure, properly pitched, no leaks
- ☐ Siding: even, no gaps, properly sealed
- ☐ Windows: open/close smoothly, locked properly, no cracks
- ☐ Doors: open/close/lock properly, weatherstripping intact
- ☐ Paint: even coverage, no drips, clean edges
- ☐ Concrete: no major cracks, proper drainage, smooth finish
- ☐ Landscaping: restored to original or better condition
- ☐ Drainage: water flows away from house
- ☐ Mailbox, light fixtures, outlets: functional and secure

Interior:

- ☐ Walls: smooth, no cracks, paint even, no visible seams
- ☐ Ceilings: no cracks, stains, or sags
- ☐ Floors: level, no squeaks, transitions smooth
- ☐ Doors: open/close/latch properly, hinges tight
- ☐ Windows: open/close/lock, no drafts
- ☐ Trim: tight joints, no gaps, properly nailed
- ☐ Paint: even, clean lines, no drips or missed spots

- ☐ Countertops: level, secure, no chips
- ☐ Cabinets: doors align, drawers slide smoothly, hardware tight
- ☐ Tile: even grout, no hollow spots, pattern correct

Plumbing:

- ☐ All faucets: hot/cold water flows properly, no leaks
- ☐ Toilets: flush properly, no leaks, stable
- ☐ Showers/tubs: drain properly, no leaks, water pressure good
- ☐ Under sinks: check for leaks, proper connection
- ☐ Water heater: functioning, temperature set correctly
- ☐ Appliances: dishwasher, refrigerator ice maker working
- ☐ No water stains on ceilings or walls
- ☐ All drains clear and fast-draining

Electrical:

- ☐ All switches: turn lights on/off properly
- ☐ All outlets: test with plug tester, proper voltage
- ☐ Light fixtures: installed securely, bulbs work
- ☐ GFCI outlets: test trip button, resets properly
- ☐ Appliances: all functioning properly
- ☐ HVAC: heating and cooling both work
- ☐ Breaker panel: labeled clearly, no hot breakers
- ☐ Smoke/CO detectors: installed and working

HVAC:

- ☐ System turns on and produces heat/cool
- ☐ Air flows from all vents
- ☐ Thermostat responds properly
- ☐ No strange noises or odors
- ☐ Air filter installed
- ☐ Condensation drain clear
- ☐ Outdoor unit secure and level

General:

- ☐ All work matches plans and contract
- ☐ Work site completely cleaned
- ☐ No damage to existing property
- ☐ All debris removed
- ☐ All permits finalized and posted
- ☐ Certificate of Occupancy obtained (if required)
- ☐ All required inspections passed
- ☐ No visible defects or incomplete work

Creating the Punch list:

Document all issues found during walkthrough:

- Use specific descriptions ("Bedroom 2 outlet not working" not "outlet broken")
- Take photos of each issue
- Note location clearly
- Indicate severity: Critical (must fix) vs. Minor (cosmetic)
- Get contractor to sign acknowledging punch list
- Set deadline for completion (typically 7-14 days)
- Schedule follow-up inspection
- Withhold 5-10% of final payment until punch list is completed

Final Payment Conditions:

Only make final payment when ALL of these conditions are met:

- ✓ All punch list items corrected
- ✓ All required inspections passed
- ✓ Certificate of Occupancy received (if applicable)
- ✓ Final lien waivers from contractor AND all subcontractors
- ✓ All product warranties and manuals provided
- ✓ All permits closed out
- ✓ Site completely cleaned and restored
- ✓ All contract terms fulfilled

13. Normal vs. Not Normal in Construction

Understanding what is typical helps you identify real problems.

NORMAL Construction Experiences:

- **Dust and debris during construction:** NORMAL - expect construction mess daily; full cleanup at end
- **Nail pops into the new drywall within first year:** NORMAL - settling; should be repaired under warranty (verify this in your contract).
- **Minor paint touch-ups needed:** NORMAL - small chips or spots during construction
- **Project running 1-2 weeks behind schedule:** NORMAL - if weather, permits, or unforeseen issues
- **Some change orders:** NORMAL – although it varies, 2-5 change orders is typical for medium projects
- **Inspector requires corrections:** NORMAL - first inspection often catches minor items
- **Subcontractor turnover:** NORMAL - different trades work different phases
- **Daily schedule variations:** NORMAL - crews adjust based on workflow
- **Some material substitutions:** NORMAL - if approved by you and of equal quality
- **Learning curve on new products:** NORMAL - even experienced contractors encounter new materials
- **Minor plumbing leaks during initial testing:** NORMAL - fixed before final
- **Exterior work paused during rain:** NORMAL - safety and quality requirement

NOT NORMAL Construction Experiences:

