

STATEMENT FROM STUART S. ZISHOLTZ

Shockingly, most contractors and subcontractors do not know the correct time frames associated with filing a mechanic's lien. Every contractor, subcontractor and supplier should know the correct time frames in order to properly protect their receivables.

I cannot emphasize enough the importance of filing a mechanic's lien. Many times it is the difference between getting paid and not getting paid. By filing your lien, you are protecting your interests and your business. By not filing your lien, you may be jeopardizing your right to collect anything. Do not, however, wait for the last day to file your lien. Once the general contractor has been paid by the owner, your lien is essentially worthless.

Furthermore, many payment bonds contain strict requirements that notices be served on various parties within a specific time frame. Once that time frame expires, your right to recover may be jeopardized.

Be aware of the various pitfalls that exist. The general contractor or the owner may drag you along until your time to file a lien or pursue the payment bond has expired. I have, therefore, listed the various time frames associated with filing a mechanic's lien or making a payment bond claim.

Private Improvement:

One family (also two family suggested)	4 months from date of last item of labor or material
Commercial and more than one family	8 months from last item of labor and materials
Duration of Lien	1 year

Renewal:

One family dwelling	Court Order
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More than one family and commercial, first year renewal

Notice of Renewal

After one year of more than one dwelling and commercial

Court Order

Public Improvements:

Lien

30 days after completion and acceptance of job

Duration

1 year

Renewal

Court Order

Payment Bond Notice:

Notice Directed to any two of Owner, Bonding Company or Contractor

Usually 90 Days

Time for Commencement of Action

Usually 1 year

Direct Contract with Principal

Usually no notice required

Time for Commencement of Action

Usually 1 sometimes 2 years

Never let your lien time run out!

For a free copy of our pamphlet pertaining to mechanic's liens and payment bond claims, please contact me.

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