

NOTICE OF RIGHT TO A LIEN

(ORS 87.021)

**Warning: Read this notice.
Protect yourself from paying any contractor or supplier
twice for the same service.**

To: _____ Date of mailing: _____
(Owner) (registered or certified mail)

(Owner's address)

This is to inform you that _____ (name of contractor) has begun to
provide _____

_____ (description of
materials, equipment, labor or services) ordered by _____ for
improvements to property you own. The property is located at _____

A lien may be claimed for all materials, equipment, labor and services furnished after a date that is eight days, not including Saturdays, Sundays, and holidays, as defined in ORS 187.010, before this notice was mailed to you. Even if you or your mortgage lender has made full payment to the contractor who ordered these materials or services, your property may still be subject to a lien unless the supplier providing this notice is paid.

THIS IS NOT A LIEN. It is a notice sent to you for your protection in compliance with the construction lien laws of the State of Oregon.

This notice has been sent to you by:

Name: _____

Address: _____

Phone: _____

If you have questions about this notice, feel free to call us (the sender) at the phone number above.

See reverse side for more important information.

Under Oregon's laws, those who work on your property or provide labor, equipment, services or materials and are not paid have a right to enforce their claim for payment against your property. This claim is known as a construction lien.

If your contractor fails to pay subcontractors, materials suppliers, rental equipment suppliers, service providers or laborers, or neglects to make other legally required payments, the people who are owed money can look to your property for payment, *even if you have paid your contractor in full.*

The law states that all people hired by a contractor to provide you with materials, equipment, labor or services must give you a *Notice of Right to a Lien* to let you know what they have provided.

WAYS TO PROTECT YOURSELF ARE:

- RECOGNIZE that this *Notice of Right to a Lien* may result in a lien against your property unless all those supplying a *Notice of Right to a Lien* have been paid.
- LEARN more about the lien laws and the meaning of this notice by contacting an attorney, the firm sending this notice, or the Construction Contractors Board (CCB). *NOTE: CCB cannot give legal advice.*
- ASK for a statement of the labor, equipment, services or materials provided to your property from each party that sends you a notice of right to a lien.
- WHEN PAYING your contractor for materials, equipment, labor or services, you may make checks payable jointly to the contractor and the firm furnishing materials, equipment, labor or services for which you have received a notice of right to a lien.
- OR use one of the methods suggested by the "Information Notice to Owners About Construction Liens." If you have not received this notice from your contractor, contact the Construction Contractors Board.
- GET EVIDENCE that all firms from whom you have received a notice of right to a lien have been paid or have waived the right to claim a lien against your property.
- CONSULT an attorney, a professional escrow company or your mortgage lender.

Learn more about the lien laws by reviewing the *Construction Liens* pamphlet on the Construction Contractors Board website at <https://www.oregon.gov/CCB/Documents/pdf/constructionlienspamphlet.pdf>.

87.021 Notice to owners; notice from owner to original contractor; effect of failure to give notice. (1) Except when material, equipment, services or labor described in ORS 87.010 (1) to (3), (5) and (6) is furnished at the request of the owner, a person furnishing any materials, equipment, services or labor described in ORS 87.010 (1) to (3), (5) and (6) for which a lien may be perfected under ORS 87.035 shall give a notice of right to a lien to the owner of the site. The notice of right to a lien may be given at any time during the progress of the improvement, but the notice only protects the right to perfect a lien for materials, equipment and labor or services provided after a date which is eight days, not including Saturdays, Sundays and other holidays as defined in ORS 187.010, before the notice is delivered or mailed. However, no lien is created under ORS 87.010 (5) or (6) for any services provided for an owner-occupied residence at the request of an agent of the owner.

(2) The notice required by subsection (1) of this section shall be substantially in the form set forth in ORS 87.023.

(3)(a) Except as provided in paragraph (b) of this subsection, a lien created under ORS 87.010 (1) to (3), (5) or (6) may be perfected under ORS 87.035 only to the extent that the notice required by subsection (1) of this section is given.

(b) A person who performs labor upon a commercial improvement or provides labor and material for a commercial improvement or who rents equipment used in the construction of a commercial improvement need not give the notice required by subsection (1) of this section in order to perfect a lien created under ORS 87.010. As used in this paragraph:

(A) "Commercial improvement" means any structure or building not used or intended to be used as a residential building, or other improvements to a site on which such a structure or building is to be located.

(B) "Residential building" means a building or structure that is or will be occupied by the owner as a residence and that contains not more than four units capable of being used as residences or homes.

(4) Unless otherwise agreed or the lien claimant who is required to give the notice under subsection (1) of this section is in privity with the original contractor, when a provision in an agreement for the construction of a commercial improvement requires the original contractor to hold an owner harmless or to indemnify an owner for a lien created under ORS 87.010 and perfected under ORS 87.035, that provision is not enforceable as to any lien which requires that a notice under this section be given to the owner unless a copy of the notice is delivered pursuant to ORS 87.018 to the original contractor not later than 10 days after its receipt by the owner.