- **No work happening for weeks:** NOT NORMAL - contractor should explain extended absences
- **Repeated no-shows with no communication:** NOT NORMAL - shows lack of professionalism
- **Extremely poor workmanship:** NOT NORMAL - work should meet industry standards
- **No permits or inspections:** NOT NORMAL - permits required for structural, electrical, plumbing
- **Subcontractors asking you for payment:** NOT NORMAL - indicates contractor not paying subs
- **Project months behind with no explanation:** NOT NORMAL - unreasonable delay
- **Excessive change orders early in project:** NOT NORMAL - indicates poor initial planning
- **Work does not match contracts or plans:** NOT NORMAL - scope change requires your approval
- **Contractor avoids or refuses inspections:** NOT NORMAL - suggests quality or permit problems
- **Materials are obviously wrong grade:** NOT NORMAL - contractors should use specified materials
- **Safety violations (no fall protection, exposed wiring):** NOT NORMAL and should warrant contacting the contractor, local authority, or appropriate government agency.
- **Aggressive or threatening behavior:** NOT NORMAL - never acceptable
- **Contractor demands payment before work is done:** NOT NORMAL - payment should follow completion
- **Contractor disappears mid-project:** NOT NORMAL - abandonment is license violation

WHEN TO WORRY: Trust your instincts. If something feels wrong, document it and raise concerns in writing immediately. Early intervention prevents major problems.

14. Early Warning Signs of Serious Trouble

These signs indicate potential project failure or contractor default:

Financial Red Flags:

-  Supplier or subcontractor calls you about unpaid bills
-  Contractor requests payment significantly ahead of work performed
-  Materials arriving are cheaper grades than specified
-  Work slows dramatically after payment received
-  Contractor asks for emergency advance due to "cash flow problems"
-  Notice of lien recorded on your property
-  Contractor checks bounce
-  Contractor asks you to pay suppliers/subcontractors directly

Quality & Safety Red Flags:

-  Work is clearly substandard or unprofessional
-  Contractor refuses to fix obvious problems
-  Inspections fail repeatedly
-  No permits visible on job site
-  Workers appear unlicensed, inexperienced, or unsafe
-  OSHA safety violations visible
-  Structural work without engineer approval
-  Electrical work by non-licensed electrician

Communication & Behavior Red Flags:

-  Contractor becomes difficult or impossible to reach
-  Aggressive, threatening, or intimidating behavior
-  Refuses to provide documentation you are entitled to
-  Makes excuses for why work is not progressing
-  Blames everyone else (you, subs, suppliers, inspectors)
-  Becomes defensive when you ask legitimate questions

-  Project abandoned with no communication

Escalation Path When Trouble Arises:

Follow these steps in order:

Step 1: Document the problem: Photos, written description, dates, witnesses

Step 2: Notify contractor in writing: Email AND certified mail, be specific, set deadline for response (48-72 hours reasonable)

Step 3: Withhold payment: For defective or incomplete work only; state reason in writing

Step 4: Demand meeting: Face-to-face discussion to resolve; bring documentation

Step 5: Consult attorney: Before terminating contract or filing suit

Step 6: Send formal notice to cure: Attorney sends notice giving contractor final chance to correct (typically 7-15 days)

Step 7: File DBPR complaint: If license violations suspected (see Section 15)

Step 8: Consider termination: Only with attorney guidance; follow contract terms

Step 9: File lawsuit: For breach of contract, negligence, fraud

Step 10: Seek Recovery Fund claim: After obtaining judgment (see Section 6)

 **CRITICAL:** Do NOT abandon the project or stop all communication. Continue documenting and following contract terms even while disputing. Consult attorney before taking major action like termination or stopping payment.

15. Important Contacts & Resources

Florida Department of Business & Professional Regulation (DBPR):

Main phone: (850) 487-1395

Website: MyFloridaLicense.com

File complaint online: MyFloridaLicense.com/complaint

What DBPR handles:

- License verification
- Complaints against licensed contractors
- Unlicensed activity reports
- Recovery Fund claims
- License disciplinary actions
- Consumer education

Local Building Department:

Find your local building department:

- Google "[Your City/County] Building Department"
- Check permits and inspection records
- Report unpermitted work
- Request inspection schedules

Legal Resources:

Florida Bar Lawyer Referral Service:

Phone: 1-800-342-8011

Website: FloridaBar.org

Find construction litigation attorneys:

- Search for "construction lawyer" + your city
- Ask for free initial consultation
- Look for attorneys with construction law experience

Better Business Bureau (BBB):

Website: BBB.org

- Check contractor ratings and reviews
- File complaints
- Request mediation services

Other Useful Resources:

- **Sunbiz.org:** Florida business entity search
- **ClerkOfCourt.com:** County-specific; search civil cases and liens
- **Florida Building Code:** FloridaBuilding.org
- **OSHA (Safety Complaints):** 1-800-321-6742
- **Legal Aid Services:** FloridaLawHelp.org (for low-income assistance)

When to Call Each Resource:

- **DBPR:** License issues, contractor abandonment, fraud, Recovery Fund claims
- **Building Department:** Unpermitted work, failed inspections, safety violations, code questions
- **Attorney:** Before terminating contract, filing suit, major disputes, lien issues
- **BBB:** General complaints, mediation requests, contractor research
- **OSHA:** Serious safety violations putting workers at risk

