

2012 South Carolina Code of Laws

Title 40 - Professions and Occupations

Chapter 59 - RESIDENTIAL HOME BUILDERS

Section 40-59-260 - Exception for projects by property owner for personal use; exemption disclosure statement; notice filed with register of deeds.

Universal Citation: [SC Code § 40-59-260 \(2012\)](#)

(A) This chapter does not apply to an owner of residential property who improves the property or who builds or improves structures or appurtenances on the property if:

(1) the owner does the work himself, with his own employees, or with licensed contractors or registered entities or individuals;

(2) the structure, group of structures, or appurtenances, including the improvements, are intended for the owner's sole occupancy or occupancy by the owner's family and are not intended for sale or rent; and

(3) the general public does not have access to this structure.

(B) In an action brought under this chapter, proof of the sale or rent or the offering for sale or rent of the structure by the owner-builder within two years after completion or issuance of a certificate or occupancy is prima facie evidence that the project was undertaken for the purpose of sale or rent, unless otherwise approved by the commission, and is subject to the penalties provided in this chapter. As used in this section, "sale" or "rent" includes an arrangement by which an owner receives compensation in money, provisions, chattel, or labor from the occupancy, or the transfer of the property or the structures on the property. This section does not exempt a person who is employed by the owner and who acts in the capacity of a builder or a specialty contractor of any kind.

(C) To qualify for exemption under this section, an owner must personally appear and

sign the building permit application. The local permitting agency shall provide the person with a disclosure statement, provided by the department, in substantially the following form:

"Disclosure Statement

State law requires residential construction to be done by licensed residential builders and specialty contractors. You have applied for a permit under an exemption to that law. The exemption allows you, as the owner of your property, to act as your own builder even though you do not have a license. You must supervise the construction yourself. You may build or improve a one-family or two-family residence. The building must be for your own use and occupancy. It may not be built for sale or rent. If you sell or rent a building you have built yourself within two years after the construction is complete, the law will presume that you built it for sale or rent, which is a violation of this exemption. You may not hire an unlicensed person as your residential builder or specialty contractor. It is your responsibility to make sure that people employed by you have licenses required by state law and by county or municipal licensing ordinances. Your construction must comply with all applicable laws, ordinances, building codes, and zoning regulations."

(D) At the time an owner personally appears and signs the building permit application as required by subsection (C) of this section, the local permitting agency shall provide the owner with all forms necessary to comply with subsection (E) of this section.

(E) If a residential building or structure has been constructed by an owner under the exemption provided for in this section, the owner of the residential building or structure must promptly file as a matter of public record a notice with the register of deeds, indexed under the owner's name in the grantor's index, stating that the residential building or structure was constructed by the owner as an unlicensed builder. Failure to do so revokes the statutory exemption.

(F) Nothing in this chapter may be construed to authorize an owner of a residential building or structure to hire a person or entity that is not licensed or registered in accordance with this chapter.

HISTORY: 2002 Act No. 359, Section 1.