



Information Notice To Owner About Construction Liens

(ORS 87.093)

This is not a lien. Your contractor is required by law to provide this notice to inform you about construction lien laws. This notice explains the construction lien law, and gives steps you can take to protect your property from a valid lien. As an owner, you should read this information notice carefully. This information notice is required to be given if you contract for residential construction or remodeling, if you are buying a new home, or at any time the contract price exceeds \$2,000.

- Under Oregon law, your contractor and others who provide labor, materials, equipment, or services to your project may be able to claim payment from your property if they have not been paid. That claim is called a Construction Lien.
- If your contractor does not pay subcontractors, employees, rental equipment dealers, materials suppliers, or does not make other legally required payments, those who are owed money may place a lien against your property for payment. **It is in your best interest to verify that all bills related to your contract are paid, even if you have paid your contractor in full.**
- If you occupy or will occupy your home, persons who supply materials, labor, equipment, or services ordered by your contractor are permitted by law to file a lien against your property only if they have sent you a timely Notice of Right to Lien (which is different from this Information Notice), before or during construction. If you enter into a contract to buy a newly-built, partially-built, or newly-remodeled home, a lien may be claimed even though you have not received a Notice of Right to a Lien. If you do not occupy the building, a Notice of Right to Lien is not required prior to filing a lien.

This notice is not intended to be a complete analysis of the law. You should consult an attorney for more information.

Common Questions and Answers About Construction Liens

Can someone record a construction lien even if I pay my contractor? Yes. Anyone who has not been paid for labor, material, equipment, or services on your project and has provided you with a valid Notice of Right to Lien has the right to record a construction lien.

What is a Notice of Right to Lien? A Notice of a Right to Lien is sent to you by persons who have provided labor, materials, or equipment to your construction project. It protects their construction lien rights against your property.

What should I do when I receive a Notice of Right to Lien? Don't ignore it. Find out what arrangements your contractor has made to pay the sender of the Notice of Right to Lien.

When do construction liens need to be recorded? In Oregon, construction liens generally need to be recorded within 75 days from the date the project was substantially completed, or 75 days from the date that the lien claimant stopped providing labor, material, equipment, or services, whichever happened first. To enforce a lien, the lien holder must file a lawsuit in a proper court within 120 days of the date the lien was filed.

Note to Contractor: This notice must be delivered personally, or mailed by registered mail, certified mail, or by first-class mail with a certificate of mailing. Ask the signing parties to provide you with an original or copy to retain in your files. You should retain proof of delivery of this notice for at least two years.



Consumer Protection Notice

Actions to help make your project successful

(ORS 701.330 (1))

Oregon law requires contractors to provide the homeowner with this notice at the time of written contract, for work on a residential structure. This notice explains licensing, bond and insurance requirements, and steps that consumers can take to help protect their interests.

START OUT YOUR PROJECT RIGHT

1. **Make sure your contractor is properly licensed** before you sign a contract. Visit www.oregon.gov/ccb, and click on the link, **Check on a Contractor's License**, or call our offices at 503-378-4621. To be licensed in Oregon, contractors must take training and pass a test on business practices and law. Licensing is not a guarantee of the contractor's work.
 - **A license requires the contractor to maintain a surety bond and liability insurance** - The CCB surety bond provides a limited amount of financial security if the contractor is ordered to pay damages in contract disputes. It is not intended to be a safety net for consumer damages. Consumers with large projects may wish to look into performance bonds. Liability insurance coverage provides for property damage and bodily injury caused by the contractor. It does not cover contract disputes, including poor workmanship.
 - **If your contractor is not licensed** - the CCB bond and dispute resolution services will not be available to you.
2. **What you should know about bids, contracts, and change orders:**
 - **Bids** - *Do not automatically accept the lowest bid* - A low bid may make it necessary for the contractor to use lower quality materials and to cut corners in workmanship.
 - **Contracts and Change Orders** - **Always get it in writing.** Your contractor is required to provide a written contract if the contract price is more than \$2000. The CCB recommends that all contracts be in writing.
 - **Contracts should be as detailed as possible** - Some items to include are materials and costs, permits, estimated start and completion dates, debris removal, and arbitration clauses. Make sure the contractor's name, CCB number, and contact information is included in the contract.
 - **Read and understand your contract before signing it** - Don't be pressured into signing your contract without taking the time needed to go through it. Make sure it includes enough details to avoid misunderstandings and to protect you and your property.
3. **Additional contract information you should know:**
 - **A Payment Schedule** - should be included in the contract. Stick to the schedule and never pay in full for a project before the work is complete.
 - **Special Note on Liens** - Subcontractors and material suppliers that work on your project are often paid by the general contractor. If a general contractor fails to pay, the subcontractor may file a lien on your property. For information on construction liens, visit the CCB's Consumer Help Page at www.oregon.gov/ccb, or contact an attorney.
 - **Warranty on new residential construction** - Contractors must make an offer of a warranty when constructing a new residential structure. Consumers may accept or refuse the warranty.
4. **If you should have a problem with your contractor** - You can file a complaint with the CCB against a **licensed** contractor within one year of the substantial completion of work on your project. Contact the CCB office at 503-378-4621 for help.

Visit the CCB website at for more information on having a successful project.
www.oregon.gov/ccb

CONTRACTOR: CCB#: 2404

PROPERTY OWNER: _____

Cass Liljenwall

Signature

07/25/2017

Date

Signature

Date