



## **IMPORTANT OWNER / BUILDER INFORMATION**

### **What is an Owner / Builder?**

- An owner/builder is what the term indicates. The person owns the property and acts as their own general contractor on the job and either does the work themselves or has employees (or subcontractors) working on the project.
- The work place must be their principle place of residence that they have occupied for 12 months prior to completion of the work.
- The homeowner cannot construct and then sell more than two structures during any three-year period.

### **The responsibility of an Owner / Builder.**

When you sign a building permit application as an owner/builder, you assume full responsibility for all phases of your project and its integrity. You must pull all building permits. Your project must pass codes and building inspections.

The owner/builder is responsible for ordering materials and making sure all suppliers are paid. An owner/builder is also responsible for supervising, scheduling and paying subcontractors. If you use anyone other than your immediate family or a licensed subcontractors for work, you may be considered an “employed”.

Employers must register with the state and federal governments and are obligated to participate in state and federal income tax withholding, federal social security taxes, workers’ compensation insurance, disability insurance costs, and unemployment compensation contributions.

### **The downside of being an Owner / Builder**

Unless you are knowledgeable about construction, mistakes can be costly and take additional time to repair or do it right.

Subcontractors and suppliers who are not paid on schedule may file mechanic’s liens against your property. Educate yourself about mechanic’s liens and how to prevent them.

**If your workers are injured, or your subcontractors are not licensed or do not carry liability insurance or worker’s compensation and they are injured, you may be asked to pay for injuries and rehabilitation through your homeowner’s insurance policy or face lawsuit.**

### **Remember:**

**As an owner/builder, you assume full responsibility for all phases of your project and its integrity.**