16. Legal Glossary

Key terms you will encounter in Florida construction law:

- **Affidavit:** Written statement made under oath, penalty of perjury
- **Certificate of Occupancy (CO):** Official document permitting building occupancy after final inspection
- **Change Order:** Written modification to original contract scope, price, or timeline
- **Construction Lien:** Legal claim against property for unpaid construction work or materials
- **Contingency:** Budget reserve for unexpected costs (typically 10-20%)
- **DBPR:** Florida Department of Business & Professional Regulation - regulates contractor licenses
- **Defect:** Work that fails to meet contract standards, building codes, or industry norms
- **Division I Contractor:** Certified contractors (CBC, CGC, CRC) with unlimited monetary authority
- **Division II Contractor:** Registered contractors limited to \$50,000 contracts
- **Inspection:** Official examination by building inspector to verify code compliance
- **Lien Waiver:** Document waiving right to file construction lien in exchange for payment
- **Mechanics Lien:** Another term for construction lien
- **Notice to Owner:** Required notice to property owner of right to file lien (§ 713.06)
- **Permit:** Official authorization from building department to perform construction work
- **Punchlist:** List of incomplete or defective items identified at project end
- **Recovery Fund:** State fund compensating homeowners for contractor misconduct (§ 489.140-143)

- **Retainage:** Percentage withheld from payments until project completion (typically 5-10%)
- **Scope of Work:** Detailed description of all work to be performed under contract
- **Stop Work Order:** Official order halting construction due to violations or safety issues
- **Subcontractor:** Specialty contractor hired by general contractor
- **Substantial Completion:** Project mostly complete and usable, minor punchlist remains

17. Document Templates

Template 1: Payment Request Documentation

Use this format when requesting details before making payment:

Date: _____

To: [Contractor Name]

Re: Payment Request ____ - [Project Address]

Before processing payment ____ for \$_____, please provide:

- ☐ Itemized invoice showing work completed
- ☐ Photos of completed work
- ☐ Copies of passed inspections (if applicable)
- ☐ Conditional lien waiver from your company
- ☐ Conditional lien waivers from all subcontractors
- ☐ Updated project schedule

Payment will be processed within 3 business days of receipt of complete documentation.

[Your Name]

Template 2: Problem Notification Letter

Use this format to document and notify contractor of problems:

Date: _____

To: [Contractor Name]

[Business Address]

Re: Notice of Defect/Problem - [Project Address]

Sent via: Email AND Certified Mail

Dear [Contractor Name]:

This letter provides formal notice of the following problems with work performed under our contract dated [date]:

[Describe problem specifically - location, what is wrong, when discovered]

This issue violates [contract term] and [building code section if applicable].

Please respond (in writing) within 48 hours with your plan to correct this issue. Correction must be completed by [specific date - allow reasonable time].

Photos documenting this issue are attached.

Sincerely,

[Your Name]

[Your Contact Information]

Template 3: Change Order Form

Use this format for all contract modifications:

CHANGE ORDER ____

Project: [Address]

Date: _____

Original Contract Date: _____

DESCRIPTION OF CHANGE:

[Detailed description of work to be added, deleted, or modified]

REASON FOR CHANGE:

☐ Owner request ☐ Hidden condition ☐ Code requirement ☐

Design error ☐ Other: _____

COST IMPACT:

Original Contract Amount: \$_____

Previous Change Orders: \$_____

This Change Order: \$_____

Revised Contract Amount: \$_____

SCHEDULE IMPACT:

Original Completion Date: _____

Days Added/Subtracted: _____

Revised Completion Date: _____

APPROVED BY:

Owner Signature: _____ Date: _____

Contractor Signature: _____ Date: _____

Template 4: Final Walkthrough Punchlist

Use this to document items needing correction:

FINAL WALKTHROUGH PUNCHLIST

Project: [Address]

Date: _____

Attendees: _____

ITEMS REQUIRING CORRECTION:

Item #1:

Location: _____

Description: _____

Priority: ☐ Critical ☐ Minor

Photo: ☐ Yes ☐ No

[Repeat for each item]

CORRECTION DEADLINE: _____

FOLLOW-UP INSPECTION: _____

We acknowledge these items and agree to correct them by the deadline above.

Owner Signature: _____ Date: _____

Contractor Signature: _____ Date: _____

Sample Progress Update Request Email:

Subject: Weekly Progress Update Request - [Your Project Address]

Hi [Contractor Name],

Can you please provide this week's progress update including:

Work completed this week

Status vs. schedule

Planned work for next week

Any issues or delays

Upcoming decisions I need to make

Updated photos

Thanks,

[Your Name]

Final Thoughts

Construction projects are significant investments. Taking time to follow these guidelines, document everything thoroughly, and maintain clear communication will dramatically reduce your risk and increase the likelihood of a successful project. When in doubt, consult with a licensed Florida attorney who specializes in construction law.

Remember: An informed homeowner is a protected homeowner.

This guide is current as of 2025-2026.
Always verify statutory references for updates.

For questions or legal assistance, consult a licensed Florida construction attorney.